

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF
BOARD OF DIRECTORS MEETING
1002 North School Street, Building A
Honolulu, Hawaii 96817
Thursday, May 21, 2026
9:00 a.m.**

AGENDA

**THIS MEETING WILL BE HELD VIA ZOOM (INTERACTIVE AUDIO VISUAL
CONFERENCE TECHNOLOGY) OR TELECONFERENCE CALL (AUDIO-ONLY
COMMUNICATION) AND AT 1002 NORTH SCHOOL STREET, BUILDING A,
HONOLULU, HI 96817**

Viewing/Participating in the Meeting:

Zoom: The public may participate in the Board meeting as it happens via Zoom (a free video conferencing service to hold virtual meetings online) by clicking on this link: <https://us06web.zoom.us/j/8166551024?pwd=V1QwWnc3aE96bkxmeTI4V0tlekhkZz09&omn=83425407515> When prompted, enter the Meeting ID: 816 655 1024 and the Password: 9dn9C3

Alternatively, the public may also participate via telephone by calling: 1-669-900-6833. When prompted, callers should enter the Meeting ID: 816 655 1024 and the Password: 9dn9C3. We request that meeting participants change the display on their device to show their first and last name to expedite rollcall. Please keep in mind that many devices will display your cellphone number if not changed.

If the Hawaii Public Housing Authority (HPHA) loses internet or Zoom connection during the meeting where audiovisual communication cannot be maintained with all participating Board members and quorum is lost, the meeting will automatically be recessed for 30 minutes to restore audiovisual communication. **Audio-Only Communication:** If the attempt to restore audiovisual communication is unsuccessful, all Board members, staff, the public may continue to participate in the Board meeting via teleconference call by calling 1-862-799-9759, whereby audio-only communication will be established for all participants and the meeting will continue. When prompted, callers outside of the United States should enter the Access Code: 8232649.

Physical Meeting Location:

The public may also attend the meeting at 1002 North School Street, Building A, Honolulu, HI 96817, which will be connected via Zoom to the remote meeting. At this time, no Board members are scheduled to be physically present at this location.

Providing/Submitting Testimony – Written, Oral, Audiovisual:

Interested persons can submit written testimony in advance of each meeting that will be distributed to the Board members prior to the meeting. Written testimony should indicate the relevant agenda item. Submit written testimony via email to angela.j.nabua@hawaii.gov or via postal mail to the Hawaii Public Housing Authority at P.O. Box 17907, Honolulu, HI 96817. We request written testimony be submitted no later than 48 hours prior to the scheduled meeting to ensure that the testimony may be distributed to the Board prior to the meeting. Late written testimony will be distributed to the Board at the meeting and retained as part of the record and distributed to the Board members as soon as practicable, but we cannot ensure they will receive it with sufficient time for review prior to decision-making on the agenda item in question.

The Board will also consider public testimony given at the meeting on any item relevant to this agenda. Pursuant to Section 92-3, Hawaii Revised Statutes, and Section 17-2000-18, Hawaii Administrative Rules, the Board may limit public testimony to three minutes per agenda item and shall only accept oral testimony related to items on the agenda.

Individuals may submit oral testimony during the meeting by sending an email request to angela.j.nabua@hawaii.gov no later than Tuesday, May 19, 2026, or by using the “Raise Hand” feature in Zoom, or by physically raising their hand on camera or in the public testimony room and waiting to be called upon by the Chairperson. Individuals may also provide audiovisual oral testimony by using the “Raise Hand” feature in Zoom, clicking the “Unmute” icon to talk, and clicking the “Start Video” icon to turn camera on.

Executive Session: If or when the Board of Directors enter executive session, all non-Board members will be moved to the virtual waiting room by the HPHA. Individuals are welcome to wait in the virtual waiting room and will be readmitted to the meeting at the end of the executive session.

I. CALL TO ORDER/ESTABLISHING QUORUM

II. APPROVAL OF MINUTES

Regular Meeting Minutes, April 9, 2026

III. DISCUSSION AND/OR DECISION MAKING

- A. To: **(1)** Adopt the Utility Allowance Rates Prepared by Sustainable Design Consulting LLC for the Hawaii Public Housing Authority’s (HPHA) Section 8 Housing Choice Voucher Section 8 Program to Cover the Period from July 1, 2026, to June 30, 2027; and **(2)** to Authorize the Executive Director

to Undertake All Actions Necessary to Implement the Utility Allowance Rates Effective July 1, 2026

- B. To Appoint Mr. George DeMello to the Hawaii Public Housing Authority's (HPHA) Federal Eviction Board as a Tenant Board Member, for a Four-Year Term Beginning June 1, 2026, and Ending May 31, 2030
- C. Presentation by Highridge Costa and Form Partners Regarding a Quarterly Status Update on Predevelopment and Development Achievements Related to the Ka Lei Momi Redevelopment Project
- D. Laurie Thorson's Fraud Complaint and Response by the U.S. Department of Housing and Urban Development

IV. REPORTS

- A. Report of the Board's Financial Task Force Related to the HPHA's Operating Budget for 2026 - 2027
- B. Executive Director's Report:

Monthly reports are included in the Board packet. Meeting updates will include the following:

- Property Management and Maintenance Services Branch Statewide Activities
- Section 8 Subsidy Programs Lease-up Rates

The Board agenda and packet materials, which include, meeting minutes listed under item II, a written description and narrative discussion of each item and supporting documents listed under item III, and the monthly Executive Director's report listed under item IV, for this meeting are available for inspection on the HPHA's website: <https://hpha.hawaii.gov/about-the-hpha/meeting-packets> and are available for in person review at the Board's office located at 1002 North School Street, Building E, Honolulu, HI 96817. Written testimony is provided to the Board prior to the start of the meeting, when practicable.

If you need an auxiliary aid/service or other accommodation due to a disability, contact Ms. Angela Nabua by telephone at (808) 832-4682 or by email at angela.j.nabua@hawaii.gov as soon as possible, preferably by close of business three days prior to the meeting date. Requests should be made as early as possible to have a greater likelihood of being fulfilled. If a response is received after Tuesday, May 19, 2026, we will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled. Upon request, this notice is available in alternate/accessibile formats.

HAWAII PUBLIC HOUSING AUTHORITY
SUMMARY MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING A
HONOLULU, HAWAII 96817
ON THURSDAY, April 9, 2026
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII
Audiovisual link: [April 6, 2026 Video Link](#)

The Board of Directors of the Hawaii Public Housing Authority held their Regular Board Meeting at 1002 North School Street, on Thursday, April 9, 2026. The Board meeting was conducted by video conference via Zoom. Video recording of the meeting can be found on the HPHA's website: [HPHA Meeting Packets](#).

The public was able to participate in the meeting via Zoom or telephone by calling in. The meeting was also open to the public for in-person participation at 1002 N. School Street, Building A, Honolulu, HI 96817. No Board members were physically present at this location. It was announced that if the HPHA lost internet or Zoom connection during the meeting, the meeting would be recessed and reconvened pursuant to instructions in the posted agenda.

Chairperson Hall stated that the Board would accept public testimony on any item relevant to the agenda during the public testimony portion of the meeting and at the time the agenda item is called for discussion. Chairperson Hall acknowledged the Board members received written testimony prior to the Board meeting.

At approximately 9:12 a.m., Chairperson Hall called the meeting to order, held a roll call, and declared a quorum present. Those present were as follows and no one else was with them at their location: (00:02:16)

PRESENT: Director Robert Hall, Chairperson
(Via Zoom) Director Betty Lou Larson, Vice Chairperson
Director Scott Glenn
Designee Joseph H. Campos, II
Director Roy Katsuda
Director Christyl Nagao

Deputy Attorney General Linda Chow
Deputy Attorney General Chase Suzumoto

EXCUSED: Director Lisa Anne Darcy
Director Todd Taniguchi

STAFF PRESENT: Hakim Ouansafi, Executive Director
(Via Zoom) Benjamin Park, Chief Planner
Ryan Akamine, Chief Compliance Officer

Bennett Liu, Chief Financial Officer
Rick Sogawa, Contracts and Procurement Officer
Becky Choi, State Housing Development Administrator
Carson Schultz, Redevelopment Officer
Shirley Befitel, Human Resources & Safety Officer
Amanda Suyat, Hearings Officer
Nelson Lee, Systems Analyst Supervisor
Dallis Ontiveros, Housing Information Officer
Angela Nabua, Administrative Assistant

OTHERS PRESENT (via Zoom/teleconference):

Tami Whitney, Office of the Governor
Ryan Kagimoto, Hawaii State House of Representatives
Laurie Thorson, Section 8 Recipient

Approval of Regular Minutes

Director Campos moved, (00:03:27)

To Approve the Regular Meeting Minutes of March 19, 2026

The Board accepted oral testimony. Ms. Laurie Thorson requested that her written testimony and supporting attachments be added to the minutes. Deputy Attorney Linda Chow confirmed that the minutes are compliant with applicable State law requirements as presented.

Director Larson requested that minutes of March 19, 2026, reflect that the HPHA received a clean audit for FY 2025-2026.

The minutes were unanimously approved as presented. (00:08:31)

Discussion and Decision Making

Director Katsuda moved, (00:9:01)

To Adopt Hawaii Public Housing Authority Board Resolution No. 26-03 Expressing Appreciation to Director Susan Kunz

Executive Director Ouansafi expressed appreciation to Director Susan Kunz for her service and dedication to the Board as a Director and Secretary.

Director Scott Glenn expressed appreciation on behalf of the Governor's office for Director Kunz's contributions and her role in the Ka Lei Momi Redevelopment effort. Director Betty Lou Larson also expressed her appreciation for Director Kunz bringing

awareness of issues on Hawaii and supporting efforts to help the people. Chair Hall expressed his sincere appreciation for the opportunity to serve in collaboration with Director Susan Kunz.

The motion was unanimously approved. (00:12:47)

Director Nagao moved, (00:13:49)

To Elect a Secretary for the Hawaii Public Housing Authority's Board of Directors

The Board accepted oral testimony.

Director Nagao was nominated.

Director Campos moved, (00:15:26)

To Elect Director Christyl Nagao as Secretary for the Hawaii Public Housing Authority's Board of Directors

Director Nagao accepted the nomination.

The motion was unanimously approved. (00:16:03)

Director Katsuda moved, (00:16:55)

To: (1) Adopt and Approve Property Specific Utility Allowance Rates Prepared by National Facility Consultants, Inc. for the Fiscal Year July 1, 2026 to June 30, 2027, for the Federal Low-Income Public Housing Program; and (2) Authorize the Executive Director to Take All Actions Necessary, Including Accepting Resident Comments, to Implement the Utility Allowance Rates Effective July 1, 2026

The Board accepted oral testimony.

The motion was unanimously approved. (00:24:36)

Director Glenn moved, (00:25:10)

To: (1) Approve the Hawaii Public Housing Authority's Annual Public Housing Agency Plan for Fiscal Year 2027; and (2) Authorize the Executive Director to Take the Required Actions Needed to Submit the Approved Annual PHA Plan for Fiscal Year 2027 to the U.S. Department of Housing and Urban Development

The Board accepted oral testimony.

The motion was unanimously approved. (00:33:29)

Director Katsuda moved, (00:34:17)

To: (1) Approve the Hawaii Public Housing Authority’s Moving to Work Supplement for Fiscal Year 2027; (2) Approve Board Resolution No. 26-02 Approving the Hawaii Public Housing Authority’s Public Housing Agency Plan for Fiscal Year 2027 and Moving to Work Supplement for Fiscal Year 2027; and (3) Authorize the Executive Director to Take the Required Actions to Submit the Moving to Work Supplement for Fiscal Year 2027 and Board Resolution No. 26-02 to the U.S. Department of Housing and Urban Development

The Board accepted oral testimony.

The motion was unanimously approved. (00:48:45)

Director Katsuda moved, (00:49:43)

To: (1) Extend the Pre-Development Budget and Hawaii Public Housing Authority’s (“HPHA”) Funding Relating to the Multi-Phase and Phase 1 Work for the Mayor Wright Homes Redevelopment located at Tax Map Key (“TMK”) No. 1-7-029:003 previously approved by the Board of Directors on May 16, 2024; (2) Authorize the Executive Director to Undertake All Actions Necessary to Implement Loans to HCDC Mayor Wright LLC, or its Affiliates, for Multi-Phase Costs and Related Predevelopment Costs; and (3) Authorize the Executive Director to Amend the Budget, Subject to Availability of Funds, and Extend the Agreements, Subject to Review and Approval of the HPHA’s Legal Counsel

No testimony was given.

The motion was unanimously approved. (00:55:03)

Director Katsuda moved, (00:55:28)

To Approve the Settlement in Latu et al. v. Hawaii Public Housing Authority et al., Civil No. 1:25-cv-00309-DKW-RT

The Board went into Executive Session Statutes sections 92-4 and 92-5(a)(3) to consult with the Board’s attorneys on questions and issues pertaining to the

Board's powers, duties, privileges, immunities, and liabilities related to this motion.

The motion was unanimously approved. (00:56:34)

Executive Director's Report (00:56:59)

The Board accepted oral testimony.

Executive Director Ouansafi presented the monthly report and noted no loss or impact to housing properties due to recent weather conditions.

Chair Hall commended the Executive Director and staff for their response to the Waialua storm flooding, including their on-site presence at the Kupuna elderly housing site and coordination with the National Guard in relocating affected families.

Director Katsuda moved, (01:02:26)

To Adjourn the Meeting

The motion was unanimously approved. (01:03:13)

The meeting adjourned at 10:34 a.m.

MINUTES CERTIFICATION FOR April 9, 2026

Prepared by:

Angela Nabua
Secretary

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on May 21, 2026 [] As Presented [] As Amended

Director Christyl Nagao
Board Secretary

Date

NOTE: Time stamp indicating when in the posted recording the board began discussion of each agenda item and when motions and votes were taken is included in parenthesis.

FOR ACTION

SUBJECT: To: **(1)** Adopt the Utility Allowance Rates Prepared by Sustainable Design Consulting LLC for the Hawaii Public Housing Authority's (HPHA) Section 8 Housing Choice Voucher Section 8 Program to Cover the Period from July 1, 2026, to June 30, 2027; and **(2)** to Authorize the Executive Director to Undertake All Actions Necessary to Implement the Utility Allowance Rates Effective July 1, 2026

I. FACTS

- A. The U.S. Department of Housing and Urban Development (HUD) subsidizes both rent and utilities in the Housing Choice Voucher Program (HCVP). When HCVP participants pay some or all utilities directly to the utility providers, they receive an allowance for those utilities. HPHA is required to adjust the allowances if the utility rate changes by 10% since the last revision of the schedule.
- B. The allowances were developed in accordance with the regulations set forth by 24 CFR 982.517, which require Public Housing Authorities (PHAs) to establish utility allowances that must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. As a result, no allowance is provided for heat and air-conditioning, as these are not customary in the locality.
- C. Such allowances are estimates of the expenses associated with different types of utilities and their uses. The utilities for which allowances may be provided include electricity, natural gas, propane, fuel oil, wood or coal, and water and sewage service, as well as garbage collection. The functions, or end-uses, covered by an allowance may include space heating, water heating, cooling, refrigeration, lighting, or appliances. Allowances are not provided for telephone service or cable.

II. DISCUSSION

- A. As required by the program regulations, the HPHA annually reviews the utility allowance schedule to determine whether the allowances are required to be adjusted for changes in local utility rates. HPHA is required

to update the allowances if the utility rate changes by 10% or more since the last revision of the schedule.

- B. HPHA last updated the schedule in 2025. The most recent report, provided by Sustainable Design Consulting, LLC, shows that rates did not increase or decrease for electric or gas more than 10% in 2025, necessitating no change to the utility allowance schedule.
- C. Water and sewer charges decreased thereby warranting a decrease to the utility allowance schedule. Information on the City & County of Honolulu’s website shows the following changes in sewer rates

	2025	Jan 1, 2026	July 1, 2026	July 1, 2027
Residential Metered Rates	\$77.55	\$63.55	\$48.27	\$52.37

- D. Utility allowance amounts decreased on average between 2% and 4% for all gas utilities, and electric utilities decreased between 1 % and 3%, across all housing types. Water utilities increased between 12% and 17% across all housing types. All other utilities charges did not experience any significant variation to require a cost change. An additional electric charge of \$15 was assessed by Sustainable Design Consulting, LLC, to be added to the overall utility allowance when a participant is responsible for an electric payment. An additional \$10 was assessed and added to the overall gas utility payments.
- E. The chart below reflects the utility allowances for all electric charges by dwelling type and bedroom size for 2026 compared to the 2025 Utility Allowances.

2025 All Electric	Current 0 BR	Current 1 BR	Current 2 BR	Current 3 BR	Current 4 BR	Current 5 BR
Single Family House	\$169	\$198	\$267	\$338	\$408	\$477
Townhouse/Duplex	\$155	\$182	\$245	\$309	\$373	\$436
High Rise	\$130	\$151	\$201	\$254	\$306	\$359
Low-Rise	\$152	\$178	\$240	\$303	\$365	\$427

2026 All Electric	Current 0 BR	Current 1 BR	Current 2 BR	Current 3 BR	Current 4 BR	Current 5 BR
Single Family House	\$163	\$190	\$257	\$324	\$391	\$458
Townhouse/Duplex	\$149	\$175	\$236	\$296	\$357	\$419
High Rise	\$125	\$145	\$195	\$244	\$295	\$345
Low-Rise	\$147	\$171	\$231	\$290	\$350	\$409

- F. Whether a household receives an allowance for a given utility service depends on the actual utility services the voucher holder is responsible for under their lease agreement. This is determined by the private landlord and is verified by staff prior to assignment of the utility allowance.

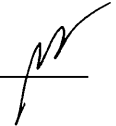
III. RECOMMENDATION

That the Board of Directors: **(1)** Adopt the Utility Allowance Rates Prepared by Sustainable Design Consulting LLC for the Hawaii Public Housing Authority's (HPHA) Section 8 Housing Choice Voucher Section 8 Program to Cover the Period from July 1, 2026, to June 30, 2027; and **(2)** to Authorize the Executive Director to Undertake All Actions Necessary to Implement the Utility Allowance Rates Effective July 1, 2026

Attachment A: 2026 – 2027 Proposed Utility Allowances

Attachment B: 2026 Sustainable Design Consulting, LLC Utility Allowance Study

Prepared by: Jennifer Weber, Acting Section 8 Subsidy Programs Branch Chief



Approved by the Board of Directors
on the date set forth above
[] As Presented [] As Amended

Robert J. Hall
Chairperson

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S Department of Housing and

Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169

exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)	
Hawaii Public Housing Authority		High Rise (5+ floors)					7/1/2026	
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	Natural Gas							
	Bottled Gas							
	Electric							
	Electric – Heat Pump							
	Fuel Oil							
Cooking	Natural Gas	14	16	23	31	38	45	
	Bottled Gas							
	Electric	16	19	27	37	47	56	
Other Electric		60	71	99	126	155	185	
Air Conditioning								
Water Heating	Natural Gas	27	32	46	61	75	89	
	Bottled Gas							
	Electric	34	40	54	66	78	89	
	Electric – Solar	11	13	18	22	26	29	
Water		62	68	112	178	244	333	
Sewer		72	84	107	131	190	249	
Trash Collection								
Range/Microwave		20	20	20	20	20	20	
Refrigerator		24	24	24	24	24	24	
Natural Gas	Monthly Fee	12	12	12	12	12	12	
Electric	Monthly Fee	15	15	15	15	15	15	
Other – specify								
Other – specify								
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance		
Head of Household Name					Heating			
					Cooking			
					Other Electric			
Unit Address					Air Conditioning			
					Water Heating			
					Water			
					Sewer			
Number of Bedrooms					Trash Collection			
					Other			
					Range/Microwave			
					Refrigerator			
					Total			

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S Department of Housing and

Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169

exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)	
Hawaii Public Housing Authority		Low Rise (4- floors)					7/1/2026	
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	Natural Gas							
	Bottled Gas							
	Electric							
	Electric – Heat Pump							
	Fuel Oil							
Cooking	Natural Gas	14	16	23	31	38	45	
	Bottled Gas							
	Electric	16	19	28	38	47	56	
Other Electric		74	86	120	155	191	227	
Air Conditioning								
Water Heating	Natural Gas	34	40	58	76	94	112	
	Bottled Gas							
	Electric	42	51	68	82	97	112	
	Electric – Solar	14	17	22	27	32	37	
Water		62	68	112	178	244	333	
Sewer		72	84	107	131	190	249	
Trash Collection								
Range/Microwave		20	20	20	20	20	20	
Refrigerator		24	24	24	24	24	24	
Natural Gas	Monthly Fee	12	12	12	12	12	12	
Electric	Monthly Fee	15	15	15	15	15	15	
Other – specify								
Other – specify								
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance		
Head of Household Name					Heating			
					Cooking			
					Other Electric			
Unit Address					Air Conditioning			
					Water Heating			
					Water			
					Sewer			
Number of Bedrooms					Trash Collection			
					Other			
					Range/Microwave			
					Refrigerator			
					Total			

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S Department of Housing and

Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169

exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)
Hawaii Public Housing Authority		Single Attached - Townhouse/Duplex/Rowhouse					7/1/2026
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas						
	Bottled Gas						
	Electric						
	Electric – Heat Pump						
	Fuel Oil						
Cooking	Natural Gas	14	16	23	31	38	45
	Bottled Gas						
	Electric	16	19	28	38	47	56
Other Electric		76	90	125	161	198	236
Air Conditioning							
Water Heating	Natural Gas	34	40	58	76	94	112
	Bottled Gas						
	Electric	42	51	68	82	97	112
	Electric – Solar	14	17	22	27	32	37
Water		62	68	112	178	244	333
Sewer		72	84	107	131	190	249
Trash Collection							
Range/Microwave		20	20	20	20	20	20
Refrigerator		24	24	24	24	24	24
Natural Gas	Monthly Fee	12	12	12	12	12	12
Electric	Monthly Fee	15	15	15	15	15	15
Other – specify							
Other – specify							
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
Head of Household Name					Heating		
					Cooking		
					Other Electric		
					Air Conditioning		
Unit Address					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Other		
Number of Bedrooms					Range/Microwave		
					Refrigerator		
					Total		

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S Department of Housing and

Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169

exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)	
Hawaii Public Housing Authority		Single Family Home					7/1/2026	
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	Natural Gas							
	Bottled Gas							
	Electric							
	Electric – Heat Pump							
	Fuel Oil							
Cooking	Natural Gas	14	16	23	31	38	45	
	Bottled Gas							
	Electric	16	19	29	38	47	56	
Other Electric		89	104	145	189	232	275	
Air Conditioning								
Water Heating	Natural Gas	34	40	56	76	94	112	
	Bottled Gas							
	Electric	43	52	68	82	97	112	
	Electric – Solar	14	17	22	27	32	37	
Water		62	68	112	178	244	333	
Sewer		72	84	107	131	190	249	
Trash Collection								
Range/Microwave		20	20	20	20	20	20	
Refrigerator		24	24	24	24	24	24	
Natural Gas	Monthly Fee	12	12	12	12	12	12	
Electric	Monthly Fee	15	15	15	15	15	15	
Other – specify								
Other – specify								
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance		
Head of Household Name					Heating			
					Cooking			
Unit Address					Other Electric			
					Air Conditioning			
Number of Bedrooms					Water Heating			
					Water			
					Sewer			
					Trash Collection			
					Other			
					Range/Microwave			
					Refrigerator			
					Total			

Allowances for Tenant-Furnished Utilities and Other Services
U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Allowances prepared using the HUD Utility Schedule Model (HUSM). Report based on Form HUD-52667.

Locality		Green Discount	Unit Type					Date (mm/dd/yyyy)
Hawaii Public Housing Authority		None	Larger Apartment Bldgs. (5+ units)					7/1/2026
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Space Heating	Natural Gas							
	Bottled Gas							
	Electric Resistance							
	Electric Heat Pump							
	Fuel Oil							
Cooking	Natural Gas	\$14	\$16	\$23	\$31	\$38	\$45	
	Bottled Gas							
	Electric	\$16	\$19	\$27	\$37	\$47	\$56	
Other Electric		\$60	\$71	\$99	\$126	\$155	\$185	
Air Conditioning								
Water Heating	Natural Gas	\$27	\$32	\$46	\$61	\$75	\$89	
	Bottled Gas							
	Electric	\$34	\$40	\$54	\$66	\$78	\$89	
	Solar	\$11	\$13	\$18	\$22	\$26	\$29	
Water		\$62	\$68	\$112	\$178	\$244	\$333	
Sewer		\$72	\$84	\$107	\$131	\$190	\$249	
Trash Collection								
Range/Microwave		\$20	\$20	\$20	\$20	\$20	\$20	
Refrigerator		\$24	\$24	\$24	\$24	\$24	\$24	
Natural Gas Monthly Fee		\$12	\$12	\$12	\$12	\$12	\$12	
Electric Monthly Fee		\$15	\$15	\$15	\$15	\$15	\$15	

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
Head of Household Name	Heating	
	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
	Number of Bedrooms	Range/Microwave
Refrigerator		
Total		

Allowances for Tenant-Furnished Utilities and Other Services
U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Allowances prepared using the HUD Utility Schedule Model (HUSM). Report based on Form HUD-52667.

Locality		Green Discount	Unit Type					Date (mm/dd/yyyy)
Hawaii Public Housing Authority		None	Lowrise Apartment (2 - 4 units)					7/1/2026
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Space Heating	Natural Gas							
	Bottled Gas							
	Electric Resistance							
	Electric Heat Pump							
	Fuel Oil							
Cooking	Natural Gas	\$14	\$16	\$23	\$31	\$38	\$45	
	Bottled Gas							
	Electric	\$16	\$19	\$28	\$38	\$47	\$56	
Other Electric		\$74	\$86	\$120	\$155	\$191	\$227	
Air Conditioning								
Water Heating	Natural Gas	\$34	\$40	\$58	\$76	\$94	\$112	
	Bottled Gas							
	Electric	\$42	\$51	\$68	\$82	\$97	\$112	
	Solar	\$14	\$17	\$22	\$27	\$32	\$37	
Water		\$62	\$68	\$112	\$178	\$244	\$333	
Sewer		\$72	\$84	\$107	\$131	\$190	\$249	
Trash Collection								
Range/Microwave		\$20	\$20	\$20	\$20	\$20	\$20	
Refrigerator		\$24	\$24	\$24	\$24	\$24	\$24	
Natural Gas Monthly Fee		\$12	\$12	\$12	\$12	\$12	\$12	
Electric Monthly Fee		\$15	\$15	\$15	\$15	\$15	\$15	

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
Head of Household Name	Heating	
	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
	Number of Bedrooms	Range/Microwave
Refrigerator		
Total		

Allowances for Tenant-Furnished Utilities and Other Services
U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Allowances prepared using the HUD Utility Schedule Model (HUSM). Report based on Form HUD-52667.

Locality		Green Discount	Unit Type					Date (mm/dd/yyyy)
Hawaii Public Housing Authority		None	Single Family Attached					7/1/2026
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Space Heating	Natural Gas							
	Bottled Gas							
	Electric Resistance							
	Electric Heat Pump							
	Fuel Oil							
Cooking	Natural Gas	\$14	\$16	\$23	\$31	\$38	\$45	
	Bottled Gas							
	Electric	\$16	\$19	\$28	\$38	\$47	\$56	
Other Electric		\$76	\$90	\$125	\$161	\$198	\$236	
Air Conditioning								
Water Heating	Natural Gas	\$34	\$40	\$58	\$76	\$94	\$112	
	Bottled Gas							
	Electric	\$42	\$51	\$68	\$82	\$97	\$112	
	Solar	\$14	\$17	\$22	\$27	\$32	\$37	
Water		\$62	\$68	\$112	\$178	\$244	\$333	
Sewer		\$72	\$84	\$107	\$131	\$190	\$249	
Trash Collection								
Range/Microwave		\$20	\$20	\$20	\$20	\$20	\$20	
Refrigerator		\$24	\$24	\$24	\$24	\$24	\$24	
Natural Gas Monthly Fee		\$12	\$12	\$12	\$12	\$12	\$12	
Electric Monthly Fee		\$15	\$15	\$15	\$15	\$15	\$15	

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
	Head of Household Name	Heating
Cooking		
Other Electric		
Air Conditioning		
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
	Number of Bedrooms	Range/Microwave
Refrigerator		
Total		

Allowances for Tenant-Furnished Utilities and Other Services
U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Allowances prepared using the HUD Utility Schedule Model (HUSM). Report based on Form HUD-52667.

Locality		Green Discount		Unit Type			Date (mm/dd/yyyy)
Hawaii Public Housing Authority		None		Single Family House			7/1/2026
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas						
	Bottled Gas						
	Electric Resistance						
	Electric Heat Pump						
	Fuel Oil						
Cooking	Natural Gas	\$14	\$16	\$23	\$31	\$38	\$45
	Bottled Gas						
	Electric	\$16	\$19	\$29	\$38	\$47	\$56
Other Electric		\$89	\$104	\$145	\$189	\$232	\$275
Air Conditioning							
Water Heating	Natural Gas	\$34	\$40	\$58	\$76	\$94	\$112
	Bottled Gas						
	Electric	\$43	\$52	\$68	\$82	\$97	\$112
	Solar	\$14	\$17	\$22	\$27	\$32	\$37
Water		\$62	\$68	\$112	\$178	\$244	\$333
Sewer		\$72	\$84	\$107	\$131	\$190	\$249
Trash Collection							
Range/Microwave		\$20	\$20	\$20	\$20	\$20	\$20
Refrigerator		\$24	\$24	\$24	\$24	\$24	\$24
Natural Gas Monthly Fee		\$12	\$12	\$12	\$12	\$12	\$12
Electric Monthly Fee		\$15	\$15	\$15	\$15	\$15	\$15

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
	Heating	
Head of Household Name	Cooking	
	Other Electric	
	Air Conditioning	
	Water Heating	
Unit Address	Water	
	Sewer	
	Trash Collection	
	Other	
	Range/Microwave	
Number of Bedrooms	Refrigerator	
	Total	

Allowances for Tenant-Furnished Utilities and Other Services
U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Allowances prepared using the HUD Utility Schedule Model (HUSM). Report based on Form HUD-52667.

Locality		Green Discount		Unit Type			Date (mm/dd/yyyy)
Hawaii Public Housing Authority		None		Manufactured Homes			7/1/2026
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas						
	Bottled Gas						
	Electric Resistance						
	Electric Heat Pump						
	Fuel Oil						
Cooking	Natural Gas	\$14	\$16	\$23	\$31	\$38	\$45
	Bottled Gas						
	Electric	\$16	\$19	\$29	\$38	\$47	\$56
Other Electric		\$89	\$104	\$145	\$189	\$232	\$275
Air Conditioning							
Water Heating	Natural Gas	\$34	\$40	\$58	\$76	\$94	\$112
	Bottled Gas						
	Electric	\$43	\$52	\$68	\$82	\$97	\$112
	Solar	\$14	\$17	\$22	\$27	\$32	\$37
Water		\$62	\$68	\$112	\$178	\$244	\$333
Sewer		\$72	\$84	\$107	\$131	\$190	\$249
Trash Collection							
Range/Microwave		\$20	\$20	\$20	\$20	\$20	\$20
Refrigerator		\$24	\$24	\$24	\$24	\$24	\$24
Natural Gas Monthly Fee		\$12	\$12	\$12	\$12	\$12	\$12
Electric Monthly Fee		\$15	\$15	\$15	\$15	\$15	\$15

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
Head of Household Name	Heating	
	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
	Number of Bedrooms	Range/Microwave
Refrigerator		
Total		

FOR ACTION

SUBJECT: To Appoint Mr. George DeMello to the Hawaii Public Housing Authority's (HPHA) Federal Eviction Board as a Tenant Board Member, for a Four-Year Term Beginning June 1, 2026, and Ending May 31, 2030

I. FACTS

- A. The HPHA Federal Eviction Board and State Eviction Board are composed of members of the community and are responsible for affording public housing tenants a full and fair due process hearing during lease termination proceedings.
- B. Pursuant to the Hawaii Revised Statutes Section 356D-93, the HPHA is authorized to appoint a federal eviction board which shall consist of not less than one person, and no more than three persons, of which one shall be a resident of public housing.
- C. Attached is a list of current HPHA Federal and State Eviction Board members.

II. DISCUSSION

- A. The HPHA Federal Eviction Board and State Eviction Board are made up of volunteers from the community, in both the public and private sector, with work experience in law, real estate, accounting, and education. Eviction hearings are conducted on a weekly basis and require board members to commit up to four hours per hearing scheduled date.
- B. Prior to hearing an eviction case, board members receive training on their roles and responsibilities to provide a fair and impartial hearing for the tenants. They are also trained in the roles and responsibilities of the tenant, the HPHA, and its managing agents.
- C. Due to natural attrition, the HPHA continuously solicits new board members through various marketing and networking efforts, referrals from board members, or the HPHA staff, to maintain board quorum.

- D. Having more than the minimum numbers of members and resident members appointed to the HPHA Federal Eviction Board and State Eviction Board will allow the Hearings Office to process the requests for hearings in an efficient and timely manner and avoid cancellation of hearings for lack of quorum.
- E. George De Mello (Mr. De Mello) has extensive experience in community leadership and public housing relations. With decades of volunteer service and leadership throughout the Hilo community, Mr. De Mello has served in numerous capacities with the HPHA, including the Board of Directors, the Federal Eviction Board, and the Resident Advisory Board. His experience working with tenants, housing issues, and community programs uniquely positions him to contribute to a fair and balanced decision-making process. Mr. De Mello has expressed his willingness to serve as a tenant board member.
- F. As with all the HPHA Federal Eviction Board and State Eviction Board members, the HPHA will ensure that there are no conflicts of interest with cases being heard or considered by Mr. DeMello.

III. RECOMMENDATION

That the Board of Directors Appoint Mr. George DeMello to the Hawaii Public Housing Authority's (HPHA) Federal Eviction Board as a Tenant Board Member, for a Four-Year Term Beginning June 1, 2026, and Ending May 31, 2030

Attachment A: List of Eviction Board Members and Term Appointments
 Attachment B: Resume of Mr. George DeMello

Prepared by: Amanda P. Suyat, Hearings Officer aps

Approved by the Board of Directors
 on the date set forth above
 [] As Presented [] As Amended

Robert J. Hall
 Chairperson

**FEDERAL AND STATE EVICTION BOARD MEMBER ROSTER
HAWAII PUBLIC HOUSING AUTHORITY**

Board Member	Initial Appointment Date	Current Expiration Date	Years Served
Federal Eviction Board:			
Earl Mente	12/19/97	07/31/29	29
Joyce Nakamura	02/20/98	07/31/29	28
Arde Long-Yamashita	02/01/08	08/31/28	18
Arleila Andrade	09/15/10	08/31/28	16
Clyde Namu'o	08/18/16	08/31/28	10
Jerry Ballard*	09/30/16	08/31/28	10
Joanna Chu	05/01/19	05/01/27	7
David Donald	09/01/25	08/31/29	1
Kasandra Shriver	09/01/25	08/31/29	1
Suzanne Burnett	09/01/25	08/31/29	1
Lisa Nakamura	09/01/25	08/31/29	1
Charmaine Doran	09/01/25	08/31/29	1
Ebonee Barbadillo	09/01/25	08/31/29	1
Sandra Young	09/01/25	08/31/29	1
 State Eviction Board:			
Douglas Kaya	09/01/18	08/30/26	8
George W. Smith, Jr.*	09/01/18	08/30/26	8
William Wynhoff	09/01/25	08/31/29	1
George Stibbard	09/01/25	08/31/29	1
Sylvia Foster	09/01/25	08/31/29	1
Erin Jong	09/01/25	08/31/29	1

*Resident Board Member

(Revised 05/01/26)

GEORGE U. DE MELLO

OBJECTIVE

To secure a challenging position that encourages professional growth and offers the opportunity for advancement based on required responsibility.

EDUCATION

1965 **Roosevelt High School** Honolulu, Hawaii
Graduated

- Attained a scholarship in Arts field.

PROFESSIONAL EXPERIENCE

2006 - 2017 **Sig Zane Designs** Hilo, Hawaii
Concierge

- Assist customers in purchasing garments and merchandise from the store. Informing customers of what the print is and the background of the print and what inspired it.

Present **Hey George - Sewing** Hilo, Hawaii
Owner-Creator/Designer

- Create garments for clients
- Teach simple sewing to groups

1988 - 1994 **Host International** Hilo, Kona, Hawaii
Manager

- Managed Hilo restaurant and after 16 months transferred to Kona to manage 2 restaurants at the Kona Airport
- In charge of everything from scheduling, accounting, personnel, Purchasing and all daily duties to run restaurants.

1982 - 1988 **Waiakea Village** Hilo, Hawaii
Banquet Head

- In charge of all banquets from setting up, food service, to cleaning up.
- In charge of collection of the bill.
- Customer satisfaction

1976 - 1982 **Paniolo Steak House/Hilo Lagoon Hotel** Hilo, Hawaii
Waiter

- Take customer orders and service to customers.
- Did banquet work when needed

1971 – 1982 **Orchid Isle Coffee Shop/Orchid Isle Hotel** Hilo, Hawaii
Waiter

- Worked in the Big Island’s first 24 hour Coffee Shop.
- Was first male waiter to be hired in coffee shop

1966 – 1970 **Hale Nani Rehabilitation & Nursing Center** Honolulu, Hawaii
Dietary Aide

- Starting as Dishwasher and attained the position of Dietary Aide responsible for special feedings ordered by patient’s doctors.

REFERENCES

Luana Kawelu – Social worker with QLCC/

President of the Merrie Monarch Festival.

██████████
██████████████████
██████████████████████████████

Michelle Peralta

██████████████████
██████████████████
██████████████████

VOLUNTEER EXPERIENCE

Merrie Monarch Festival

Served as a volunteer from 1975 to present. Oversaw the Royal Parade, Pau Units, set-up operations, Royal Court, and merchandise sales. Currently serve as Office Manager and Assistant Festival Coordinator.

Boy Scouts of America

Served as Scoutmaster for Troop 65 from 2006 to 2013. Also served as Assistant Cub Master, Board Member of Crew 65, and Charter Commissioner overseeing Pack, Troop, and Ventures activities.

Lanakila Residents Association

Served as President of the Association for two terms, from 2005 to 2011.

Waiakeawaena Elementary School Parent Teacher Association (PTA)

Served as PTA Secretary for the 2005-2006 school year.

Hawaii Public Housing Authority Residents Advisory Board (RAB)

The RAB serves low-income public housing projects statewide. Served as the representative for the East side of the Big Island, from Honoka'a to Ka'u, from 2007 to 2016. Served as RAB President from 2009 to 2010.

Hawaii Public Housing Authority Federal Eviction Board

Served as a Tenant Member on the Federal Eviction Board for Hilo for several terms. Served as Chairman.

Hawaii Public Housing Authority Board of Directors

Served on the Board of Directors as a Tenant Member from 2016 to 2024, the maximum term permitted. Served in several leadership capacities, including Vice Chairman.

Hilo Lanakila Housing Neighbourhood Watch

Serve as a member of the Neighbourhood Watch from February 2026 to present.

FOR INFORMATION

SUBJECT: Presentation by Highridge Costa and Form Partners Regarding a Quarterly Status Update on Predevelopment and Development Achievements Related to the Ka Lei Momi Redevelopment Project

I. FACTS

- A. The Ka Lei Momi Redevelopment Project is a major strategic initiative by the Hawaii Public Housing Authority (“HPHA”) to enter into a public-private partnership to redevelop underutilized State land assets within its public housing inventory.
- B. Highridge Costa is a limited liability company registered to do business in Hawaii. In 2023, the HPHA selected Highridge Costa as the Master Developer for the Ka Lei Momi Project.
- C. The HPHA entered into a Master Planning and Predevelopment Agreement (“MPPA”) with Highridge Costa. The MPPA provides for a period of assessment, master planning, and predevelopment work to ascertain the suitability of nine targeted portfolio sites for planned housing construction. Highridge Costa will also assess the current conditions and development options for each site. Finally, the MPPA allows Highridge Costa as the Master Developer to determine if at least 10,000 units, in addition to required replacement units, can be constructed across the nine targeted sites.

II. DISCUSSION

Highridge Costa and Form Partners will provide a status update on planning and entitlement efforts for the entire Ka Lei Momi Redevelopment Project for quarter 1 of calendar year 2026.

Attachment: Ka Lei Momi Q1 Quarterly Report

Prepared by: Carson Schultz, Development Officer 

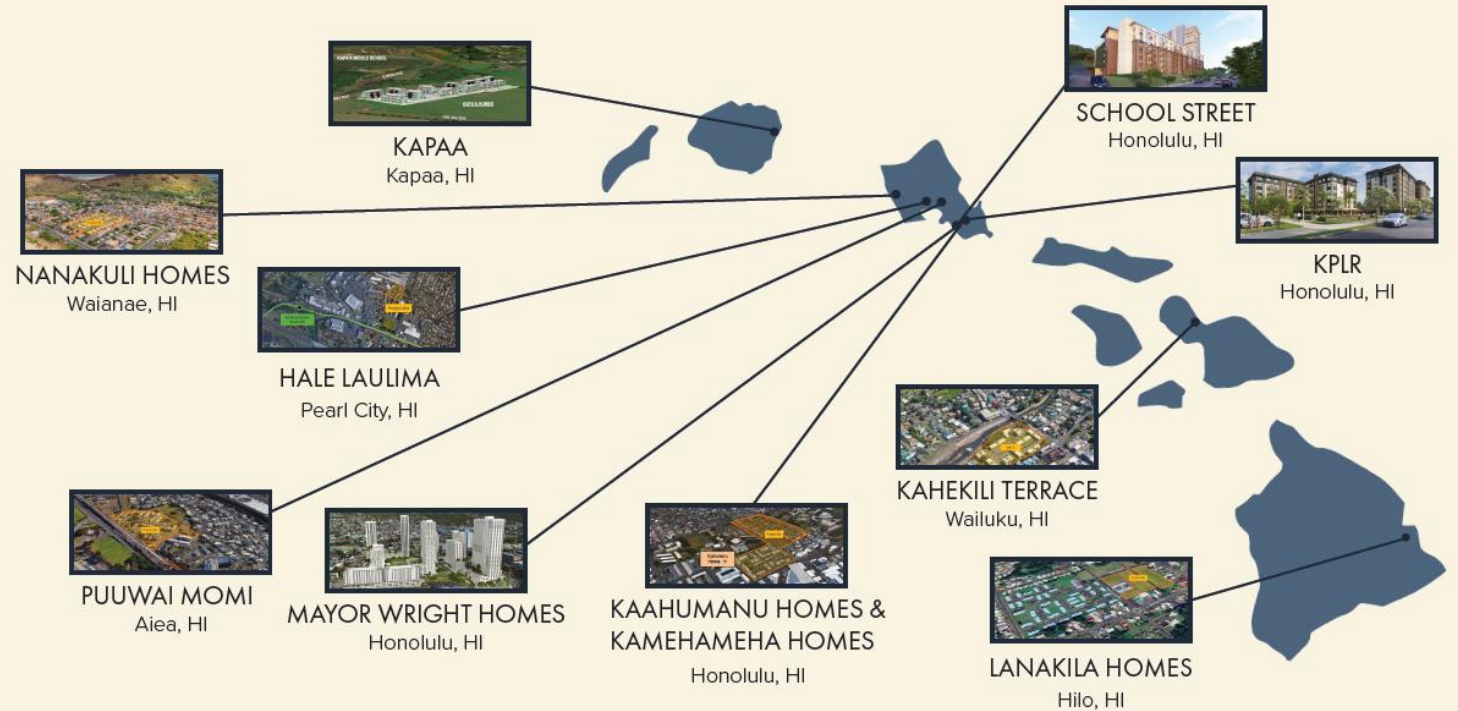
KA LEI MOMI

Q1 QUARTERLY REPORT

MARCH 2026

HPHA KA LEI MOMI

TARGETED SITES



CHANGING LIVES FOR GENERATIONS OF KAMA'ĀINA



KA LEI MOMI EXECUTIVE SUMMARY

ACHIEVEMENTS & MILESTONES

- School Street has topped off with expected completion Q4 of this year.
- Executed predevelopment loans and launch design documents for Lanakila Homes and Ka’ahumanu Homes.
- Received Authority to Use Grant Funds (AUGF) for Lanakila Homes in Jan 2026 – the last step in the NEPA Environmental Assessment (EA) process.
- Entered MOA negotiations with SHPD on Ka’ahumanu Homes historic preservation.
- MWH distributed General Information Notice to all residents & 90-day notice to residents impacted by MWH phase 1A’s development.
- 2026 HHFDC financing applications were submitted for MWHs phase 1B & Kapa’a Homes.
- Kapa’a Homes Construction Drawings were issued. Received NEPA Finding of No Significant Impact (FONSI) from the Governor’s Office.

RISKS

- Infrastructure capacity/timing for some project areas and future phases remain unknown.
 - Pu’uwai Momi (sewer/electrical)
 - MWH, Kamehameha Homes, Hale Laulima (electrical)
- Massing across nine KLM sites is currently projected to be less than 10,000 new units. Alternate sites and/or additional density are required and are now being evaluated.

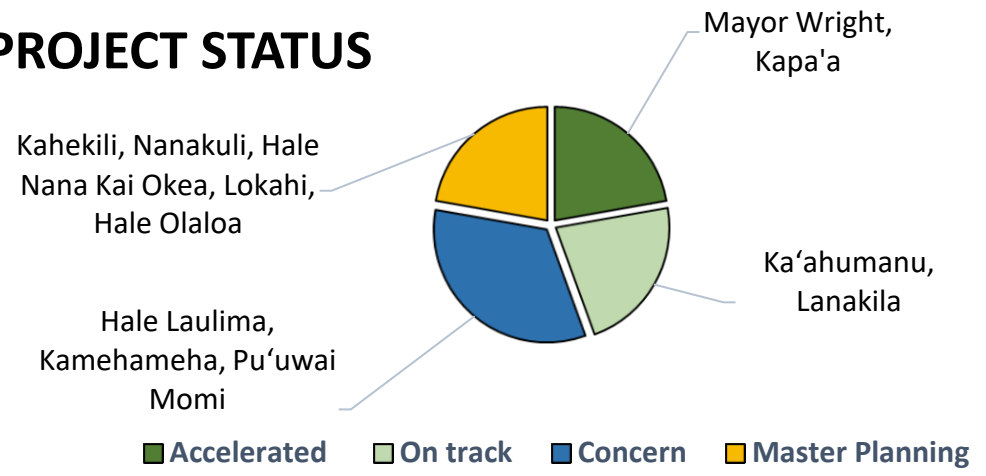
NEXT QUARTER ACTION ITEMS

- Kapa’a Homes
 - Receive HUD Authorization to Use Grant Funds (AUGF).
 - Submit Section 18 application to HUD Q2 2026 (Pending Receipt of AUGF).
- Mayor Wright Homes:
 - Ongoing relocation counseling and planning with residents.
 - Solicit a lender and investor for the development of Phase 1A.
 - Begin closing calls for Phase 1A.
 - Kick off documentary movie and interpretive signage planning per SHPD MOA.
- Nanakuli
 - Finalize the concept plan and kick off conceptual drawings to start processing a 201H entitlement application.



KA LEI MOMI EXECUTIVE SUMMARY

TARGETED SITES PROJECT STATUS



KLM Highlights

Ka Lei Momi – Entitlement Status

- Current Homes Entitled - **4,380**

HHFDC Financing Awards

- MWH Building 1A (2025): **\$126.2 HMMF Bonds | \$80MM RHRF**

HHFDC Financing Requests

- Kapa'a (2026): **\$32MM HMMF Bonds | \$37MM RHRF**
- MWH Building 1B (2026): **\$74MM HMMF Bonds | \$83MM RHRF**

PROJECT MILESTONE CHART

Priority	Project	Due Diligence	Massing	Entitlement	Financing	Permitting	Construction	Notes	
1	Mayor Wright	[Green bar]							Phase 1A/1B submitted for building permit; Phase 1A closing scheduled for Q4 2026.
2	Kapa'a Homes	[Green bar]							CD set issued, reapplied for financing in Feb 2026, submitted building and demolition permit applications in Feb 2026.
3	Lanakila Homes	[Light Green bar]							Design Documents launched; NFA letter on soil remediation pending HDOH.
4	Ka'ahumanu Homes	[Light Green bar]							MOA negotiations with SHPD for NEPA EA initiated; Design Documents launched.
5	Nanakuli Homes	[Yellow bar]							Kicking off site plan development in Q2 2026; applying for entitlements in 2026.
6	Kahekili Terrace	[Yellow bar]							Kicked off density study & infrastructure analysis; Master planning analysis will continue in Q2 2026.
7	Hale Lahilima	[Blue bar]							Did not pass prelim obsolescence test; additional justification required.
8	Pu'uwai Momi	[Blue bar]							Significant sewer upgrades required for full build-out; only a 1:1 unit replacement is possible now.
9	Kamehameha Homes	[Blue bar]							Did not pass prelim obsolescence test; additional justification required and significant electrical upgrades may be required.
10	Hale Nana Kai Okea	[Yellow bar]							Kicked off density study & infrastructure analysis in Q4 2025; Master planning analysis will continue in Q2 2026
11	Kekaha Ha'aheo	[Yellow bar]							Kicked off density study & infrastructure analysis in Q4 2025; Master planning analysis will continue in Q2 2027
12	Lokahi	[Yellow bar]							Kicked off density study & infrastructure analysis in Q4 2025; Master planning analysis will continue in Q2 2028
13	Hale Olaloa	[Yellow bar]							Kicked off density study & infrastructure analysis in Q4 2025; Master planning analysis will continue in Q2 2029

O'AHU - MAYOR WRIGHT HOMES

MILESTONES

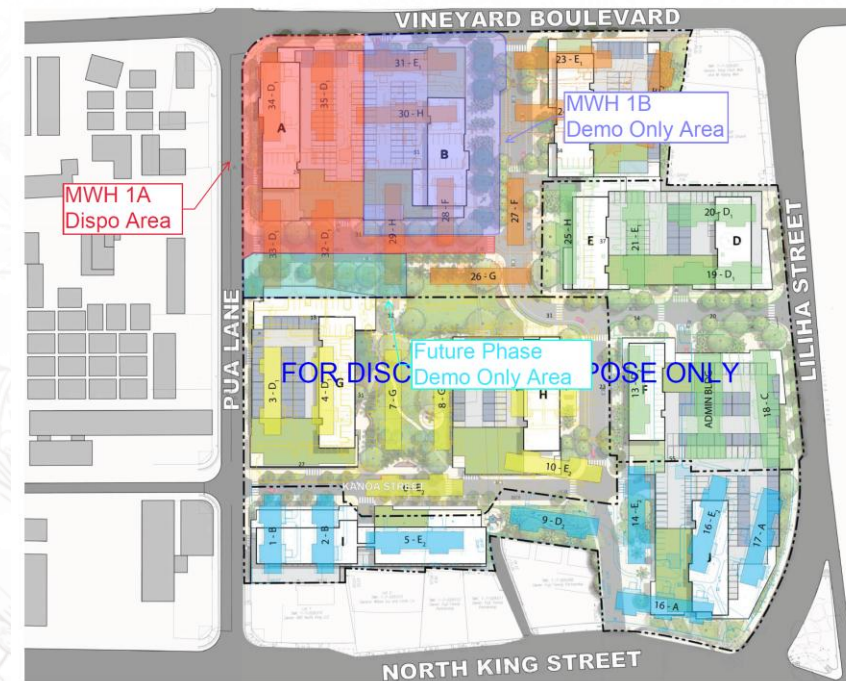
- Distributed GIN update letters to all residents.
- Distributed 90-day relocation notice on to households impacted by Phase 1A development.
- Submitted Tenant Protection Voucher application to HUD field office.
- Submitted for HHFDC financing application for Phase 1B in February.
- Held initial relocation meeting.
- Provided project update to the Kalihi-Pālama Neighborhood Board.

RISKS

- Required regional electrical upgrades to support construction beyond 650 units that could delay phase 1C and future phases
- Availability of Tier 2 (“missing middle”) financing is subject to legislative allocation or direct appropriation
- Direct appropriations for the construction of Building C (For-Sale) is subject to HPHA and legislative action

NEXT STEPS

- Ongoing relocation counseling and planning with residents.
- Execute Development Agreement and related agreements for Phase 1A.
- Solicit a lender and investor for the development of Phase 1A.
- Begin closing calls for Phase 1A.
- Finalize appraisal for Phase 1A ground lease.
- Finalize CPR documents for Phase 1A.
- Receive Demolition Permit and approval of Mass Grading Plan
- Receive Foundation Permit
- Kick off documentary movie and interpretive signage planning per SHPD MOA.

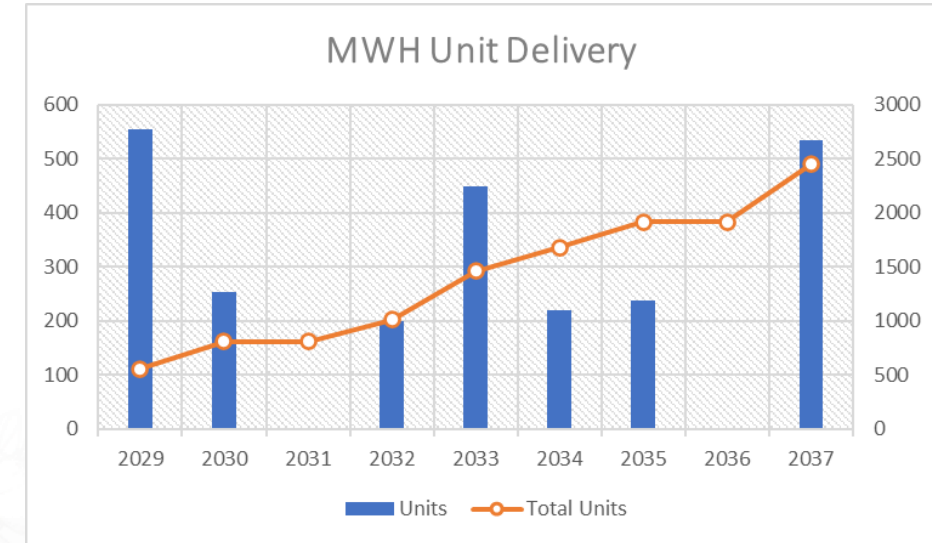


Phase 1A/1B Demo & Disposition areas

O'AHU - MAYOR WRIGHT HOMES

ESTIMATED CONSTRUCTION STARTS

Construction	Units	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Phase 1A	308		x								
Phase 1B	247			x							
Phase 1C	254				x						
Phase 2D	200					x					
Phase 2E	200						x				
Phase 2F	229						x				
Phase 3G	221							x			
Phase 3H	256								x		
Phase 4I	182										x
Phase 4J	351										x



DEVELOPMENT SCHEDULE (PHASE 1A & 1B)

Phase 1A & 1B	2H 2023	1H 2024	2H 2024	1H 2025	2H 2025	1H2026	2H 2026	1H 2027	2H 2027	1H 2028	2H 2028	1H 2029	2H 2029
Due Diligence	x												
Entitlements	x	x											
Working Drawings			x	x									
Allocation Award			x (1A)				x (1B)						
Permitting				x	x	x	x						
Closing						x	x						
Construction Start							x (1A)		x (1B)				
Construction End													x

KAUAI – KAPA‘A

MILESTONES

- Construction Document (CD) set issued.
- Applied for Building and Demolition Permits.
- Received “No Adverse Effect” determination from SHPD (Section 106 Consultation).
- Finalized NEPA Environmental Assessment.
- Applied for financing during the HHFDC February 2026 application period.
- Received NEPA Finding of No Significant Impact (FONSI) from the Governor’s Office.
- Published FONSI and Notice of Intent to Request Release of Funds.

RISKS

- Did not receive a LIHTC award from HHFDC in 2024/2025.
- Lengthy/difficult relocation process due to lack of housing supply in the area.

NEXT STEPS

- Receive HUD Authorization to Use Grant Funds (AUGF).
- Submit Section 18 application to HUD Q2 2026 (Pending Receipt of AUGF).
- Finalize resident relocation plan inclusive of resident interviews.
- Submit Tenant Protection Voucher Application (Pending Section 18 Approval).
- Receive financing allocation from HHFDC.



KAUAI – KAPA‘A

DEVELOPMENT SCHEDULE

Kapa'a	Q3 2023	Q4 2024	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	Q4 2028
Due Diligence	x	x															
Entitlements		x	x														
Working Drawings					x	x	x	x	x	x	x						
Permitting											x	x	x	x			
Allocation Award													x				
NEPA Review/Approval					x	x	x	x	x	x	x						
Section 18 Approval					x	x	x	x	x	x	x						
Relocation													x	x	x		
Closing															x	x	
Start Construction																x	
End Construction																	x

HAWAI‘I – LANAKILA HOMES

MILESTONES COMPLETED

- Hosted a resident design charrette in Jan 2026.
- Launched design documents with architects and subconsultants.
- Executed a Predevelopment Loan between HPHA and HCDC.
- Received Authority to Use Grant Funds (AUGF) for Lanakila Homes in Jan 2026 – the last step in the NEPA EA process.

RISKS

- Did not receive a LIHTC award in the 2025 funding round. Due to HHFDC’s new emphasis on project readiness (submission of permit), team will be reapplying in Feb 2027.
- No Further Action (NFA) letter from 2021 soil remediation still pending acceptance of the environmental reports (LT-EHMP and RAR). Additional comments from HDOH were received in Dec 2025 and coordination continues to close out work completed for Phase IIIb/IV.
- To minimize soil disturbance beneath the geotextile layer, strategic grading and building foundation placement will be crucial to control construction costs.

NEXT STEPS

- Host a Town Hall in May, inclusive of the resident and community stakeholders.
- Continue to work with HDOH HEER division to address comments to the environmental reports (LT-EHMP and RAR) to receive a NFA letter for the remediation work completed 2021.
- Continue developing building plans, construction, and permit drawings.
- Reapply for HHFDC financing in Feb 2027.



Project Renderings



Site Plan

O'AHU – KA'AHUMANU HOMES

MILESTONES

- Launched design documents with architects and subconsultants.
- Began consultation and negotiations with SHPD on the Memorandum of Agreement for historic preservation.
- Executed a predevelopment loan between HPHA and HCDC.
- Presented to the Neighborhood Board Jan 2026.

RISKS

- Did not receive a LIHTC award in the 2025 funding round. Due to HHFDC's new emphasis on project readiness (submission of permit), team will be reapplying in Feb 2027.
- Potentially lengthy/difficult relocation process due to lack of housing supply.
- Timing of MWH lease-up could conflict with Ka'ahumanu Homes lease-up if execution overlaps.

NEXT STEPS

- Reapply for HHFDC financing in Feb 2027.
- Continue developing building plans, construction, and permit drawings.
- Host a meeting with the residents in the Summer to provide an update/report back on the design progress since the October charrette



Concept Plan Elevation View



Interior Street View from Waikamilo

O'AHU – HALE LAULIMA

MILESTONES

- Received HECO determination of need for installing a new duct line to the surrounding area. ROM estimate of \$3M but could be significantly higher
- Further studies are required to determine extent of costs (topo & further engineering/design)

RISKS

- Height and density does not match surrounding neighborhood.
- Likely does not pass HUD functional obsolescence test.

NEXT STEPS

- Price HECO-required infrastructure upgrades.
- Initiate planning efforts with OPSD related to TOD CIP grants (\$250k)
- Develop an entitlement strategy and timeline.
- Develop a predevelopment and development budget.



Concept Plan Elevation View



Concept Plan Aerial View

O'AHU – Pu'uwai MOMI

MILESTONES

- Received confirmation from ENV that there is no additional sewer capacity at Pu'uwai Momi, therefore only a 1:1 Replacement of existing units (260) is possible.
- HECO doesn't have capacity to provide power from the existing 11.5kv line. Therefore, two new 11.5kv distribution circuits are required with two options to place and pull lines from either Kaonohi or Makalapa Substations.
- A new route from either Kaonohi or Makalapa are at least \$10M each (\$20M total). No viable/feasible routes from Kaonohi substation.

RISKS

- Timing of sewer and electrical infrastructure
- DPP-WWB has informally indicated that the project should coordinate with the future stadium project, suggesting ongoing capacity issues.
- Proposed building heights will require FAA approval.

NEXT STEPS

- Kick off TOD Master Planning refinements with OPSD grant (\$400k.)
- Continue dialog with ENV regrading sewer upgrade schedule as well as with HECO and adjust development timeline accordingly.



O'AHU – KAMEHAMEHA HOMES

MILESTONES

- Completed due diligence and massing studies for a 10-building 2,950-unit Master Plan with connection to neighboring Ka'ahumanu Homes site.
- Received will-serve letters from HECO, BWS, DPP-WWB, Spectrum, Hawaii Telcom, and Gas.

RISKS

- Although HECO preliminary will-serve letter was received, HECO response to the pre-service request is still pending to validate the electrical capacity and/or the cost of any upgrades required.

NEXT STEPS

- Obtain a termite report for the site.
- Continue due diligence to determine HECO upgrades to serve the project/region.
- Develop an entitlement strategy and timeline
- Develop a Predevelopment and Development Budget and Schedule.



MAUI – KAHEKILI TERRACE

UPDATE

- HPHA/HCDC kicked off initial Master Plan efforts for Kahekili Terrace in Q1 2026
- Initial title, geotechnical, and archaeological reviews have been completed and are under review
- Additional initial studies in process include Architectural fit test, engineering assessment, entitlement study, environmental, and a utility/infrastructure assessment.

NEXT STEPS

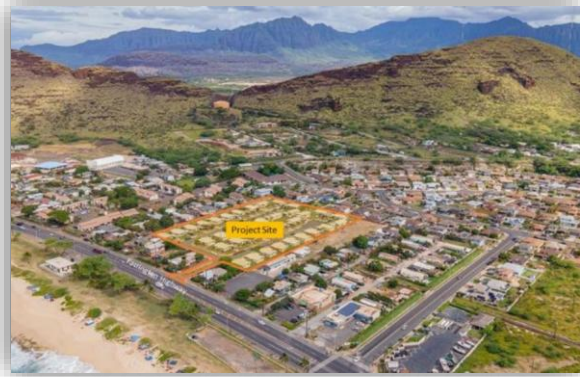
- Finalize density & massing study in Q2 2026
- Analyze infrastructure improvement needs
- Apply for entitlements in 2026.
- HPHA/HCDC will continue to evaluate alternative sites on Maui to develop first as potential relocation housing for existing Kahekili tenants



O'AHU – NANAKULI

UPDATE

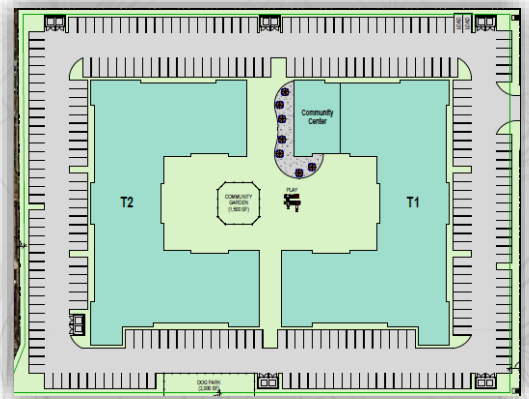
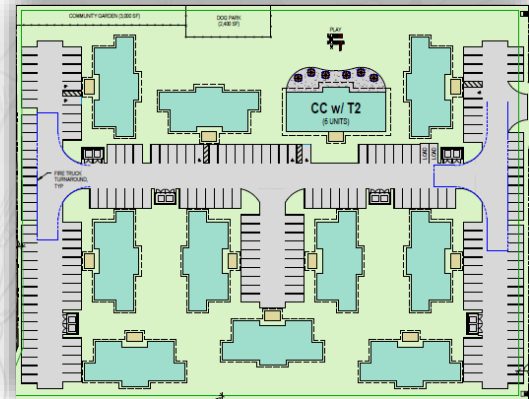
- Soliciting proposals from architectural firms to finalize the concept plan and prepare conceptual drawings to process a 201H entitlement application.
- Expecting to apply for entitlements in 2026 and apply for building permits in 2027.



Site Aerials

NEXT STEPS

- Finalize concept plan.
- Apply for entitlements in 2026.
- Execute Master Development Agreement



**Draft fit test, subject to refinement*

KA LEI MOMI EXECUTION STRATEGY

- Subject to financing awards, the KLM execution anticipates 17 years of development inclusive of 44 projects creating 10,503 new units.
- Years below represent dates of initial financing application submission. Closing/construction commencement expected the following 1-2 year.

Project	Deals	Units	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
MWH	10	2448															
LIHTC	6	1340		308				200	200		229	221		182			
501c3	3	854			247						256	351					
For Sale	1	254							254								
Kapaa LIHTC	1	124			124												
Lanakila LIHTC	2	258				152	106										
Kaahumanu	6	1550															
LIHTC	4	957				321	192		239		205						
501c3	1	349						349									
For Sale	1	244										244					
Nanakuli LIHTC	1	100					100										
Kahekili LIHTC	1	200					200										
Puuwai Momi	9	2168															
LIHTC	5	1032						202		310			202	202	116		
501c3	2	684							336				348				
For Sale	2	452								358				94			
Hale Laulima	3	705															
LIHTC	2	403						198		205							
501c3	1	302									302						
Kamehameha	10	2950															
LIHTC	6	1650											242		248	600	560
501c3	3	1050												350	350		350
For Sale	1	250														250	
Total	43	10503	0	308	371	473	598	949	1029	873	992	816	792	828	714	850	910
Unit Delivery Schedule:			2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Mayor Wright Homes			-	308	247	-	-	200	454	-	485	572	-	182	-	-	-
Other Projects			-	-	124	473	598	749	575	873	507	244	792	646	714	850	910
Total Units Delivered			-	308	371	473	598	949	1,029	873	992	816	792	828	714	850	910
Running Total KLM Units			-	308	679	1,152	1,750	2,699	3,728	4,601	5,593	6,409	7,201	8,029	8,743	9,593	10,503

KA LEI MOMI SUMMARY

- To reach the goal of 10,000 new units prescribed in the KLM RFP, alternative sites must be included in KLM.
- Current massing studies yield approximately 10,503 Master Plan (MP) units in KLM. However, when we subtract the existing replacement unit count of 1,187 from the 10,503 planned new units, only 9,316 net new KLM units are produced.

No.	Ka Lei Momi Site	Location	Existing Units	Master Plan (MP) Units	New Units (MP - Existing Units)
1	Mayor Wright	Honolulu, O'ahu	364	2,448	2,084
2	Kapa'a	Kapa'a, Kaua'i	36	124	88
3	Lanakila Homes	Hilo, Hawai'i	-	258	258
4	Kaahumanu Homes	Honolulu, O'ahu	152	1,550	1,398
5	Hale Laulima	Pearl City, O'ahu	36	705	669
6	Puuwai Momi	A'eia, O'ahu	260	2,168	1,908
7	Kahekili Terrace	Wailuku, Mau'i	82	200	118
8	Kamehameha Homes	Honolulu, O'ahu	221	2,950	2,729
9	Nanakuli Homes	Waianae, O'ahu	36	100	64
TOTAL			1,187	10,503	9,316

- Nanakuli currently reflects 100 MP units based on recent massing studies, however, additional density is being explored.
- The current massing yield of 10,503 will change as each of the master plans are further refined and finalized.

ALTERNATIVE SITES - KAUAI

UPDATE

- Initial fit tests have been completed for Hale Nana Kai Okea and Kekaha Ha'aheo.
- High-level , geotechnical, phase I, and archaeology studies have been completed for both Kauai sites and are under review.
- Completed yield studies confirmed Kekaha can support a redevelopment up to 276 units, with site density variations dependent on building type and layout.
- Completed yield studies confirmed Hale Nana Kai Okea can support a redevelopment up to 106 units, with site density variations dependent on building type, layout, and unit mix.

NEXT STEPS

- Refine and approve fit test & density
- Complete remaining master planning studies



Hale Nana Kai Okea



Kekaha Haaheo



**Draft fit test, subject to refinement*



**Draft fit test, subject to refinement*

ALTERNATIVE SITES - HILO

UPDATE

- Initial draft fit test studies are completed for Lokahi and Hale Olaloa by DPI Architects. Tests are under refinement.
- Initial environmental, geotechnical, and archaeological reviews have been completed and are under review
- Initial high-level studies in process include engineering assessment, title review, and utility/infrastructure assessment.



Lokahi



Hale Olaloa

NEXT STEPS

- Approve fit tests & determine density
- Complete master planning of the four alternative KLM sites identified



ADDITIONAL HPHA
DEVELOPMENT
SITES

O'AHU – SCHOOL STREET PHASE 1

STATUS

- Construction is now 77.3% complete.
- Construction continues to move forward. The field team is currently assessing impacts from the recent storms and evaluating any potential effects on the project's completion schedule.

NEXT STEPS

- Unit lottery to prospective tenants anticipated July 2026.
- Construction substantial completion is expected in Q4 2026.
- Leasing to begin upon receipt of Certificate of Occupancy.



Construction Progress Photos

O‘AHU – KUHIO PARK LOW-RISES PHASE 1

MILESTONES

- The GC has completed site fencing, demolition, soil sampling, with utility work ongoing.
- Construction is currently 3.3% complete
- Coordination with residents and surrounding community on ongoing construction impacts will continue.

NEXT STEPS

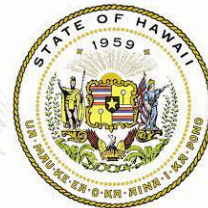
- Continue coordination with utility companies as needed.
- Continue to coordinate with HDOH on soil sampling report and construction.
- Meet with KPLR low-rise residents in Oct 2026.



All existing buildings have been completely demolished

MAHALO

CHANGING LIVES FOR GENERATIONS OF KAMA'ĀINA



FOR INFORMATION

SUBJECT: Laurie Thorson's Fraud Complaint and Response by the U.S. Department of Housing and Urban Development

I. FACTS

- A. [1] Complaint: On November 21, 2025, In the United States District Court for the District of Hawaii (USDC), Relator Laurie Thorson filed a *pro se* False Claims Act (FCA) *qui tam* complaint (Case 1:25-cv-00491-LEK-WRP) against the Hawaii Public Housing Authority (HPHA), its Executive Director Hakim Ouansafi, and various other officials. The complaint alleged widespread fraud, including the mismanagement of the Housing Choice Voucher (HCV) program and the "illegal" withholding of thousands of vouchers.
- B. [8] Order Unsealing the Complaint: Following the government's decision not to intervene, the USDC unsealed the complaint to proceed with the litigation process.
- C. [9] Order Dismissing the Complaint: On February 2, 2026, the USDC issued an order dismissing the complaint with leave to amend. The USDC ruled that as a *pro se* litigant, Thorson could not represent the interests of the United States in a *qui tam* action and required her to retain legal counsel to proceed with the FCA claims.
- D. [10] Notice of Voluntary Dismissal: On February 26, 2026, Thorson filed a Notice of Voluntary Dismissal which voluntarily dismisses the action without prejudice.
- E. [11] Order Dismissing the Complaint with Prejudice: On March 3, 2026, the USDC dismissed the action with prejudice. This decision was reached after Thorson failed to file an amended complaint through legal counsel by the USDC-mandated deadline.
- F. [13] Motion for Reconsideration: On March 9, 2026, Thorson filed a Motion for Reconsideration, arguing that the dismissal was too harsh a sanction and that the public interest in recovering taxpayer funds (alleged to be \$896 million) warranted a reversal or a dismissal without prejudice.

- G. [16] Order Denying Motion for Reconsideration: On April 8, 2026, the USDC denied the motion. The USDC clarified that the dismissal with prejudice applied specifically to Thorson bringing these FCA claims *pro se*, noting that the dismissal does not preclude the Department of Justice from investigating the allegations independently.
- H. HUD Correspondence (Mark Chandler's Letter): On April 14, 2026, Mark Chandler, HUD Honolulu Field Office Director, issued a formal response to Thorson. He explained that "unused" vouchers are typically the result of federal funding shortfalls and administrative constraints rather than fraud. He noted that while a PHA may be "authorized" for a certain number of vouchers, they often only receive enough funding to support a portion of them.
- I. Recent Email Correspondence:
- April 14, 2026: Thorson emailed Mark Chandler requesting a meeting to discuss HUD's oversight and her specific allegations of fraud.
 - April 15, 2026: Mark Chandler replied to Thorson, referencing the official letter sent the previous day and providing further clarification on program operations.
 - April 15, 2026: Thorson replied to Chandler's email, expressing continued disagreement with the explanation provided and reiterating her concerns regarding the HPHA's administration of the HCV program.

II. DISCUSSION

- A. The FCA litigation initiated by Laurie Thorson has reached a procedural conclusion in the USDC. The dismissal with prejudice confirms that Thorson cannot pursue these specific FCA allegations on behalf of the government without a licensed attorney.
- B. Simultaneously, HUD has addressed the core of Thorson's allegations regarding "unused" vouchers. By explaining the "Funding Renewal Cycle" and the gap between "authorized" versus "funded" vouchers, HUD has signaled that it views the vacancy of vouchers as a budgetary reality of the HCV program rather than evidence of the fraudulent activity alleged by Thorson. Despite the closure of the court case, Thorson continues to engage HUD leadership directly via email to contest these findings.
- C. The Board may 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 this item.

- Attachment A: [1] Complaint.pdf
- Attachment B: [8] Order Unsealing the Complaint. pdf
- Attachment C: [9] Order Dismissing Complaint.pdf
- Attachment D: [10] Notice of Voluntary Dismissal - Thorson v. HPHA
- Attachment E: [11] Order Dismissing Complaint with Prejudice.pdf
- Attachment F: [13] Motion for Reconsideration.pdf
- Attachment G: [16] Order Denying Motion for Reconsideration.pdf
- Attachment H: 2026_HUD_EXEC_0612_Laurie_Thorson_20260414.pdf (Mark Chandler Letter)

Prepared by: Ryan Akamine, Chief Compliance Officer *RMA*

- Presented on the date set forth above
- Deferred on the date set forth above

Robert J. Hall
Chairperson

cc: file
LEK

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**FILED UNDER SEAL
PURSUANT TO
31 U.S.C. §3730(b)(2)**

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

NOV 21 2025 RR

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII**

at 8 o'clock and 45 min. A.M.
Lucy H. Carrillo, Clerk

UNITED STATES OF AMERICA
ex rel. Laurie Thorson
pro se Relator

) CASE #
) **C.V.25 00491 LEK WRP**

v.

) **FALSE CLAIMS ACT qui tam**
) **COMPLAINT**
) **(31 U.S.C. §3729 - 3733)**

HAWAII PUBLIC HOUSING AUTHORITY)
Hakim Ouansafi, Executive Director)
Ryan Akamine, Chief Compliance Officer)
Lyle Matsuura, Supervisor IV)

) **FILED UNDER SEAL**
) **PURSUANT TO**
) **(31 U.S.C. § 3730(b)(2))**

HAWAII PUBLIC HOUSING AUTHORITY)
BOARD OF DIRECTORS:)
Robert Hall, Chair)
Betty Lou Larson, Vice Chair)
Suzan Kunz, Secretary)
Ryan Yamane (DHS Director))
Joseph Campos, II (DHS Asst. Director))
Scott Glenn)
Lisa Anne Darcy)
Roy Katsuda)
Christyl Nagao)
Todd Taniguchi)

) **IN VIOLATION OF 18 U.S.C. §666**
) **TOTAL GROSS STEAL IS**
) **APPROXIMATELY \$896,741,636**
) ↓
) Fraud Scheme #1 = \$486,539,280
) Fraud Scheme #2 = \$254,202,356
) Fraud Scheme #3 = \$156,000,000

PHA: H1003)
CITY & COUNTY OF HONOLULU)
Anton Krucky, Executive Director)

PHA: H1005)
KAUAI COUNTY HOUSING AGENCY)
Adam Roversi, Executive Director)

) **DEMAND FOR JURY TRIAL**

Defendants

Laurie Thorson, pro se Relator
 P. O. Box 1409
 Kailua, Hawaii 96734
 (808) 222-5885
 Lthorson7@gmail.com

**IN THE UNITED STATES DISTRICT COURT
 FOR THE DISTRICT OF HAWAII**

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<i>pro se Relator</i>)	FALSE CLAIMS ACT qui tam
v.)	COMPLAINT
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HAWAII PUBLIC HOUSING AUTHORITY)	
Hakim Ouansafi, Executive Director)	FILED UNDER SEAL
Ryan Akamine, Chief Compliance Officer)	PURSUANT TO
Lyle Matsuura, Supervisor IV)	(31 U.S.C. § 3730(b)(2))
)	
HAWAII PUBLIC HOUSING AUTHORITY)	
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)	
<u>Defendants</u>)	

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 Hakim Ouansafi (Executive Director)
 Ryan Akamine (Chief Compliance Officer)
 Lyle Matsuura (Supervisor)
 Hawaii District Court Case No. 23-CV-00412-MWJS-WRP
 9th Circuit Court of Appeals Case No. 25-3663

JURISDICTION AND VENUE

1. The federal district court has subject matter jurisdiction pursuant to **28 U.S.C. § 1331** (federal question), **28 U.S.C. § 1345** (actions commenced by United States), and **31 U.S.C. § 3732(a)** (FCA actions).

2. This Court has personal jurisdiction over Defendants pursuant to **31 U.S.C. § 3732(a)**, as the acts proscribed by **31 U.S.C. § 3729** occurred within the District of Hawaii.

3. Venue is proper in this District pursuant to **31 U.S.C. § 3732(a) and 28 U.S.C. § 1391(b)**, as Defendants reside and transact business here, and a substantial part of the events or omissions giving rise to the claims occurred here.

4. This court has jurisdiction on defining and enforcing the following federal rules as it pertains to the arguments being presented by Relator in this Complaint:

42 U.S.C. §1437f (Sec. 512)

(defines comparables used in Rent Reasonableness)

24 C.F.R. §982

(governs how Public Housing Authorities implement the Section 8 Housing Choice Voucher Program)

24 C.F.R. § 982.4

(defines Rent Reasonableness)

24 C.F.R. 982.507(b)

(defines comparables used in Rent Reasonableness)

HUD Regulations: HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2, page 8

(provides legal methodology in gathering comparables to determine rent reasonableness)

5. Relator provides service of this sealed Complaint and Disclosure Statement of material evidence *only* to U.S. Attorney General, Pam Bondi, and to U.S. Attorney General for the District of Hawaii, Ken Sorenson. Relator will not serve defendants, until the court instructs her in writing to serve the defendants.

6. Relator has not disclosed to anyone that she filed this FALSE CLAIMS ACT qui tam. Relator filed this qui tam complaint sealed, and only served U.S. Attorney General Pam Bondi, and Hawaii U.S. Attorney Ken Sorenson. Relator will not serve defendants until instructed by the court to do so.

I. FALSE CLAIMS ACT qui tam

7. The False Claims Act imposes liability on any person who knowingly presents or causes to be presented a false or fraudulent claim for payment or approval by the United States, or who knowingly makes, uses, or causes to be made or used a false record or statement material to a false or fraudulent claim.

31 U.S.C. §3729(a)(1)(A)-(B).

8. The FCA also imposes liability for knowingly concealing or avoiding an obligation to pay or transmit money or property to the United States (a "reverse false claim"). **31 U.S.C. §3729(a)(1)(G).**

9. Relator brings this action in the name of the United States, as required by **31 U.S.C. § 3730(b)(1)**. The Complaint is filed under seal to allow the United States time to investigate and decide whether to intervene. Relator has provided the United States Attorney General, and the United States Attorney for the District of Hawaii, with a copy of this Complaint and a written disclosure of substantially all material evidence and information in her possession, pursuant to **31 U.S.C. § 3730(b)(2)**.

10. Relator seeks to recover damages and civil penalties arising from Defendants' own admission of enforcing illegal policies to support the stealing of federal funds from the Section 8 Housing Choice Voucher Program. Defendants' actions were fraudulent by intentionally and knowingly admitting to using illegal policies to support the steal, submitting false figures to HUD, false claims, false records, and false financial statements to the United States Department of Housing and Urban Development ("HUD") in connection with the administration of the Section 8 Housing Choice Voucher Program.

11. Relator is a recipient of the Section 8 Housing Choice Voucher Program administered by Defendant Hawaii Public Housing Authority. Through direct experiences as a voucher recipient,

Relator disputed the illegal policies by providing publicly available HUD data, HPHA financial statements, and other evidence.

12. Relator uncovered elaborate fraud schemes orchestrated by Defendants enforcing and implementing illegal policies to steal federal funds from the Section 8 HCV Program that are not in compliance with federal laws and HUD Regulations **(42 U.S.C. § 1437f, 24 C.F.R. § 982)**.

13. Relator claims evidence proves HPHA state employees implemented multiple fraud schemes to steal federal funds allocated to the Section 8 Housing Choice Voucher Program.

14. Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority, admitted guilt in his Declaration (attached to his Motion for Summary Judgment) in which Hakim Ouansafi admits enforcing illegal policies (*applicable to Fraud Scheme #1*), and he imputes liability to his staff for implementing the illegal policies, and imputes liability to the HPHA Board of Directors for approving the illegal policies.

15. Evidence proves state employees from 3 of 5 Hawaii's PHAs (Public Housing Authorities) implement Fraud Scheme #2 to steal federal funds from the Section 8 Housing Choice Voucher Program, as well as other HUD programs.

16. Evidence proves Relator informed the HPHA Board of Directors of federal funds being stolen from the Section 8 Housing Choice Voucher Program by submitting written testimonies each month at the board meetings, even providing copies of HUD data and HPHA financial statements to prove the steal.

17. HPHA Board of Directors refuse to stop the “steal”, refuse to order Hakim Ouansafi ratify the illegal policies into compliance with federal rules and HUD Regulations, and refuse to terminate Hakim Ouansafi for fraud.

18. HPHA’s false figures allowed for renewal funding based on inflated prior-year expenditures is material to HUD's payment decisions and caused the United States to pay funds that Defendants retained or misappropriated.

II. INTRODUCTION

19 This is a qui tam complaint action brought by Relator, Laurie Thorson ("Relator"), on behalf of the United States of America pursuant to the **False Claims Act ("FCA"), 31 U.S.C. §3729–3733.**

20. This FRAUD CLAIMS ACT qui tam is based on evidence that proves Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority admitted he and his management staff, in collaboration with the Board of Directors of Hawaii Public Housing Authority approved, enforce, and implement illegal policies to allow

federal funds to be diverted from the Section 8 Housing Choice Voucher Program.

ATTACHMENT 1

DECLARATION BY HAKIM OUANSAFI

(ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT)

21. Evidence proves that 3 of the 5 PHAs (Public Housing Authorities) in Hawaii are stealing federal funds from the Section 8 Housing Choice Voucher Program, as well as other HUD programs.

22. In the Section 8 Housing Choice Voucher Program, HUD pays rental subsidies so eligible families can afford decent, safe, and sanitary housing. The HCV program is administered by state or local governmental entities called public housing agencies (PHAs). HUD provides housing assistance funds to PHAs to distribute on behalf of families. HUD provides separate funds for PHA administration of the program.

23. The following federal rules require that all PHAs, including the Hawaii Public Housing Authority, **must** comply with all federal rules and HUD Regulations that govern how the Section 8 Housing Choice Voucher Program is to be implemented.

24 C.F.R. §982.52(a) "...The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives..."

24 C.F.R. §982.53 (d) “...State and local law.

Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program...”

24 C.F.R. §982.54 “...HUD Requirements.

(a) The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

(b) The PHA **must** comply with the consolidated ACC and the PHA’s HUD-approved applications for program funding...”

24 C.F.R. §982.54(b) “...The Administrative Plan **must** be in accordance with HUD regulations and requirements...”

XIV. SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

24. The Section 8 Housing Choice Voucher Program, authorized by **42 U.S.C. § 1437f** and administered under **24 C.F.R. Part 982**, provides federal subsidies to low-income families to afford housing in the private market. HUD allocates funds to PHAs like HPHA based on prior-year expenditures and reported needs.

25. **24 C.F.R. §982** governs how Public Housing Authorities implement the Section 8 Housing Choice Voucher Program. Evidence will prove the defendants refuse to comply with **24 C.F.R. § 982.4** (*defines Rent Reasonableness*), and **HUD Regulations: HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2, page 8** (*provides legal methodology in rent reasonableness determinations*).

V. EVIDENCE

26. As a pro se plaintiff, Laurie Thorson (“Relator”) filed a lawsuit against the Hawaii Public Housing Authority, Hakim Ouansafi (Executive Director), Ryan Akamine (Chief Compliance Officer), and Lyle Matsuura (Supervisor) for discrimination and retaliation after she disputed defendants illegal policies that do not comply with HUD Regulations, and which allowed the defendants to steal a total of \$29,,,,, in surplus grant funds from her voucher.

27. The Executive Director of the Hawaii Public Housing Authority, Hakim Ouansafi, filed a Declaration (attached to his Motion for Summary Judgment) admitting guilt to enforce the illegal policies.

ATTACHMENT 1

DECLARATION BY HAKIM OUANSAFI

(ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT)

28. The two main pleadings that provide a detailed accounting of all claims against the defendants, and provide referenced docket numbers to the evidence, is pleadings titled “Plaintiff’s Opposition to Defendant’s Motion for Summary Judgment” (filed at the district court) *and* “Appellant’s Opening Brief” (filed at the 9th Circuit).

29 Evidence proves illegal policies – to use low comparables against the contract rent in all rent reasonableness determinations **(HPHA Admin Plan 8-III.D)** - were applied to Thorson’s voucher, and are applied to all Section 8 vouchers, which is part of elaborate fraud schemes to steal federal funds from Section 8 HCV Program.

30. Evidence proves on 03.23.22, defendants performed a rent reasonableness determination and applied the illegal policies to her voucher by using two (2) low comparables in the amount of \$1,621 and \$2,621.

ATTACHMENT 2

(HPHA APPLIED ILLEGAL POLICIES - USED 2 LOW COMPS - \$1,621 & \$2,621)

31 Evidence proves on 03.29.22, defendant Lyle Matsuura informed Thorson’s son that another reasonable rent test was performed, using one (1) low comparable in the amount of \$1,621. Landlord is required to reduce the rent from \$4,000 to \$3,273.

ATTACHMENT 3

03.29.22 EMAIL FROM LYLE MATSUURA

*HPHA APPLIED ILLEGAL POLICIES - USED 1 LOW COMP - \$1,621
LANDLORD REQUIRED TO REDUCE RENT FROM \$4K TO \$3,273*

32. All evidence is available on the district court's docket.

Case is currently in the 9th Circuit Court of Appeals, appealing Defendant's Motion for Summary Judgment.

Laurie Thorson v. Hawaii Public Housing Authority, Hakim Ouansafi (Executive Director), Ryan Akamine (Chief Compliance Officer), and Lyle Matsuura (Supervisor)

**Hawaii District Court Case No. 23-CV-00412-MWJS-WRP
9th Circuit Court of Appeals Case No. 25-3663**

33. The district court judge approved Defendant's Motion for Summary Judgment after granting the defendants immunity as a result of Hakim Ouansafi attaching his Declaration admitting guilt to enforcing illegal policies that support stealing of millions of federal funds from the Section 8 Housing Choice Voucher Program.

34 Evidence proves the Board of Directors are required by law to supervise Hakim Ouansafi, the Executive Director of the Hawaii Public Housing Authority; and the board is authorized, yet refused, to terminate the Executive Director for fraud.

35 Evidence proves the Board of Directors refuse to stop the "steal", refuse to order Hakim Ouansafi ratify the illegal policies into compliance with federal rules and HUD Regulations, and refuse to terminate Hakim Ouansafi for fraud.

36 Relator's civil lawsuit for retaliation and discrimination is still active and is now before the 9th Circuit Court of Appeals. All evidence is also available on the docket at the district court.

37. The case is now before the 9th Circuit because district court Judge Micah W.J. Smith (Biden appointed) granted the defendants immunity, which allowed the judge to grant the defendants' Motion for Summary Judgment.

38. Relator is appealing the judge's ruling basically because the Declaration filed by Hakim Ouansafi (attached to his Motion for Summary Judgment), is an admission of guilt of enforcing the illegal policies that support the stealing of millions of dollars in federal funds from the Section 8 Housing Choice Voucher Program.

39. Evidence proves that there are three fraud schemes being enforced by the PHAs, allowing the gross amount of subsidy stolen from the Section 8 Housing Choice Voucher Program since January 2015 is approximately **\$896,741,636**.

VI. DECLARATION by HAKIM OUANSAFI

DECLARATION by HAKIM OUANSAFI

ATTACHMENT 1

DECLARATION BY HAKIM OUANSAFI

(ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT)

40. Declaration by Hakim Ouansafi is an admission of guilt.
41. Hakim Ouansafi, Executive Director of Hawaii Public Housing Authority, admits guilt in his Declaration, attached to his Motion for Summary Judgment. Hakim Ouanafi admits to enforcing illegal policies; however he imputes liability for his actions to his staff for implementing the illegal policies, and he imputes liability to the HPHA Board of Directors for approving the illegal policies.
42. **Hakim Ouansafi's Declaration reads, in part:**
- “...(8)..HPHA **staff are responsible** for managing day to day operations...including conducting rent reasonableness tests to determine whether the rent requested by a landlord is reasonable...”
- “...(9)..The **Board is responsible** for adopting HPHA's policies, including administrative rules and the HPHA Administrative Plan (among others).”
- “...(10)...It is the HPHA **Board, not me as Executive Director, that is responsible for adopting policies such as the “one low comparable”** referenced by Plaintiff...”

43. Hakim Ouansafi admits in his Declaration that he enforces the illegal policies; however, he imputes liability to his staff for implementing the illegal policies, and imputes liability to the Board of Directors of the Hawaii Public Housing Authority for approving the illegal policies.

44. Evidence proves that Hakim Ouansafi has been enforcing illegal policies since he was hired as the Executive Director in January 2012.

45. Hakim Ouansafi's signed his Declaration, under the penalty of perjury, as an admission of guilt, admitting to implementing the illegal policies.

VII. FEDERAL RULES REQUIRES ILLEGAL POLICIES MUST COMPLY WITH HUD REGULATIONS

46. **24 C.F.R. 982** governs how PHAs implement the Section 8 Housing Choice Voucher Program.

47. The following federal rules require all PHAs, including the Hawaii Public Housing Authority, **must** comply with all federal rules and HUD Regulations that govern how the Section 8 Housing Choice Voucher Program is to be implemented.

24 C.F.R. §982.52(a) "...The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives..."

24 C.F.R. §982.53 (d) “...State and local law.

Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program...”

24 C.F.R. §982.54 “...HUD Requirements.

(a) The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

(b) The PHA **must** comply with the consolidated ACC and the PHA’s HUD-approved applications for program funding...”

24 C.F.R. §982.54(b) “...The Administrative Plan **must** be in accordance with HUD regulations and requirements...”

48. Evidence proves Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority and the HPHA Board of Directors, collaborated to approve the illegal policies that allow them to steal federal funds from the Section 8 Housing Choice Voucher Program.

49. Evidence proves that the Board of Directors approved the illegal policies – to use low comparables against the contract rent in all rent reasonableness determinations.

50. 01.19.23 board meeting Agenda is evidence to prove that the HPHA Board of Directors approved the ANNUAL PHA PLAN as it was

submitted by Hakim Ouansafi. This evidence proves that all parties knew that the policy – to use low comparables against the contract in rent reasonableness determinations – was illegal. In the PHA ANNUAL PLAN, **Hakim Ouansafi confirmed the illegal policies “...differ from the HUD mandate...”**.

ATTACHMENT 4

01.19.23 AGENDA FOR BOARD MEETING (INCLUDES HIGHLIGHTS, SCROLL TO PAGE 147 OF AGENDA, WHICH BOARD APPROVES THE ANNUAL PHA PLAN SUBMITTED BY HAKIM OUANSAFI TO INCLUDE THE ILLEGAL POLICIES THAT “...DIFFERS FROM THE HUD MANDATE...”

ATTACHMENT 5

PAGE 147 – CONFIRMS ILLEGAL POLICIES “...DIFFERS FROM THE HUD MANDATE...”

51. As of today, the HPHA Board of Directors (1) refuse to stop the steal, (2) refuse to order the illegal policies (**HPHA Admin Plan 8-III.D**) be ratified into compliance with HUD Regulations, and (3) refuse to terminate Hakim Ouansafi for fraud.

52. Evidence will prove that the HPHA Board of Directors and Hakim Ouansafi have a history of collaborating to approve illegal policies and push through fraud schemes but for the purpose of stealing federal funds from the HUD programs.

a. ILLEGAL POLICIES / HPHA ADMIN PLAN 8-III.D

53. Hakim Ouansafi confirms in his Declaration that the policies he enforces are illegal. The illegal policies are confirmed in **HPHA Admin Plan 8-III.D**, which reads as follows:

HPHA ADMIN PLAN 8-III-D.

PHA RENT REASONABLENESS METHODOLOGY

“...At least **three** comparable units will be used for each rent determination and of which at least **two** must have a gross rent that exceeds the subject gross **contract rent**, and the total average gross rent of the comparable units exceeds the subject gross rent...”

ATTACHMENT 6

HPHA ADMIN PLAN 8-III.D (SCROLL TO PAGE 17)

*HPHA METHODOLOGY IN GATHERING COMPARABLES IS ILLEGAL
AND DOES NOT COMPLY WITH HUD REGULATIONS*

54. HUD Regulations, noted below, is evidence to prove that HPHA ADMIN PLAN 8-III.D is considered illegal policy – to use **low** comparables against the **contract rent** – and is not in compliance with HUD Regulations in determining rent reasonableness.

b. FEDERAL RULES AND HUD REGULATIONS

55. Federal rules and HUD Regulations, not state employees, govern how PHAs are to determine rent reasonableness.

24 C.F.R. §982 governs how Public Housing Authorities implement the Section 8 Housing Choice Voucher Program.

24 C.F.R. §982

(governs how Public Housing Authorities implement the Section 8 Housing Choice Voucher Program)

24 C.F.R. § 982.4

(defines Rent Reasonableness)

24 C.F.R. 982.507(b)

(defines comparables used in Rent Reasonableness)

42 U.S.C. §1437f (Sec. 512)

(defines comparables used in Rent Reasonableness)

56. **HUD Regulations: HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2, page 8**, mandates the methodology PHAs are to use in gathering comparables to determine rent reasonableness.

HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2, reads:

“...3.1.2 Ensure *method* represents entire market, not only units within the PHA’s Payment Standard...”

“...PHAs need to be careful not to limit their rent reasonableness analysis to only mid-range units or only units in certain more affordable neighborhoods. Voucher families may choose to rent units above the payment standard. As a rule of thumb, the PHA should collect data on units with **gross rents at least 20-25 percent above the greater of the payment standard or the FMR, including any HUD approved exception payment standards...**”

ATTACHMENT 7

HUD SECTION 8 HOUSING CHOICE VOUCHER GUIDEBOOK, CHAPTER 3, SECTION 3.1.2, PAGE 8 PROVIDES LEGAL METHODOLOGY TO BE USED IN RENT REASONABLENESS DETERMINATIONS:

VIII. FRAUD SCHEMES

a. TOTAL GROSS SUBSIDY DIVERTED

57. Evidence proves that approximately \$896,741,636 in federal funds is diverted from the Section 8 Housing Choice Voucher Program.

b. HAKIM OUANSAFI ADMITS GUILT

58. Evidence proves that Hakim Ouansafi, the Executive Director of the Hawaii Public Housing Authority, his management staff, and the HPHA Board of Directors are in collaboration with each other to divert federal funds from the Section 8 Housing Choice Voucher Program.

59. **DECLARATION by Hakim Ouansafi**, signed under penalty of perjury on February 14, 2025, is an admission of guilt.

60. Hakim Ouansafi admits in his Declaration that he enforces illegal policies that support FRAUD SCHEME #1. Hakim Ouansafi writes in his Declaration:

“...(8)...HPHA **staff are responsible** for managing day to day operations...including conducting rent reasonableness tests to determine whether the rent requested by a landlord is reasonable...”

Hakim Ouansafi writes: “...9...The **Board is responsible** for adopting HPHA’s policies, including administrative rules and the HPHA Administrative Plan (among others)...”

“...10...It is the **HPHA Board, not me as Executive Director, that is responsible for adopting policies such as the “one low comparable”** referenced by Plaintiff...”

c. HAKIM OUANSAFI, JOB DESCRIPTION

61. Hakim Ouansafi was hired in January 2012 as the Executive Director of the Hawaii Public Housing Authority.

62. The job description for Hakim Ouansafi proves that he is acting outside the scope of his duties by enforcing illegal policies that do not comply with federal rules and HUD Regulations.

63. **Executive Director job description** reads:

“...to provide the overall administration and management of all functions and activities related to the operation of the Hawaii Public Housing Authority...establish policies and procedures to guide program operations...”

“...knowledge of accounting, budget, fiscal, procurement, and public relations principles and practices...”

“...ability to plan, organize direct, and coordinate the work and activities of a staff of administrative, technical, clerical, trades and custodial personnel...reviewing their work...”

“...strong background in HUD regulations...”

64. Evidence proves that Hakim Ouansafi and the HPHA Board of Directors approve the illegal policies that allow the management staff to implement the illegal policies. The defendants each have a role to play. Defendant Ryan Akamine enforces the illegal policies, and Lyle Matsuura implements the illegal policies on the floor, since he has direct contact with all recipients and landlords.

d. RYAN AKAMINE, JOB DESCRIPTION

65. Ryan Akamine was hired in January 2022 as the Chief Compliance Officer of the Hawaii Public Housing Authority.

66. The job description for Ryan Akamine proves that he is acting outside the scope of his duties by enforcing illegal policies that do not comply with federal rules and HUD Regulations.

67. **Chief Compliance Officer, job description** reads as follows:

“...oversees and manages the agency’s Housing Compliance Office **to ensure all public housing programs comply with State and Federal Housing Laws**...assists program managers in reviewing Federal and State laws, rules and regulations to

determine their impact on the agency's procedures, and assists program managers in determining and developing operational procedural changes..."

"...This position reviews and investigates all programs and activities for any performance deficiencies, **fraud**, waste, and mismanagement and recommends corrective action to the Executive Director..."

e. **BOARD OF DIRECTORS COLLABORATE WITH STATE EMPLOYEES TO STEAL FEDERAL FUNDS**

68. Hakim Ouansafi admits to enforcing the illegal policies, and he imputes liability to the Board of Directors for approving the illegal policies. The illegal policies support FRAUD SCHEME #1.

Hakim Ouansafi writes in his Declaration:

"...9...The **Board is responsible** for adopting HPHA's policies, including administrative rules and the HPHA Administrative Plan (among others)..."

"...10...It is the **HPHA Board, not me as Executive Director, that is responsible for adopting policies such as the "one low comparable"** referenced by Plaintiff..."

69. Hakim Ouansafi confirms that the Board of Directors are in collaboration with him to implement the illegal policies, which is the

basis of the fraud schemes to steal federal funds from the Section 8 Housing Choice Voucher Program, as well as other HUD programs.

70. **HUD confirms** the authority of board members "...approves all of the policies that manage a Public Housing Agencies Voucher Program...". Refer to link below, HUD section titled, "Influencing the Public Housing Agency Board".

<https://www.hud.gov/helping-americans/housing-choice-vouchers-tenants#close>

HUD writes:

"...Public Housing Agencies are government entities designed to serve the citizens of their community. They are **governed by a Board** that meets publicly and **must include at least one Board Member who receives housing assistance...**"

(never has a recipient been on the board, as required per 24 C.F.R. §903.13)

"...The Public Housing Agency **Board approves all of the policies** that manage a Public Housing Agencies Voucher Program..."

71. Evidence proves that Relator has made every attempt to attend the monthly board meetings to keep the board members apprised of Hakim Ouansafi continuing to steal federal funds every month from the Section 8 program. Relator provides monthly written testimonies that include evidence (HUD data and HPHA financial statements) to confirm the stealing of federal funds.

72. HPHA Board of Directors refuse to stop the “steal”, refuse to order Hakim Ouansafi ratify the illegal policies into compliance with federal rules and HUD Regulations, and refuse to terminate Hakim Ouansafi for fraud.

73. Instead of stopping the steal . . . evidence proves that the steal has been enforced by Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority, since he was hired January 2012.

74. Evidence proves the following Hawaii PHAs enforce fraud schemes to steal federal funds from the Section 8 Housing Choice Voucher Program:

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

75. Relator’s civil lawsuit is against the Hawaii Public Housing Authority and its employees for retaliation and discrimination. Relator attempted to add the claims of Fraud and Bribery, and add Bennett Liu (Chief Financial Officer) as a defendant, but the district court denied her motion to amend.

76. After Relator filed her lawsuit against Hawaii Public Housing Authority, she discovered that actually 3 of the 5 PHAs in Hawaii implement FRAUD SCHEME #2.

77. The fraud schemes allow approximately \$896,741,636 in federal funds to be diverted from the Section 8 Housing Choice Voucher Program.

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>
	\$896,741,636

.....

IX. FRAUD SCHEME #1

ILLEGAL POLICIES (HPHA) v. LEGAL POLICIES (HUD)

a. HAKIM OUANSAFI ADMITS ENFORCING ILLEGAL POLICIES

78. Hakim Ouansafi admits guilt in his Declaration to enforcing illegal policies - to use low comparables against the contract rent in all rent reasonableness determinations – which allows him to accumulate ‘surplus grant funds’ from each and every voucher, which federal funds disappear. The application of the illegal policies allows the “steal” of federal funds from every Section 8 voucher.

ATTACHMENT 1

DECLARATION BY HAKIM OUANSAFI

(ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT)

79. Evidence proves that Hakim Ouansafi has enforced the illegal policies since he was hired in January 2012.

b. ILLEGAL POLICIES (HPHA ADMIN PLAN 8-III.D)

80. The illegal policies in **HPHA Admin Plan 8-III.D** - to use low comparables against the contract rent in all rent reasonableness determinations - are not in compliance with HUD Regulations.

**HPHA ADMIN PLAN 8-III.D
PHA RENT REASONABLENESS METHODOLOGY**

“...At least **three** comparable units will be used for each rent determination and of which at least **two** must have a gross rent that exceeds the subject gross **contract rent**, and the total average gross rent of the comparable units exceeds the subject gross rent...”

ATTACHMENT 6

*HPHA ADMIN PLAN 8-III.D (SCROLL TO PAGE 17)
HPHA METHODOLOGY IN GATHERING COMPARABLES IS ILLEGAL
AND DOES NOT COMPLY WITH HUD REGULATIONS*

c. ILLEGAL POLICIES APPLIED TO THORSON’S VOUCHER

81 Evidence proves that on 03.23.22, defendants applied illegal policies to Thorson’s voucher by using two (2) low comparables in the amount of \$1,621 and \$2,621.

ATTACHMENT 2

(HPHA APPLIED ILLEGAL POLICIES - USED 2 LOW COMPS - \$1,621 & \$2,621)

82 Evidence proves that on 03.29.22, defendants applied the illegal policies to her voucher by using one (1) low comparable in the amount of \$1,621.

ATTACHMENT 3

(HPHA APPLIED ILLEGAL POLICIES - USED 1 LOW COMP - \$1,621)

83. The amount of subsidy the HPHA received each month from Thorson's voucher was \$4,207 (approved exception payment standard).

84. Application of the illegal policies to her voucher allowed the defendants to accumulate \$934 every month from the voucher.

85 The total amount of subsidy defendants stole from Thorson's voucher (\$934 x 31 months) was **\$28,954**.

d. FEDERAL AUTHORITIES GOVERN SECTION 8 PROGRAM

86. The following federal rules and HUD Regulations govern how comparables are to be gathered in determining rent reasonableness.

24 C.F.R. §982

governs how Public Housing Authorities implement the Section 8 Housing Choice Voucher Program.

24 C.F.R. §982

(governs how Public Housing Authorities implement the Section 8 Housing Choice Voucher Program)

24 C.F.R. § 982.4

(defines Rent Reasonableness)

24 C.F.R. 982.507(b)

(defines comparables used in Rent Reasonableness)

42 U.S.C. §1437f (Sec. 512)

(defines comparables used in Rent Reasonableness)

FEDERAL REGISTER 98-10374

**e. HUD REGULATIONS MANDATE METHOD
IN DETERMINING RENT REASONABLENESS**

87. HUD Regulations: **HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2, page 8**, mandates the methodology PHAs are to use in gathering comparables to determine rent reasonableness.

88. **HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2**, reads:

“...3.1.2 Ensure method represents entire market, not only units within the PHA’s Payment Standard...”

“...PHAs need to be careful not to limit their rent reasonableness analysis to only mid-range units or only units in certain more affordable neighborhoods. Voucher families may choose to rent units above the payment standard. As a rule of thumb, the **PHA should collect data on units with gross rents at least 20-25 percent above the greater of the payment standard or the FMR, including any HUD approved exception payment standards**...”

ATTACHMENT 7

HUD SECTION 8 HOUSING CHOICE VOUCHER GUIDEBOOK, CHAPTER 3, SECTION 3.1.2, PAGE 8 PROVIDES LEGAL METHODOLOGY TO DETERMINE RENT REASONABLENESS

f. LEGAL AUTHORITIES REQUIRE COMPLIANCE WITH FEDERAL RULES AND HUD REGULATIONS

89. Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority, and the Board of Directors of the Hawaii Public Housing Authority, refuse to ratify the illegal policies (**HPHA Admin Plan 8-III.D**) into compliance with **HUD Regulations, HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3** that mandates the methodology to be used in gathering comparables in determining rent reasonableness.

90. **The illegal policies do not comply with HUD Regulations.**

91. The illegal policies are required to comply with HUD Regulations according to **24 C.F.R. § 982.52(a), 24.C.F.R. 982.53(d), 24 C.F.R. 982.54, and 24 C.F.R. 982.54(b)**, which reads as follows:

24 C.F.R. §982.52(a)

“...The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives...”

24 C.F.R. §982.53 (d)

“...State and local law.

Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program...”

24 C.F.R. §982.54

“...HUD Requirements.

(a) The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

(b) The PHA **must** comply with the consolidated ACC and the PHA’s HUD-approved applications for program funding...”

24 C.F.R. §982.54(b)

“...The Administrative Plan **must** be in accordance with HUD regulations and requirements...”

g. 18 U.S.C. §666 PROVES FRAUD

92. Defendant Hakim Ouansafi admitted under penalty of perjury in his Declaration he enforces illegal policies, knowing they “...differ from the HUD mandate...”. In his Declaration, he imputes liability to his staff for *implementing* the illegal policies, and imputes liability to the HPHA Board of Directors for *approving* the illegal policies.

93. It is against the law to divert and/or misappropriate federal funds from the Section 8 Housing Choice Voucher Program.

94. Evidence proves that ‘surplus grant funds’ are stolen, which violates **18 U.S.C. §666, and DOJ Criminal Code 1001 – 1012**

h. BOARD OF DIRECTORS APPROVED ILLEGAL POLICIES

95. In his Declaration, Hakim Ouansafi imputes liability to the Board of Directors for approving the illegal policies, by writing in his Declaration (*specifically paragraphs 3, 9, and 10*):

“...3. I have reviewed the Complaint filed by Plaintiff Laurie Thorson on October 4,2023, particularly, the allegations that *I am “solely responsible for adopting the **illegal policy to use one low comparable in all rent reasonableness determinations”...***”

“...9. The **governing body of HPHA is the Board of Directors (“Board”)**, as established under **Hawaii Revised Statutes**

356D-3. The **Board is responsible** for adopting HPHA’s policies, including administrative rules and the HPHA Administrative Plan (among others)...”

“...10. **It is the HPHA Board, not me as Executive Director, that is responsible for adopting policies such as the “one low comparable” policy referenced by Plaintiff...**”

ATTACHMENT 1

DECLARATION BY HAKIM OUANSAFI

(ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT)

96. Evidence proves the HPHA Board of Directors are complicit and co-conspirators with Hakim Ouansafi to steal federal funds from the Section 8 Housing Choice Voucher Program, by approving the illegal policies (re rent reasonableness) that Hakim Ouansafi presented to them at the 01.19.23 board meeting.

97. The ANNUAL PHA PLAN, attached to the Agenda for the 01.19.23 board meeting, is presented by Hakim Ouansafi to the HPHA Board of Directors for approval of the illegal policies that “...differs from the HUD mandate...”.

ATTACHMENT 4

01.19.23 AGENDA FOR BOARD MEETING (includes highlights, scroll to page 147), BOARD APPROVED HAKIIM OUANSAFI’S ILLEGAL POLICIES THAT “...DIFFERS FROM THE HUD MANDATE...”

98. According to **§903.23(c)(iv)**, HUD should not have approved the ANNUAL PHA PLAN submitted by Hakim Ouansafi.

“...(c)...HUD may disapprove a PHA plan, in its entirety or with respect to any part, or disapprove any significant amendment or modification to the plan, only if HUD determines that the plan, or one of its components or elements, or any significant amendment or modification to the plan:...”

“...(iv)...**is not** consistent with applicable Federal laws and regulations...”

i. SUMMARY OF FRAUD SCHEME #1

99. Relator submitted evidence to the HPHA Board of Directors to prove that Hakim Ouansafi admitted guilt in his signed Declaration, in which Hakim Ouansafi admits enforcing the illegal policies, and imputes liability to his staff for implementing the illegal policies and imputes liability to the HPHA Board of Directors for approving the illegal policies.

100. Relator submitted several ‘Written Testimonies’ to the HPHA Board of Directors to prove that the state of employees of the Hawaii Public Housing Authority was diverting federal funds from the Section 8 HCV Program

101. Evidence of HPHA financial statements proves that Hakim Ouansafi has been enforcing illegal policies since he was hired in January 2012 (revenue v. expenditures = 100%); however, because HUD dashboard provides data beginning January 2015, the reporting of these false figures to HUD can't be confirmed.

102. However, because subsidy is paid to the HPHA based on the previous year's expenditures, it is assumed that the same false figures provided in the HPHA financial statements was also falsely reported to HUD. The cycle of using false figures to warrant annual subsidies is considered fraud.

103. Evidence proves Hakim Ouansafi admits enforcing the illegal policies - to use low comparables against the contract rent in all rent reasonableness determinations - which illegal policies support the steal of federal funds from each and every Section 8 voucher.

104. Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority, and the Board of Directors of the Hawaii Public Housing Authority, knew:

- a. The policies were illegal.
- b. The illegal policies in **HPHA Admin Plan 8-III.D** was not in compliance with HUD regulations.
- c. The illegal policies allowed for 'surplus grant funds' to be accumulated from each and every voucher.

- d. Allowed management staff to implement the illegal policies.
- e. The illegal policies violated and suppressed prior rent approvals (payment standards = value of voucher), causing the value of the voucher to be reduced so that 'surplus grant funds' could be accumulated from every voucher.
- f. The illegal policies denied Relator and other recipients fair housing.
- g. The illegal policies denied all landlords who participate in the Section 8 Program of Fair Market Value (FMV) for their rental.
- h. Defendants knew they were reporting false figures to HUD.
- i. Defendants knew they were altering the HPHA financial records to coincide with the false figures reported to HUD.
- j. Defendants knew they were acting outside the scope of their duties by enforcing illegal policies systematically.
- k. Defendants knew they were acting criminally and illegally.

j. HUD FORM: HUD-52681-B

105. The actual amount of subsidy paid/used for each voucher is based on the amount of subsidy used to pay the landlord, according to the HAP contract. HPHA is required to submit HUD FORM: HUD-52681-B for each voucher, confirming the amount paid to the landlord. This is the form that is being altered to provide false figures to HUD, by falsely reporting to HUD it used 100% of the subsidy per voucher.

106. This form is a key piece of evidence that is missing to this puzzle. This form confirms the lie, that the HPHA is falsely reporting to HUD that it used 100% of the subsidy for every voucher. By falsely reporting false figures to HUD, then the HPHA confirms the false figures as expenditures in their financial statements.

107. Relator requested a copy of this HUD form, and defendants refused to produce copies, which is relevant to proving who reported the false figures to HUD, and for how much was falsely reported.

ATTACHMENTS 8

LETTER TO HPHA REQUESTING COPY OF HUD FORM: HUD-52681-B

108. Relator petitioned the court to assist her in compelling defendants to produce these documents, but the court denied her request.

109. HUD dashboard confirms discrepancies by defendants falsely reporting it used 100% subsidy to issue approximately 70-75% of the Section 8 vouchers.

110. HPHA financial statements confirm that the defendants alter the financial statements to reflect in false figures HPHA reported to HUD (revenue v. expenditures).

111. HPHA financial statements confirm that the defendants report the false figures to the state auditors (for annual audits) to reflect the false figures HPHA reported to HUD (revenue v. expenditures).

112. Hakim Ouansafi then documents the false figures in his 'Executive Director's Reports' that he attaches to the Agenda for monthly board meetings.

113. Evidence: HUD Voucher Management System ("VMS") and Electronic Voucher Management System ("EVMS") data; altered financial statements which are public information the from State Auditor's Office.

k. DAMAGES – FRAUD SCHEME #1

114. Illegal policies were applied to Relator's voucher, which reduced the payment standard for her voucher. This allowed 'surplus grant funds' to be accumulated from her voucher each month in the amount of **\$934** per month.

115. The total amount of 'surplus grant funds' accumulated from the Relator's voucher was **\$28,954**.

116. Assuming **\$934** (*the amount stolen from my voucher each month*) was accumulated from each month from every voucher, since January 2015, the gross total of damages would be

\$934/month x 10 years (Jan 2015 to Dec 2025) x 4,341 vouchers = approximately **\$486,539,280.**

117. Assuming a minimum amount of \$100 is accumulated in ‘surplus grant funds’ from every voucher since January 2015, the gross total of damages would be approximately \$52,092,000.

118. The fraud schemes enforced by state employees allow federal funds to be stolen from the Section 8 Housing Choicoe Voucher Program. The approximate total gross stolen is **\$896,741,636.**

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>
	\$896,741,636

**VIX. FRAUD SCHEME #2
REVENUE v. EXPENDITURES**

119. FRAUD SCHEME #2 was discovered after Relator reviewed the HUD data and HPHA financial records and created her charts in search of the ‘surplus grant funds’. That’s when Relator discovered that the HPHA was falsely claiming to HUD that it used 100% of the subsidy to issue only 70% of the vouchers.

ATTACHMENT 9
*FRAUD CHART PROVES HPHA STOLE \$117,796,916
(EVIDENCE - HUD DATA AND HPHA FINANCIALS - ATTACHED TO CHART)*

120. The application of FRAUD SCHEME #1 proves FRAUD SCHEME #2, because there is absolutely no way 100% of the subsidy was used by application of illegal policies (to reduce the amount of subsidy accumulated in 'surplus grant funds'). Defendants provide no accounting for the 'surplus grant funds', and HUD confirms the HPHA reported having only \$44 in Reserves.

a. REVENUE

121. Hawaii Public Housing Authority receives subsidy based on last year's expenditures the PHA reports to HUD. Because of lack of oversight for this process, to ensure the figures are accurate, this allows the PHA to falsely report to HUD that it used 100% of the subsidy it received from HUD. By reporting the false figures to HUD, this ensures that the HUD issues 100% of the subsidy the following year, since the subsidy is based on the previous year's expenditures.

122. After reporting the false figures to HUD, the HPHA then confirms the false figures by altering their financial statements to hide the steal. Then HPHA reports the same false figures to the state auditors at annual audits. Then Hakim Ouansafi repeats the same false figures in his monthly 'Executive Director's Report', which is a part of the agenda for monthly board meetings.

b. EXPENDITURES

123. Evidence proves that the HPHA falsely reports to HUD it expended 100% of the subsidy it received from HUD. Since the vouchers belong to HUD, not to the PHA, HUD knows exactly how many vouchers are being issued to the community. But HUD relies on the PHA to tell the truth about how much subsidy it used. This is the problem. There is no oversight by HUD to ensure that the figures the PHA is providing are true and accurate.

c. HUD FORM: HUD-52681-B

124. Relator requested a copy of this HUD form, and defendants refused to produce copies, which is relevant to proving who reported the false figures to HUD, and for how much was falsely reported.

ATTACHMENTS 8

LETTER TO HPHA REQUESTING COPY OF HUD FORM: HUD-52681-B

125. Relator petitioned the court to assist her in compelling defendants to produce these documents, but the court denied her request.

126. HUD dashboard confirms discrepancies by defendants falsely reporting it used 100% subsidy to issue approximately 70-75% of the Section 8 vouchers.

127. HPHA financial statements confirm that the defendants alter the financial statements to reflect in false figures HPHA reported to HUD (revenue v. expenditures).

128. HPHA financial statements confirm that the defendants report the false figures to the state auditors (for annual audits) to reflect the false figures HPHA reported to HUD (revenue v. expenditures).

129. Hakim Ouansafi then documents the false figures in his 'Executive Director's Reports' that he attaches to the Agenda for monthly board meetings.

130. Evidence: HUD Voucher Management System ("VMS") and Electronic Voucher Management System ("EVMS") data; altered financial statements which are public information the from State Auditor's Office.

d. 3 OF 5 HAWAII PHAs ENFORCE FRAUD SCHEME #2

131. HUD dashboard proves that 3 of the 5 PHAs (Public Housing Authorities) in Hawaii enforce FRAUD SCHEME #2.

132. HUD dashboard proves that the PHAs lied when it reported to HUD it used 100% of the subsidy to issue approximately 70% of the vouchers.

ATTACHMENT 10

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

ATTACHMENT 11

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

ATTACHMENT 12

PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

133. The PHA financial statements prove that the 3 PHAs falsely report in their financial statements the false figures they reported to HUD, that 100% subsidy was used (revenue v. expenditures).

134. PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

HAKIM OUANSAFI, the Executive Director of the PHA: HAWAII PUBLIC HOUSING AUTHORITY stole **\$117,796,916** (since January 2015) from the Section 8 Housing Choice Voucher Program; and he continues to steal ±\$1,000,000 every month.

135. This chart is the latest chart created, which proves **\$117,796,916** was stolen from January 2015 to **December 2024**:

ATTACHMENT 9

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY
FRAUD CHART PROVES HPHA STOLE \$117,796,916
(EVIDENCE OF HUD DATA & HPHA FINANCIAL STATEMENTS
ATTACHED TO CHART)

136. This chart was the first chart created, which proves **\$110,922,769** was stolen from January 2015 to **October 2024**.

ATTACHMENT 13

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

137. PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

ANTON KRUCKY, Director of the PHA: CITY OF COUNTY OF HONOLULU stole \$10,942,886 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$1,000,000 every month. Approximately a total of **\$109,428,860** stolen since January 2015; HUD data confirms the steal, but I have yet to compile the data into a Fraud Chart to prove the amount stolen each month.

ATTACHMENT 14

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

138. PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

ADAM ROVERSI, Director of the PHA: KAUAI COUNTY HOUSING AGENCY stole \$2,697,658 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$270,000 every month (approximately a total of **\$26,976,580** stolen since January 2015). HUD data confirms the steal, but I have yet to compile the data into a Fraud Chart to prove the amount stolen each month.

ATTACHMENT 15

PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

e. BOARD OF DIRECTORS APPROVE FRAUD SCHEME #2

139. Relator has been attending the monthly board meetings since October 2024, but for the purpose of providing the Board of Directors monthly 'Written Testimonies' to keep the board members informed of the Hawaii Public Housing Authority's fraud schemes, illegal policies, and the amount of federal funds being stolen from the Section 8 program.

f. HUD DATA PROVES THE STEAL

140. Evidence from the **HUD dashboard** proves the following 3 PHAs are not issuing all the vouchers they receive from HUD, and falsely report to HUD that over 100% subsidy was used (revenue v. expenditures).

SUBSIDY v. VOUCHERS:

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

Used 100.83% subsidy to issue 78.32% vouchers

4,341 = vouchers HPHA received from HUD

3,341 = vouchers HPHA used

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

Used 100.79% subsidy to issue 81.63% vouchers

4,906 = vouchers CITY received from HUD

3,955 = vouchers CITY used

PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

Used 102.16% subsidy to issue 73.76% vouchers

1,178 = vouchers KAUAI received from HUD

852 = vouchers KAUAI used

141. The fraud scheme is PHAs **lie** to HUD by falsely claiming it used 100% of the subsidy, which ensures the steal of federal funds not used, and ensures the PHA receives the same amount of subsidy the following year (since previous years expenditures determine the subsidy amount for the following year).

g. FRAUD CHARTS PROVE THE STEAL

142. Relator created FRAUD CHARTS for the 3 PHAs, using only HUD data and HPHA financial statements, to prove the approximate amount being stolen since Jan 2015 (*HUD dashboard begins January 2015*).

143. **PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY**
HAKIM OUANSAFI, the Executive Director of the PHA: HAWAII PUBLIC HOUSING AUTHORITY stole **\$117,796,916** (since January 2015) from the Section 8 Housing Choice Voucher Program; and continue to steal every month.

ATTACHMENT 9

FRAUD CHART

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

144. **PHA: H1003 ~ CITY AND COUNTY OF HONOLULU**
ANTON KRUCKY, Director of the PHA: CITY OF COUNTY OF HONOLULU stole \$10,942,886 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$1,000,000 every month.

Approximately a total of **\$109,428,860** stolen since January 2015; HUD data confirms the steal, but I have yet to compile the data into a Fraud Chart to prove the amount stolen each month.

ATTACHMENT 14

FRAUD CHART

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

145. **PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY**
ADAM ROVERSI, Director of the PHA: KAUAI COUNTY HOUSING
AGENCY stole \$2,697,658 (in just ten months, Jan – Oct 2024),
and he continues to steal ±\$270,000 every month (approximately a
total of **\$26,976,580** stolen since January 2015). HUD data
confirms the steal, but I have yet to compile the data into a Fraud
Chart to prove the amount stolen each month.

ATTACHMENT 15
FRAUD CHART
PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

146. According to HUD, HPHA reported to HUD that it currently
has only **\$44 in Reserves**.

h. SUMMARY OF FRAUD SCHEME #2

147. Evidence proves the following PHAs enforce FRAUD SCHEME #2,
which allows federal funds to be diverted from the Section 8 program:

- PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY
- PHA: H1003 ~ CITY AND COUNTY OF HONOLULU
- PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

i. DAMAGES – FRAUD SCHEME #2

148. Evidence proves the 3 PHAs in Hawaii who enforce FRAUD SCHEME #2 steal a combined total of approximately **\$254,202,356** (since January 2015), and continue to steal a combined total of approximately **\$2,330,000 every month.**

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY =	\$117,796,916
PHA: H1003 ~ CITY AND COUNTY OF HONOLULU =	\$109,428,860
PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY =	<u>\$32,376,580</u>
	<u>\$254,202,356</u>

149. The fraud schemes enforced by state employees allow federal funds to be stolen from the Section 8 Housing Choicoe Voucher Program. The approximate gross total stolen is **\$896,741,636.**

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>
	\$896,741,636

X. FRAUD SCHEME #3

150. Like FRAUD SCHEME #1, this fraud scheme increases the amount of 'surplus grant funds' that are accumulated from each and every Section 8 voucher.

151. This fraud scheme is a direct hit to the recipients by depriving them of utility allowances allowed by HUD to assist them with their monthly housing utility expenditures.

153. Hawaii Public Housing Authority intentionally reduces the amount of utility allowances to decrease the amount of subsidy provided to the recipients to assist them in paying their utility bills. This fraud scheme increases the amount of 'surplus grant funds' that are stolen from each voucher.

154. Evidence proves that both **PHAs use the same utility companies for the same addresses.**

155. Evidence proves that all recipients use the same utility companies.

a. UTILITY ALLOWANCE (UA) CHARTS

156. Evidence proves the UA figures documented in the Utility Allowance (UA) chart for the PHA: HAWAII PUBLIC HOUSING AUTHORITY is drastically lower than the UA figures documented in

the Utility Allowance (UA) chart for PHA: CITY AND COUNTY OF HONOLULU.

ATTACHMENT 16

UA CHARTS (2025)

PHA: H1901, HAWAII PUBLIC HOUSING AUTHORITY

ATTACHMENT 17

UA CHARTS (2025)

PHA: H1003, CITY AND COUNTY OF HONOLULU

157. The attached chart was created to compare the utility allowance figures between these two PHAs that cover the same addresses. The chart proves the UA figures for the HPHA are substantially lower than the figures by the PHA: CITY AND COUNTY OF HONOLULU.

ATTACHMENT 18

*UA FIGURES – COMPARISON TO PROVE FRAUD
(HPHA v, PHA: CITY AND COUNTY OF HONOLULU)*

b. SUMMARY OF FRAUD SCHEME #3

158. Evidence proves that FRAUD SCHEME #3 is implemented by the HPHA to decrease the amount of subsidy provided to the recipients to pay their utility bills, and reduce the amount of rent so that they can pay their utilities. The reduced utility allowances are applied to all vouchers and only increases the amount of 'surplus grant funds' that is accumulated from every voucher. Decreasing the utility allowances is of no benefit to the recipient and only

serves to benefit the defendants to accumulate more 'surplus grant funds' from every voucher.

159. FRAUD SCHEME #3 is a direct hit to all recipients, considering all recipients of the Section 8 program are considered "low income", most have children living in the home, or are disabled, or elderly. The utility allowance is a benefit that ultimately allows more subsidy to be used, instead of allowing the state employees to accumulate surplus grant funds to steal.

c. DAMAGES – FRAUD SCHEME #3

160. Approximate steal by Hawaii Public Housing Authority is \$660,000 to \$1,300,000 each month = \$7,900,000 to \$15,600,000 each year = \$79,000,000 to **\$156,000,000** since January 2015.

161. The fraud schemes enforced by state employees allow federal funds to be stolen from the Section 8 Housing Choice Voucher Program. The approximate total gross stolen is **\$896,741,636**.

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>
	\$896,741,636

**XI. BOARD OF DIRECTORS COLLABORATE WITH
HAKIM OUANSAFI TO ENFORCE ILEGAL POLICIES**

**a. HAKIM OUANSAFI IMPUTES LIAILITY TO BOARD OF
DIRECTORS FOR APPROVING ILLEGAL POLICIES**

162. In Hakim Ouansafi's Declaration, he confirms that the Board of Directors are in collaboration with him to implement illegal policies, which is the basis of the fraud schemes to steal federal funds from the Section 8 Housing Choice Voucher Program, as well as other HUD programs.

163. Hakim Ouansafi admits in his Declaration that he enforces the illegal policies which the HPHA Board of Directors approved.

Hakim Ouansafi writes,

"...9...The **Board is responsible** for adopting HPHA's policies, including administrative rules and the HPHA Administrative Plan (among others)..."

"...10...It is the **HPHA Board, not me as Executive Director, that is responsible for adopting policies such as the "one low comparable"** referenced by Plaintiff..."

ATTACHMENT 1
DECLARATION BY HAKIM OUANSAFI
(attached to his Motion for Summary Judgment)

164. Instead of stopping the steal . . . evidence proves that the steal has been enforced by Hakim Ouansafi since he was hired in January 2012.

b. HUD CONFIRMS BOARD OF DIRECTORS IS RESPONSIBLE FOR APPROVING ALL PHA POLICIES

165. HUD confirms the authority of the Board of Directors is to manage the Public Housing Agencies Voucher Program. HUD confirms this (“Influencing the Public Housing Agency Board”) and requires “...Public Housing Agency **Board approves all of the policies** that manage a Public Housing Agencies Voucher Program.

HUD writes:

“...Public Housing Agencies are government entities designed to serve the citizens of their community. They are governed by a Board that meets publicly and must include at least one Board Member who receives housing assistance (*never has a Section 8 recipient been on the board – board has always had 10 members, not 11*)...”

“...The Public Housing Agency **Board approves all of the policies** that manage a Public Housing Agencies Voucher Program...”

**c. WRITTEN TESTIMONIES SUBMITTED
TO BOARD OF DIRECTORS**

166. Evidence proves Relator made every attempt to attend monthly board meetings to keep HPHA Board of Directors informed that the illegal policies were still being enforced by Hakim Ouansafi, and were applied to every voucher to accumulate 'surplus grant funds' from every voucher. Relator provided the board copies of HUD data and HPHA financial statements to prove Hakim Ouansafi and his staff were reporting to HUD **false figures** (*to hide the steal of 'surplus grant funds'*), and then would alter the HPHA financial statements (*to coincide with the false figures reported to HUD*).

167. Since the Realtor began attending the monthly board meetings in October 2024, she provided the board with monthly written testimonies and a voluminous amount of evidence (*i.e., HUD data, HUD Regulations, court documents, etc.*) and even created FRAUD CHARTS to prove to the board that federal funds were being diverted from the Section 8 Housing Choice Voucher Program, and HPHA financial records were being altered.

168. Board of Directors *refuse* to stop the "steal", *refuse* to order Hakim Ouansafi ratify the illegal policies into compliance with HUD Regulations, and *refuse* to terminate Hakim Ouansafi for fraud.

169. The following is a list of board meetings Relator provided written testimonies, and a brief explanation of its contents. The most recent board meeting proves **Hakim Ouansafi is currently seeking approval from the Board of Directors to enforce new illegal policies** (*refer to 11.20.25 and 10.16.25 board meeting agendas*):

170. A. **11.20.25 BOARD MEETING**
(AGENDA IS A DUPLICATE OF 10.16.25 AGENDA)

ATTACHMENT 23
Written Testimony

+ first page of 11.20.25 Agenda (rest of doc is duplicate of 10.16.25 Agenda)

(objections to **new illegal policies** in "Board Resolution No. 20-05")
(objections to altered financial statements)

Written Testimony #2 (object to new illegal policies, see Attachment 25)

• **10.16.25 BOARD MEETING**

NOTE: board meeting cancelled day after HPHA received below written testimonies.

ATTACHMENT 24
Written Testimony #1

ATTACHMENT 25
Written testimony #2

Refer to page 3, , WT#2 table of contents lists the objections:
-object to Hakim Ouansafi's new illegal policies being presented to the board for approval (Board Resolution No. 20-05)
-object to amend HA ANNUAL PLAN to include new illegal policies
-object to altered financial statements (included in Executive Director's Report)

ATTACHMENT 26
Written Testimony #2

(copy of Agenda attached to WT#2
Agenda with highlights and notes in red, objecting to illegal policies.

171. B. **08.28.25 BOARD MEETING**

ATTACHMENT 27
Written Testimony #1

ATTACHMENT 28
Written testimony #2

172. C. **05.29.25 BOARD MEETING**

ATTACHMENT 29
Written Testimony 2

120% increase in payment standards not being made available to recipients.
Board approved the UA charts of HPHA decreasing utility allowances.
I provided board proof of my written request for HUD FORM: HUD-52681-B
Objected to proposed budget increases, which allow more funds to be stolen.

173. **D. 04.17.25 BOARD MEETING**

ATTACHMENT 30

Written Testimony #1

Provided the board with evidence (HUD data and HPHA financial statements) to prove fraud.

ATTACHMENT 31

Written Testimony #2

*Objected to false figures HPHA provided to state auditors.
Objected to state audit.*

.....

174. **E. 03.20.25 BOARD MEETING**

ATTACHMENT 32

Written Testimony #1

Provided board copy of my P's Opposition to Defendants Motion for Summary Judgment, D's Motion for Summary Judgment (which included copy of Declaration by Hakim Ouansafi.

ATTACHMENT 33

*Attachment to Written Testimony #1
P's Opposition to D's Motion for Summary Judgment*

ATTACHMENT 34

Written Testimony #2

*Provided board copy of HPHA financial statement proving false figure (expenditures) to prove fraud.
Provided board copies of fraud charts, created using HUD data and HPHA financials only (for*

ATTACHMENT 35

Attachment to Written Testimony #2

Email to auditors, Plante & Moran to inform them of false figures provided to them by HPHA and provided copies of fraud charts.

.....

175. **F. 02.25.25 BOARD MEETING**

ATTACHMENT 36

Provided the board with a copy of Declaration by Hakim Ouansafi, attached to his Motion for Summary Judgment.

.....

176. **G. 01.14.25 EMAIL TO HPHA**

ATTACHMENT 37

EMAIL FROM THORSON TO HPHA (TO FORWARD TO BOARD);

Provided the board copy of Hakim Ouansafi's employment contract dated 11.24.14 (refer to page 3)

"...2.4 Termination by Authority for Cause. The Board may terminate this Agreement for cause only. "Cause" means: (i) fraud, misappropriation, embezzlement or any other material violation of law that occurs during or in the course of employment; (ii) intentional breach of obligations of the position or intentional breach of policies; (iii) repeated willful failure to perform services or follow Board directives; (iv) willful conduct that is demonstrably and materially injurious to the Authority, monetarily or otherwise..."

"...Please consider this a formal request that Hakim Ouansafi be terminated as the Executive Director of the Hawaii Public Housing Authority for "...fraud, misappropriation, embezzlement..."

.....

177. **H. 12.05.24 BOARD MEETING**

ATTACHMENT 38

Written Testimony

*Requested board comply with HRS 356D-3 and add a recipient as a board member (board has 10 members, should have 11)
Provided copies of fraud charts.*

ATTACHMENT 39

Written Testimony

Provided board with copy of SB 3120, to prove that after the board denied Hakim Ouansafi's request to pay his management s salary that exceeds the governor's salary, tht Hakim Ouansafi then petitioned the legislature in SB 3120 to override the board's authority.

.....

178. **I. 11.21.24 BOARD MEETING**

ATTACHMENT 40

Written Testimony

Provided board with FRAUD CHART to prove the HPHA stole over \$106M from the Section 8 Housing Choice Voucher Program.

.....

179. **J. 10.19.23 BOARD MEETING**

ATTACHMENT 41

Written Testimony

*First time I provided written testimony to the board.
I informed the board that the HPHA was using llegal policies that were not in compliance with HUD Regulations.*

(this written testimony was initially attached to the board meeting Agenda, but has since been removed)

.....

**d. HUD APPROVED ILLEGAL POLICIES
APPROVED ANNUAL PHA PLANS**

180. According to **§903.23(c)(iv)**, HUD should **not** have approved the ANNUAL PHA PLAN submitted by Hakim Ouansafi to the Board of Directors for approval, which included the “admitted” illegal policies (*refer to Declaration by Hakim Ouansafi, and 01.29.23 Agenda confirms illegal policies “...differ from the HUD mandate...”*).

§903.23(c)(iv) reads:

“...(c)...HUD may disapprove a PHA plan, in its entirety or with respect to any part, or disapprove any significant amendment or modification to the plan, only if HUD determines that the plan, or one of its components or elements, or any significant amendment or modification to the plan:...”

“...(iv)...**is not consistent with applicable Federal laws and regulations...**”

181. Evidence proves that HUD/PIH Director, Mr. Jesse Wu, was fully aware that the HPHA was implementing illegal policies. Mr. Wu is the person who informed the Relator that the illegal policies did not comply with HUD Regulations.

182. Relator contacted Hawaii HUD/PIH Director, Mr. Jesse Wu, on several occasions, seeking his assistance. The following documents are communications from Mr. Jesse Wu, who provided no

assistance, even after he confirmed the defendants were imposing illegal policies in March 2022.

ATTACHMENT 19

03.25.22 EMAIL FROM HUD PIH DIRECTOR, JESSE WU - PROVIDES HUD REGULATIONS

ATTACHMENT 20

04.01.22 FORWARDED JESSE WU's 03.25.22 EMAIL TO LYLE MATSUURA

ATTACHMENT 21

04.06.22 FORWARDED JESSE WU's 03.25.25 EMAIL TO HAKIM OUANSAFI

ATTACHMENT 22

03.29.22 2 EMAILS FROM HUD PIH DIRECTOR JESSE WU re REFUSED TO HELP

183. Evidence proves the HPHA Board of Directors, and possibly Hawaii's HUD/PIH Director, Jesse Wu, are complicit and with Hakim Ouansafi to divert and misappropriate federal funds from the Section 8 Housing Choice Voucher Program.

184. At the 01.19.23 board meeting, Hakim Ouansafi proposed another ANNUAL PHA PLAN, which Hakim Ouansafi proposes that the board and HUD approve the illegal policies that "...differ from the HUD mandate...". Evidence proves that on 01.19.23, the board and HUD approved the ANNUAL PHA PLAN as it was submitted by Hakim Ouansafi.

ATTACHMENT 4

01.19.23 BOARD MEETING AGENDA, SCROLL TO PAGE 147, HAKIM OUANSAFII CONFIRMS ILLEGAL POLICIES "...DIFFERS FROM HUD MANDATE..."

ATTACHMENT 5

01.19.23 BOARD MEETING - PAGE 147 - ILLEGAL POLICIES TO USE LOW COMPS "...DIFFERS FROM THE HUD MANDATE..."

XII. RETALIATION AND DISCRIMINATION

a. HOW RELATOR BECAME AWARE OF ILLEGAL POLICIES

185. It was truly by accident that the Relator discovered the state employees were using illegal policies – to use **low** comparables against the **contract rent** in all rent reasonableness determinations. It was *after* the illegal policies were applied to her voucher, and caused her payment standard to be reduced, and interfered with her securing a rental, so the Realtor contacted HUD to ask for help.

186. Realtor contacted Hawaii's HUD office and was informed by the HUD/PIH Director, Mr. Jesse Wu, that HPHA's use of low comparables was not in compliance with HUD Regulations. Mr. Wu emailed Thorson the link to the HUD mandate on how comparables are to be gathered in determining rent reasonableness.

ATTACHMENT 19

03.25.22 EMAIL FROM HUD's JESSE WU

187. The link provided by Mr. Jesse Wu is: **HUD Regulations, HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3**, which mandates the legal methodology to be used in gathering comparables in determining rent reasonableness, *which reads:*

“...PHA should **collect data** on units with gross rents at least **20-25 percent ABOVE the greater of the payment standard or the FMR...**”

ATTACHMENT 7

HUD REGULATIONS, HUD SECTION 8 HOUSING CHOICE VOUCHER GUIDEBOOK, CHAPTER 3,

188. In summary, it was in March 2022 when the state employees applied illegal policies to Thorson’s voucher which caused her approved payment standard to be drastically reduced and caused the rent (on the potential rental) to be reduced below her approved payment standard.

189. HPHA performed the first rent reasonableness test by using **two (2) low** comparables in the amount of \$1,6,21 and \$2,621, which reduced the rent from \$4,000 to \$2,647. Because defendants’ payment standard for her 2-bedroom voucher was \$4207, this would have allowed HPHA to accumulate **\$1,560** in ‘surplus grant funds’. The landlord refused to decrease his rent from \$4,000 to \$2,647.

190. HPHA performed a second rent reasonableness test by using **one (1) low** comparable in the amount of \$1,621 (same comparable as before), which reduced the rent from \$4,000 to \$3,273.

191. Because defendants approved the payment standard of \$4,207 for Thorson's 2-bedroom voucher was \$4,207, this allowed HPHA to accumulate **\$934** in 'surplus grant funds' from Relator's voucher each and every month.

192. Relator contacted the Hawaii HUD/PIH Director, Mr. Jesse Wu, for help. On 03.25.22, Mr. Wu confirmed that the illegal policies the HPHA was enforcing – to use low comps – was not in compliance with HUD Regulations.

ATTACHMENT 19

03.25.22 EMAIL FROM HUD's JESSE WU

193. Relator forwarded Mr. Wu's email to defendant Lyle Matsuura on 04.01.22.

ATTACHMENT 20

04.01.22 EMAIL TO LYLE MATSUURA, FORWARDED JESSE WU'S EMAIL DATED 03.25.22

194. Relator forwarded Mr. Wu's email to defendant Hakim Ouansafi on 04.06.22.

ATTACHMENT 21

04.06.22 EMAIL TO HAKIM OUANSAFI, FORWARDED JESSE WU'S EMAIL DATED 03.25.22

**b. INTENTIONAL INTERFERENCE
WITH LIVE IN AIDE AND HOUSING**

195. Evidence proves that in 2017, the HPHA approved Thorson's reasonable accommodations to have a live in aide, 120% approved exception payment standard', and 2-bedroom voucher.

ATTACHMENT 42

*ATTACHMENT 42 - 2017 HPHA APPROVED LIVE IN AIDE RA
AND 120% RA*

196. Evidence proves that it was *after* Relator disputed the illegal policies, *after* she forwarded Mr. Jesse Wu's email to Lyle Matsuura on 04.01.22, and to Hakim Ouansafi on 04.06.22, is when the retaliation began.

197. Thorson lived in the same 2-bedroom rental for five years and was recertified every year thereafter at annual recertifications.

198. In March 2022, the landlord asked Thorson to move so the rent could be doubled. Defendants issued Thorson a new 2-bedroom voucher and approved her reasonable accommodations to have a live in aide, and 120% approved exception payment standard'. The 'approved exception payment standard' for Thorson's voucher was **\$4,207**.

199. The week before Thorson's voucher was to expire, Thorson finally found a landlord who would accept her Section 8 voucher,

and the rent was **\$4,000**, below her 'approved exception payment standard' in the amount of **\$4,207**.

200. On 03.22.22, Thorson and the new landlord signed the RFTA (Request for Tenancy Approval) and Lease for \$4,000 rent (*did not include electricity*).

201. On 03.22.22, Thorson and the landlord submitted the signed documents to the HPHA. HPHA was then legally required to schedule the inspection within ten (10) days (*by April 1, 2022*) after receiving the signed RFTA (Request for Tenancy Approval) and Lease.

202. On 03.23.22, the day after receiving the RFTA and Lease for \$4,000 (payment standard for voucher was approved for \$4,207), the HPHA sent Thorson an email informing her that the landlord that a rent reasonableness determination had been performed, and that based on two (2) comparables, the landlord would need to reduce the rent from \$4,000 to \$2,647. The landlord refused.

ATTACHMENT 2

03.23.22 – TWO (2) LOW COMPARABLES USED

203. On 03.29.22, defendants performed another rent reasonableness test, this time using only **one (1) low comparable**, and determined the rent would now needed to be reduced from \$4,000 to \$3,272.

ATTACHMENT 3

03.29.22 – ONE (1) LOW COMPARABLE USED

204. The HPHA made no effort to communicate with the landlord to confirm in writing the landlord's acceptance to reduce the rent from \$4,000 to \$3,273.

205. The HPHA scheduled the inspection for 04.13.22. Thorson and the landlord believed that the \$4,000 rent (confirmed in the signed RFTA and Lease) was acceptable.

206. **Retaliation begins.**

207. On 04.12.22 (1:17pm), the day before the inspection, Ryan Akamine emailed the Relator and introduced himself as the Chief Compliance Officer, requiring Thorson to answer numerous interrogatory questions about her disabilities and her live in aide. Acting outside the scope of his duties, Ryan Akamine believed he was entitled to determine if Thorson was disabled and what support services she could receive to accommodate her disabilities.

ATTACHMENT 43

*04.12.22 1.17pm, EMAIL FROM RYAN AKAMINE
RETALIATION BEGINS*

208. Ryan Akamine required that Thorson respond to his numerous interrogatory questions by 4:00pm this same day, or the inspection scheduled for the following morning would be cancelled. Thorson had literally **1 hour and 43 minutes** to respond to Ryan Akamine or the inspection scheduled the following morning would be cancelled.

209. On 04.12.22 (3:50pm), Thorson responded to Ryan Akamine's email this same day, and again the following morning at 6:30am before the scheduled inspection at 8:00am.

ATTACHMENT 44

*04.12.22 3.50pm, EMAIL TO RYAN AKAMINE
PROVIDED MEDICAL EVIDENCE TO SUPPORT LIVE IN AIDE RA*

210. On 04.13.22 (6:35am), Thorson responded again and forwarded Ryan Akamine even more medical records and evidence to prove she is disabled and requires a live in aide.

ATTACHMENT 45

*04.13.22 6.29am, EMAIL TO RYAN AKAMINE, ADD'L EVIDENCE TO SUPPORT
LIVE IN AIDE RA*

211. Thorson made every effort to respond to Ryan Akamine in a timely manner and provided Ryan Akamine copies of the 'written verifications' from her physicians (which Ryan Akamine already had in Thorson's file). In addition, Thorson provided another 'written verification' from her current physician, copies of medical records, pictures of physical injuries – holes in her tongue after seizing, scratches on her face, several x-rays of fractured back from T-3 to T-12 and 4 pinched nerves in her back. Thorson is also diabetic, has arthritis in both knees, has limited use of her left arm after breaking her arm years ago, and is blind in her right eye.

THE ABOVE INFORMATION DID NOT SATISFY RYAN AKAMINE.

212. **Retaliation by Ryan Akamine continues.**

213. The inspector arrived at 8:00am on April 13, 2022, and performed the inspection. At 4:00pm this same day, Lyle Matsuura called Thorson and left a message (she still has) and informed Thorson the unit passed inspection, and she could move in.

214. Thorson moved in. The landlord and Thorson believed the rent of \$4,000 (confirmed in the RFTA and Lease) was acceptable).

215. After receiving all of Thorson's evidence and medical records, including a copy of a letter from Thorson's doctor the previous day, still Ryan Akamine continued to retaliate by writing "...

ATTACHMENT 46

*04.13.22 8.03am EMAIL FROM RYAN AKAMINE
HE IS DETERMINED TO INTERFERE WITH MY LIA RA*

216. After Thorson moved in, Ryan Akamine continued his retaliation efforts by now requiring the same doctor who provided 'written verification' on 04.12.22 to now answer numerous interrogatory questions about Relator's need for support services from a live in aide. The physician cooperated.

217. However, for the next two weeks Ryan Akamine and Lyle Matsuura refused to return any of the landlord's phone calls or emails, completely ignoring the landlord and recipient. It was obvious the defendants were not going to sign the HAP contract with the landlord, which is required in order for the landlord to be paid, which would have result in the landlord kicking Thorson out of the rental unit, she had already moved into.

218. But the landlord had a plan. Since Thorson was already living in the rental unit, the landlord decided to allow Thorson to remain in the unit for the \$3,273 rent (previously determined by applying the illegal policies); however, the landlord requested Thorson appeal the illegal policies that caused the rent to be reduced, and which illegal policies as non-compliant with HUD Regulations, already determined in 03.25.22 email from HUD/PIH Director, Jesse Wu.

219. Retaliation by Ryan Akamine continues.

220. In June 2023, Ryan Akamine informed Thorson that for her to continue to be approved to have a live in aide, her live in aide must reside in her home as his “primary residence”, is not permitted to have a separate residence, and is not permitted to be employed.

221. Knowing Ryan Akamine was lying, Thorson contacted the HUD/FHEO Branch Chief, Stephanie Rabiner, for clarification on a live in aide’s “primary” residence. FHEO Branch Chief, Stephanie Rabiner, informed Thorson in writing that HUD does not define a live aide’s “primary” residence.

ATTACHMENT 47

06.12.23 EMAIL FROM HUD/FHEO BRANCH CHIEF, STEPHANIE RABINER – CONFIRMS HUD DOES NOT DEFINE A LIVE IN AIDE’S “PRIMARY RESIDENCE”

222. Thorson was then informed by her ex-landlord and ex-neighbor that an “investigator” had contacted them. Thorson was told that the investigator said she and her live in aide were going to prison for fraud.

223. Thinking it was FHEO who sent out the investigators, Thorson immediately contacted the FHEO office. HUD/FHEO Branch Chief, Stephanie Rabiner informed Thorson in writing that it was not the FHEO who was investigating her, but rather it was the Hawaii Public Housing Authority who reopened their investigation from April 2022 into Thorson's "need" for a live in aide, who was investigating Thorson for fraud, and who sent the investigator to talk to Thorson's ex-landlord and ex-neighbor.

ATTACHMENT 48

06.13.23 EMAIL FROM HUD/FHEO BRANCH CHIEF, STEPHANIE RABINER – CONFIRMS HPHA REOPENED THEIR "INVESTIGATION" FROM PREVIOUS YEAR INTO THORSON'S "NEED" FOR A LIVE IN AIDE

224. On 08.09.24, Ryan Akamine documented in writing that he was now requiring Thorson to comply with new "prerequisites" for Thorson to be approved to have a live in aide. The "prerequisites" are: Thorson's live in aide must reside in her home 24/7, Thorson's home must be the live in aide's "primary" and only residence, is not permitted to have a separate residence, and is not permitted to have a job. Requiring the live in aide to sleep in Thorson's home every night of the week, as a prerequisite to being approved to receive support services from a live in aide who can provide disability-related overnight care when needed.

ATTACHMENT 49

08.09.24 EMAIL FROM RYAN AKAMINE CONFIRMS HE REQUIRED COMPLIANCE WITH HIS ILLEGAL "PREREQUISITES" FOR THORSON TO RECEIVE RA APPROVAL FOR A LIVE IN AIDE

225. Evidence proves that Ryan Akamine required Thorson's live in aide to sleep in her home all seven nights of the week, in order for Thorson to be approved for disability-related overnight care when needed. Ryan Akamine knew that Thorson could not afford to pay for and care for a live in aide on her limited income of SSDI in the amount of \$934 per month.

226. Retaliation by Ryan Akamine continues.

227. After Ryan Akamine succeeded in terminating Thorson's live in aide, he then terminated Thorson's 2-bedroom voucher.

228. Thorson was issued a 0-bedroom voucher, and her 120% 'approved exception payment standard' now only applied to one zip code, 96821. This limited Thorson's ability to search for another rental.

229. Thorson's landlord informed the HPHA that he would accept Thorson's 0-bedroom voucher so she could remain in the rental, however, he would reduce the size of his rental from a 2-bedroom rental to a 1-bedroom rental. **Defendants refused.**

230. On 03.05.24, Thorson's landlord emailed defendant Lyle Matsuura, confirming that Lyle "cautioned" him from reducing the size of his rental from a 2-bedroom to a 1-bedroom so that Thorson could remain as a tenant using her 0-bedroom voucher.

ATTACHMENT 50

03.05.24 EMAIL FROM LANDLORD TO LYLE MATSUURA

231. On 03.07.24, Lyle Matsuura emailed the landlord (after receiving instructions from his superiors), and informed the landlord "...your unit is a 2-bedrom unit. Section 8 would treat your unit as being something other than a 2-bedroom unit **only if** the City & County of Honolulu Tax Records indicate otherwise..."

ATTACHMENT 50

03.07.24 EMAIL FROM LYLE MATSUURA TO LANDLORD

232. On 08.30.24, Thorson contacted the City and County of Honolulu Tax Property Records to inquire about the rules for a landlord to modify the size of his rental, and how it affected the designation on the property tax records. Thorson spoke to Mr. Sam Rowland, the manager of Code Enforcement, who informed Thorson that the defendants were incorrect in determining that the landlord could not adjust the size of his rental from a 2-bedroom to a 1-bedroom by simply sealing a door, especially considering that Thorson's voucher had been reduced from a 2-bedroom voucher to a 0-bedroomvoucher.

233. On 08.30.24, Thorson emailed the defendants and provided the information she received from Mr. Sam Rowland. The defendants did not respond.

ATTACHMENT 51

08.30.24 EMAIL FROM LAURIE TO HPHA RE CONVERSATION WITH MR. SAM ROWLAND (CITY AND COUNTY OF HONOLULU-CODE ENFORCEMENT)

234. **Retaliation by Ryan Akamine continues.**

235. Next retaliation effort by Ryan Akamine was to interfere with Thorson's ability to search for another rental by creating obstacles for her. Ryan Akamine again imposed another set of illegal policies by denying any rental that was adjoined to another rental, so any ohana unit could not have an adjacent wall to another rental.

236. The other retaliation effort by Ryan Akamine was to now terminate her 'approved exception payment standard' that was approved in 2017, and only allow it to apply to one zip code (96821), and not the other zip codes on the island.

237. On 09.29.24, the landlord wrote a letter to the district court judge assigned to Thorson's case. The landlord's letter to Judge Micah Smith explained his concerns about how he and Thorson were being treated by the Hawaii Public Housing Authority. The judge never responded.

ATTACHMENT 52

09.29.24 EMAIL FROM LANDLORD TO JUDGE MICAH SMITH

238. On 10.01.24, the landlord issued Thorson a 'Notice to Move'. Because of the restrictions being imposed by the defendants, especially Ryan Akamine (acting on behalf of Hakim Ouansafi), Thorson moved out of the rental unit on 10.31.24 and was now homeless.

239. A week before her 0-bedroom voucher expired on 10.31.24, Thorson found an ohana studio, located above a garage with no adjacent walls to another building.

240. **Thorson now lives alone, without a live in aide.**

c. RETALIATION IS AGAINST THE LAW

241. Defendant Ryan Akamine (Chief Compliance Officer), acting on behalf of Hakim Ouansafi, determined that he alone, as a state employee, had the authority to override 'written verification' from Thorson's physicians, who unanimously confirmed Thorson is disabled and requires a live in aide to provide support services to accommodate her disabilities, especially disability related overnight care when needed..

242. The federal rules, and supporting case laws, prove the defendants retaliated against Thorson. All legal authorities are cited in Thorson's pleadings filed at the district court (Opposition to Defendants Motion for Summary Judgment) and at the 9th Circuit Court of Appeals (Appellant's Opening Brief). Both pleadings provide an attached 'Memorandum of Law'.

243. In violation of **24 C.F.R. §§ 5.403, 982.316; FEDERAL REGISTER 98-10374, pp. 23850-23851**: State employees of PHAs are **not** permitted to act as gatekeepers to determine if a

recipient is disabled. Nor are state employees authorized to determine what support services a recipient can receive to accommodate their disabilities.

244. State employees are only authorized to obtain 'written verification' from physicians.

245. Evidence proves that in 2017, defendants approved Thorson's live in aide based on 'written verification' from three (3) physicians who unanimously confirmed Thorson is disabled and requires a live in aide who can provide support services, including disability-related overnight care, when needed.

246. Relator's lawsuit against the Hawaii Public Housing Authority and state employees for retaliation and discrimination is a separate lawsuit from this FALSE CLAIMS ACT qui tam. These claims are not included in this FALSE CLAIMS ACT qui tam complaint *(unless the U.S. Attorney General Pam Bondi and/or the Hawaii U.S. Attorney Ken Sorenson determines that it should be included).*

d. VERBAL ABUSE BY HAKIM OUANSAFI

247. On 04.24.25, after being insulted by Hakim Ouansafi at the board meeting on 04.17.25, Thorson a wrote this letter to Governor Josh Green, U.S. Attorney General Ken Sorenson, the FBI, and the

DHS Director Ryan Yamane, informing them that Hakim Ouansafi was being verbally abuse at the public board meetings.

ATTACHMENT 53

04.24.25 LETTER re VERBAL ABUSE BY HAKIM OUANSAFI AT BOARD MEETINGS

248. On 05.29.25, at the HPHA board meeting, Jesse Wu from HUD gave a short presentation on the Section 8 program. At this board meeting, I again presented evidence to the board to prove that the Hawaii Public Housing Authority was not implementing the Section 8 program according to federal rules and HUD Regulations that govern how the program is to be implemented.

249. Hakim Ouansafi responded by publicly saying:

“...as expected, really, despite a thorough presentation by HUD, there will always be certain individuals who will continue to publicly allege misuse of Section 8, public housing, whatever. That is unfortunate, frankly sad, that **hatred and bigotry and maybe stupidity** sometimes can blind people of the truth and integrity...”.

*(<https://files.hawaii.gov/hpha/BOD%20May%20Meeting%202025.mp4>)
(scroll to 56:50 of the video recording of the 05.29.25 HPHA board meeting to hear Hakim Ouansafi say what I quoted above)*

250. Hakim Ouansafi verbally abuses me at public board meetings, by calling me names, like: “bigot” “idiot” “stupid” and “insane”.

e. NO DUE PROCESS

251. The Hawaii Public Housing Authority does not provide any recipient due process or administrative hearing before adverse actions are taken to interfere with their voucher or previously approved reasonable accommodation.

252. Thorson had no other option but to file her Complaint with the district court.

**XIII. STATUS OF CIVIL LAWSUIT
FOR 'RETALIATION AND DISCRIMINATION'**

253. As a pro se plaintiff, Relator filed a lawsuit against the Hawaii Public Housing Authority, Hakim Ouansafi (Executive Director), Ryan Akamine (Chief Compliance Officer), and Lyle Matsuura (Supervisor) for discrimination and retaliation.

254. The lawsuit is still active and is now before the 9th Circuit Court of Appeals.

Laurie Thorson v. Hawaii Public Housing Authority, Hakim Ouansafi (Executive Director), Ryan Akamine (Chief Compliance Officer), and Lyle Matsuura (Supervisor)

**Hawaii District Court Case No. 23-CV-00412-MWJS-WRP
9th Circuit Court of Appeals Case No. 25-3663**

255. The most recent activity in the lawsuit is the defendants filed a Motion for Summary Judgment, in which the District Court Judge

Micah W. J. Smith (*Biden appointed*) who granted the state employees immunity, even after receiving Hakim Ouansafi's Declaration where he admits guilt.

256. Thorson is currently appealing to the 9th Circuit of Court of Appeals, arguing that the district court in granting the defendants' Motion for Summary Judgment, with the argument that the Declaration signed by Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority, is an admission of guilt of enforcing the illegal policies that are the basis for Thorson's retaliation and discrimination claims.

***ATTACHMENT 1
DECLARATION BY HAKIM OUANSAFI
(attached to his Motion for Summary Judgment)***

257. The following briefs have been filed at the 9th Circuit Court of Appeals. All the evidence is recorded in the docket at the District Court in Hawaii (*Case No. 23-CV-00412-MWJS-WRP*).

258. Appellant's Opening Brief was filed on 06.27.25

ATTACHMENT 54

259. Appellee's Answering Brief was filed on 08.19.25

ATTACHMENT 55

260. Appellant's Reply Brief was filed on 08.26.25

ATTACHMENT 56

261. Relator expects that the 9th Circuit Court of Appeals will remand the case back to the district court for trial, at which time Relator will again attempt to amend her complaint to add the claims of Fraud and Bribery, to add Bennett Liu (Chief Financial Officer) as a defendant, and most importantly, to add all the HPHA Board of Directors as defendants (in light of the Declaration by Hakim Ouansafi who imputes liability to the HPHA Board of Directors for approving the illegal policies - that are not in compliance with federal rules and HUD Regulations.

262. Evidence proves the illegal policies are the basis of retaliation, because it was *after* Thorson disputed the application of the illegal policies to her voucher, that defendants retaliated.

XIV. COUNT I – FRAUD / LARCENY / EMBEZZLEMENT

263. The fraud schemes enforced by state employees allow federal funds to be stolen from the Section 8 Housing Choice Voucher Program. The approximate total gross stolen is **\$896,741,636**.

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>
	\$896,741,636

264. HUD confirms the HPHA reported having only **\$44** in reserves.

265. Defendants Hakim Ouansafi, Ryan Akamine, and Lyle Matsuura, acting on behalf of the Hawaii Public Housing Authority, acted outside the scope of their duties, intentionally and falsely represented rent reasonableness determinations complied with federal law by falsely applying the illegal policies – to use low comparables against the contract rent to determine rent reasonableness – but for the purpose of stealing ‘surplus grant funds’ from every voucher.

XV. COUNT 2 ~ BRIBERY

266. **Senate Bill 3120** is what triggered the bribery scheme by Hakim Ouansafi, who intentionally bypassed the authority of the HPHA Board of Directors and the authority of the Hawaii Revised Statutes.

267. After the Board of Directors refused to approve Hakim Ouansafi’s request to pay his management staff a salary that exceeds the governor’s salary, Hakim Ouansafi then solicited the legislature to pass **Senate Bill 3120**.

268 **Senate Bill 3120** was obtained by Hakim Ouansafi, to purposefully violate the HRS 26-52(a).

269. **Senate Bill 3120** also allowed Hakim Ouansafi to ignore the board's decision to deny him authority to pay his staff a salary that exceeded the governor's salary.

270. **Senate Bill 3120** allowed Hakim Ouansafi to authorize himself as having authority over the Board of Directors and authority over the Hawaii Revised Statutes.

271. No state employee should be permitted to have this kind of authority.

272. **Hawaii Revised Statutes §26-52** does not permit a state employee to earn more than the governor.

HRS §26-52(a) reads:

"...(a) The salary of each department head shall be **not more than one hundred per cent of the salary of the governor...**"

"...(b) The salary of each first deputy or deputy department head shall be not more than ninety-five per cent of the salary of the department head to whom the person is appointed...."

"...(c) The salary of each assistant department head shall be not more than ninety per cent of the salary of the department head to whom the person is appointed..."

273. On January 24, 2024, Hakim Ouansafi introduced **Senate Bill 3120** *after* the HPHA Board of Directors refused to approve his request that he be granted authority to increase the salaries of his management staff “...above the governor’s salary...”.

274. On February 8, 2024, Hakim Ouansafi submitted written testimony to the legislature in “strong support” of **SB 3120** to grant himself sole authority to by-pass the Hawaii Revised Statutes and by-pass the HPHA Board of Directors decision to deny him authority to pay his management staff salaries “...above the governor’s salary...”.

275. Hakim Ouansafi’s written testimony, in support of **Senate Bill 3120**, reads as follows (in part):

“...salaries are authorized by the Executive Director and **not** the Board of Directors...”

“...**Deletes the wage ceiling** requirement for positions in the HPHA...”

“...clarify that the staff report to the Executive Director...”

“...**authorize the Executive Director** to hire staff that **may need salaries** that are required to be **ABOVE the Governor’s salary...**” (*violates HRS §356D-2*)

ATTACHMENT 57

SB 3120 WRITTEN TESTIMONY BY HAKIM OUANSAFI dated 02.08.24

ATTACHMENT 58

SB 3120 and HB 2431 (COMPANION TO SB 3120)

276. BRIBERY is defined as "...the offering, giving, receiving, or soliciting of any item of value (to include outrageous salary increases, which are not in compliance with Hawaii's employee compensation schedules) to influence the actions of an official, or other person, in charge of a public or legal duty and to incline the individual to act contrary to their duty and the known rules of honesty and integrity. With regard to governmental operations, essentially, bribery is defined as corrupt solicitation, acceptance, or transfer of value (*i.e., salary increases in exchange for official action*).

277. Since **Senate Bill 3120** passed, and immediately Hakim Ouansafi approved salary increases for his management staff. But before he did that, **Hakim Ouansafi convinced the HPHA Board of Directors to approve an increase in his salary (to 99% of the Governor's salary)**, and approve his Assistant Barbara Arashiro's salary would increase to 99% of Hakim Ouansafi's salary.

278. The following are the salary increases, in just one year (2024) for Hakim Ouansafi and his management staff:

Hakim Ouansafi salary is \$215,728, increase of **\$52,336**
Executive Director (*HPHA Board of Directors approved increase*)
(*Governor's salary is \$217,908*)

Barbara Arashiro salary \$213,570 (99% of Exec. Dir. salary)
Asst. Exec. Director (*HPHA Board of Directors approved increase*)
(*Executive Director's salary is \$215,728*)
increase of **\$63,246**
(*received salary increase of \$31,064 after*
Hakim Ouansafi was hired Jan 2012)

Bennett Liu salary \$144,936 (2024), increase of **\$56,472**
Chief Financial Officer

Ryan Akamine salary \$114,132 (2024) increase of **\$16,080**
Chief Compliance Officer

Lyle Matsuura salary \$86,712 (2024) increase of **\$31,512**
Supervisor IV

Jennifer Sugita salary \$136,130 increase of **\$42,936**
Manager

279. The following state employees manage the other two PHAs in Hawaii, and they also recently received huge salary increases. Evidence proves the following state employees (State of Hawaii management staff) who approve and implement the same illegal policies and fraud schemes as the Hawaii Public Housing Authority, also received huge salary increases. Note, Ryan Yamane is the managing director who oversees the PHAs in Hawaii, and who reports directly to the Governor.

Ryan Yamane salary \$157,104 (2024) increase of **\$94,500**
(Director of DHS)
(manages all PHAs in Hawaii, including HPHA & City and County of Honolulu)

Joseph Campos salary \$161,028 (2024) increase of **\$26,352**
(Asst Director of DHS)
(HPHA Board of Director)
(reports to Ryan Yamane)

Anton Krucky salary \$187,488 (2024) increase of **\$82,488**
(Executive Director of PHA:1003 City and County of Honolulu)
(reports to Ryan Yamane)

Adam Roversi salary \$135,960 (2024) increase of **\$13,128**
(Executive Director of PHA:1005 Kauai County Housing Agency)
(reports to Ryan Yamane)

**XVI. VIOLATION OF 18 U.S.C. § 666
(DOJ CRM 1002-1012)**

280. **18 U.S.C. §666** is the authority the Relator is relying on to prove that it is illegal to steal federal funds from a federal program in which the funds were allocated to.

281. Relator believes wholeheartedly that she has the evidence to prove that the state employees of Hawaii committed a crime by stealing federal funds from the Section 8 Housing Choice Voucher Program. Relator believes the HPHA Board of Directors are co-conspirators by approving illegal policies and fraud schemes that allow state employees to steal federal funds.

282. In addition, Relator provides evidence to prove that other state employees, specifically Anton Krucky (Executive Director of PHA: City and County of Honolulu) and Adam Roversi (*Executive Director of PHA: Kauai County Housing Agency*) are also implementing the same fraud schemes as Hakim Ouansafi to steal federal funds from the Section 8 Housing Choice Voucher Program, as well as other HUD Programs (i.e., VASH vouchers designated for veterans).

283. **18 U.S.C. §666** reads:

“...18 U.S. Code § 666 – Theft or bribery concerning programs receiving Federal funds...”

“...(A) embezzles, steals, obtains by fraud [*FRAID CLAIM*], or otherwise without authority knowingly converts to the use of any person other than the rightful owner or intentionally

misapplies, property that—(i) is valued at \$5,000 or more, and (ii) is owned by, or is under the care, custody, or control of such organization, government, or agency; or (B) corruptly solicits or demands for the benefit of any person, or accepts or agrees to accept, anything of value from any person, intending to be influenced or rewarded in connection with any business, transaction, or series of transactions of such organization, government, or agency involving anything of value of \$5,000 or more; or (2) corruptly gives, offers, or agrees to give anything of value to any person, with intent to influence or reward an agent [*BRIBERY CLAIM*] of an organization or of a State, local or Indian tribal government, or any agency thereof, in connection with any business, transaction, or series of transactions of such organization, government, or agency involving anything of value of \$5,000 or more; shall be fined under this title, imprisoned not more than 10 years, or both. (b) The circumstance referred to in subsection (a) of this section is that the organization, government, or agency receives, in any one-year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, or other form of Federal assistance. (c) This section does not apply to bona fide salary, wages, fees, or other compensation paid, or expenses paid or reimbursed, in the usual course of business. (d)As used in this section— (1) the term “agent” means a person authorized to act on behalf of another person or a government and, in the

case of an organization or government, includes a servant or **employee...director, officer, manager**, and representative; (2) the term “government agency” means a subdivision of the executive, legislative, judicial, or other branch of government, including a department, independent establishment, commission, administration, authority, **board**, and bureau, and a corporation or other legal entity established, and subject to control, by a government or governments **for the execution of a governmental or intergovernmental program...**”

284. **Department of Justice, Criminal Resource Manual** reads:

1001. The Scope of 18 U.S.C. § 666

“...prosecution should not be instituted *until* the agency has actually received cash benefits, in hand...”

1002. Theft and Bribery

Title 9: Criminal 9-46.000 Program Fraud and Bribery
9-46.100 Introduction

“...Congress enacted 18 U.S.C. § 666 to protect the integrity of vast sums of money distributed through Federal programs...”

1004. General Elements of the Office

Relator believes that this requirement has been met:

“...In all prosecutions under 18 U.S.C. § 666(a)(1)(A) the United States must prove...general elements...3. Without authority knowingly converted...intentionally misapplied [federal funds]...”

1005. Embezzlement

“...In *Moore v. United States*, 160 U.S. 268, 269 (1895), the Supreme Court defined embezzlement in the following terms:

Embezzlement is the fraudulent appropriation of property by a person to whom such property has been entrusted, or into whose hands it has lawfully come. It differs from larceny in that the original taking was lawful, or with the consent of the owner, while in **larceny the felonious intent must have existed at the time of the taking...**”

1006. Larceny

Relator believes that this requirement has been met:

“...Larceny requires proof of...four specific elements in addition to the general elements...”

1007. Fraud

Fraud is not defined, other than one court’s observation:

“...[t]he law does not define fraud; it needs no definition; it is as old as falsehood and as versatile as human ingenuity.”

1008. Knowing Conversion Without Authority

Relator believes the “...defendant's conduct constituted a knowing conversion without authority....”, “...without authority to do so...”, “...knowledge that he did not have authority to do so...”

1009. Intentional Misapplication

Relator believes that this requirement has been met:

“...willful misapplication...intent to defraud...convert...”

1010. Knowledge

Relator believes that this requirement has been met:

“..defendant knew that the protected organization received Federal benefits...”

1012. Value

“...United States should not be required to prove the exact or approximate property value. Rather, as in prosecutions under 18 U.S.C. § 641, the United States should be required to show only that the value of the property is \$5,000 or more...”

XVII. PARTIES

285. **The United States of America is the real party in interest.**

Through HUD, it provides annual block grants exceeding \$10,000 to HPHA under **42 U.S.C. § 1437f** for the Section 8 Housing Choice Voucher Program. The United States has suffered damages from Defendants' false claims and retention of funds that should have been returned or properly expended.

286. **Relator LAURIE THORSON** is a resident of Hawaii and a recipient of the Section 8 Housing Choice Voucher Program. She is a 66 year old woman, who is disabled, and relies on Social Security Disability Insurance ("SSDI") income of \$934 per month.

287. In 2017, Thoron transferred her Section 8 voucher from Oregon to Hawaii to live closer to her son who agreed to provide support services when needed.

288. Defendants approved and issued Thorson a 2-bedroom voucher, after verifying she qualified for a live in aide and 120% approved exception payment standard.

289. **Defendant HAWAII PUBLIC HOUSING AUTHORITY ("HPHA")** is a state agency established under Hawaii Revised Statutes ("HRS") Chapter 356D, responsible for administering federal housing programs, including the Section 8 HCV Program. HPHA receives hundreds of millions in federal funds *annually* from HUD and is

subject to HUD regulations (**24 C.F.R. Part 982**) to implement the Section 8 Housing Choice Voucher Program.

290. **Defendant HAKIM OUANSAFI** is HPHA's Executive Director since January 2012. He enforces illegal policies, submits false reports to HUD, alters financial statements, of which he benefits from. Hakim Ouansafi imputes liability to his staff for implementing the illegal policies, and imputes liability to the HPHA Board of Directors for approving the illegal policies, which allows any reasonable person to believe that the board members also benefits from approving the illegal policies.

291. The job description for Hakim Ouansafi proves that he is acting outside the scope of his duties by enforcing illegal policies that do not comply with federal rules and HUD Regulations.

292. **Executive Director job description reads:**

“...to provide the overall **administration and management of all functions and activities related to the operation of the Hawaii Public Housing Authority...establish policies and procedures** to guide program operations...”

“...knowledge of accounting, budget, fiscal, procurement, and public relations principles and practices...”

“...ability to plan, organize direct, and coordinate the work and activities of a staff of administrative, technical, clerical, trades and custodial personnel...reviewing their work...”

“...**strong background in HUD regulations...**”

293. **Defendant RYAN AKAMINE** is HPHA's Chief Compliance Officer since January 2022. He enforces the illegal policies and fabricated new illegal policies against the Relator to interfere with her live in aide and her housing. Ryan Akamine conducted retaliatory investigations, fabricated prerequisites for Relator's live-in aide (which prerequisites only apply to the Relator and not to all recipients), and interfered with Relator's ability to remain in her rental with her 0-bedroom, causing the Relator to be homeless.

294. Ryan Akamine was hired in January 2022 as the Chief Compliance Officer of the Hawaii Public Housing Authority.

295. The job description for Ryan Akamine proves that he is acting outside the scope of his duties by enforcing illegal policies that do not comply with federal rules and HUD Regulations.

296. **Chief Compliance Officer, job description reads:**

“...oversees and manages the agency’s Housing Compliance Office **to ensure all public housing programs comply with State and Federal Housing Laws**...assists program managers in reviewing Federal and State laws, rules and regulations to determine their impact on the agency’s procedures, and assists program managers in determining and developing operational procedural changes...”

“...This position reviews and investigates all programs and activities for any performance deficiencies, **fraud**, waste, and mismanagement and recommends corrective action to the Executive Director...”

297. **Defendant LYLE MATSUURA** is an HPHA Supervisor who works directly with all recipients and landlords and who implements the illegal policies to each and every voucher.

298. **Defendant BENNETT LIU** is HPHA's Chief Financial Officer. He participates in altering HPHA financial statements to hide the theft of federal funds by altering the HPHA financial statements and providing the false information to the state auditors.

299. **Defendant HPHA BOARD OF DIRECTORS** ("Board") is the governing body of the Hawaii Public Housing Authority, established under *Hawaii Revised Statutes § 356D-3*. The HPHA Board of Directors are responsible for approving and adopting HPHA's policies, including the illegal policy – to use "one low comparable" against the contract rent in all rent reasonableness determinations. It is documented in the HPHA Agenda that the HPHA Board of Directors approved the illegal policies **"...that differs from the HUD mandate..."** (PHA ANNUAL PLAN, attached to 01.19.23 board Agenda, was approved by the HPHA Board of Directors)

300. As admitted by Defendant Ouansafi in his Declaration (Doc. 102-1, ¶ 10), **"...It is the HPHA Board, not me as Executive Director, that is responsible for adopting policies such as the 'one low comparable' policy..."** The Board is sued in its official capacity for injunctive relief and individually for damages. HPHA Board of Directors do not qualify for immunity.

301. **Defendant ANTON KRUCKY**, Director of the PHA: CITY OF COUNTY OF HONOLULU stole \$10,942,886 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$1,000,000 every month. Approximately \$109,428,860 stolen since January 2015.

302. **Defendant ADAM ROVERSI**, Director of the PHA: KAUAI COUNTY HOUSING AGENCY stole \$2,697,658 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$270,000 every month (approximately a total of \$26,976,580 stolen since January 2015). HUD data confirms the steal, but I have yet to compile the data into a Fraud Chart to prove the amount stolen each month.

XVIII. FACTUAL ALLEGATIONS

303. This FRAUD CLAIMS ACT qui tam is based on evidence that proves defendants committed a crime in violation of 18 U.S.C. §666.

304. Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority admits guilt that he and his management staff, in collaboration with the Board of Directors of Hawaii Public Housing Authority, approved, enforce, and implemented illegal policies that allows federal funds to be diverted from the Section 8 Housing Choice Voucher Program.

ATTACHMENT 1

DECLARATION BY HAKIM OUANSAFI

(ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT)

305. Admission of guilt by Hakim Ouansafi in his Declaration confirms he enforces the illegal policies that "...differ from the HUD mandate...". Hakim Ouansafi imputes liability to his staff for implementing the illegal policies, and he imputes liability to the HPHA Board of Directors for approving the illegal policies.

306. Evidence proves that since January 2015, the defendants have orchestrated three (3) elaborate fraud schemes to steal federal funds from the Section 8 Housing Choice Voucher Program.

307. Evidence proves that 3 of the 5 PHAs (Public Housing Authorities) in Hawaii are stealing federal funds from the Section 8 Housing Choice Voucher Program, as well as other HUD programs.

308. Defendants knowingly and intentionally implemented illegal policies to steal subsidy (surplus grant funds) from Relator's voucher, and from each and every Section 8 voucher, and then knowingly submitted false figures to HUD to hide the steal of federal funds, files false claims to HUD on HUD forms; alters financial records to coincide with the false figures reported to HUD (revenue v. expenditures = 100%).

309. The reporting of false figures resulted in overpayment every year, thereby authorizing subsidies to be issued based on the previous year's expenditures.

310. The fraud schemes enforced by state employees allow federal funds to be stolen from the Section 8 Housing Choice Voucher Program. The approximate total gross stolen is **\$896,741,636**.

a. HPHA SUBMITS FALSE INFORMATION TO HUD

311. Defendants knowingly submit and cause the submission of reporting to HUD false figures of subsidy used, reporting in HPHA financial statements of false figures used, reporting annually to state auditor that expenditures v. revenues = 100% of subsidy used, including:

- i. **False reports to HUD** via VMS/EVMS by falsely claiming 100% subsidy expenditures used.
HUD-52681-B forms withheld from public (*due within 10 days from day of request*), district court judge refusing to compel defendants produce discovery documents.
- ii. **Altered HPHA financial statements** to hide the steal of federal funds.
- iii. **False figures documented** in Executive Director's Reports (end of monthly Agendas)
- iv. **Requests for renewal funding based on inflated prior-year expenditures.**

312. HPHA's false figures allowed for annual renewal funding based on inflated prior-year expenditures, is material to HUD's payment decisions and caused the United States to pay funds that Defendants retained or misappropriated.

XIX. FIRST CAUSE OF ACTION

Presentation of False Claims – 31 U.S.C. § 3729(a)(1)(A)

313. Relator realleges Defendants knowingly presented and/or caused to be presented false or fraudulent claims for payment or approval to HUD, including inflated subsidy reports and renewal requests, resulting in overpayments and improper retention of federal funds.

XX. SECOND CAUSE OF ACTION

False Records or Statements – 31 U.S.C. § 3729(a)(1)(B)

314. Relator realleges Defendants knowingly made, used, and/or caused to be made or used false records or statements (e.g., altered financials, false reports) material to false claims for HUD funds.

XXI. THIRD CAUSE OF ACTION

Reverse False Claims – 31 U.S.C. § 3729(a)(1)(G)

315. Relator realleges her claims that Defendants knowingly concealed and/or improperly avoided an obligation to transmit money (surplus subsidies) to the United States by falsifying reporting and retaining unexpended funds.

XXII. PRAYER FOR RELIEF

316. WHEREFORE, Relator, on behalf of the United States, prays that the Court enter judgment against Defendants as follows:

- a. Treble damages in an amount to be determined at trial, estimated at three times the stolen funds, exceeding \$764,000,000 from the Hawaii Public Housing Authority alone since 2015; and a maximum gross steal of approximately **\$896,741,636**.

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>
	\$896,741,636

- b. Civil penalties of \$5,500 to \$11,000 (adjusted for inflation) for each false claim or statement.
- c. An award to Relator of the maximum percentage of 30% of total steal, allowed under **31 U.S.C. § 3730(d)** (15–30% of the recovery).
- d. Attorneys' fees, expenses, and costs pursuant to 31 U.S.C. § 3730(d) ~ Relator reserves the right to retain an attorney.
- e. Such other relief as the Court deems just and proper.

- f. Punitive damages against the HPHA Board and Ouansafi for reckless adoption of illegal policy.
- g. Injunction requiring the Board to rescind the "one low comparable" policy and adopt HUD-compliant procedures.

XXIII. CORPORATE DISCLOSURE STATEMENT

317. Pursuant to **FRCP 7.1**, Relator, Laurie Thorson, states:

- 1. Relator is an individual, not a corporation.
- 2. Relator has no parent corporation
- 3. No publicly held corporation owns any of Relator's interests.

XXIV. DEMAND FOR JURY TRIAL

318. Relator demands a trial by jury on all issues so triable.

Respectfully submitted,

November 21, 2025



Laurie Thorson
P. O. Box 1409
Kailua, Hawaii 96734
Lthorson7@gmail.com
(808) 222-5885

ATTACHMENTS:

LIST OF ATTACHMENTS 1 – 58 (2 binders)
*(attachments provided only to U.S. Attorney General Pam Bondi
and Hawaii U.S. Attorney Ken Sorenson)*

DISCLOSURE STATEMENT

CERTIFICATE OF SERVICE

ATTACHMENTS 1 – 58

ATTACHMENT 1

*DECLARATION BY HAKIM OUANSAFI
ATTACHED TO HIS MOTION FOR SUMMARY JUDGMENT*

ATTACHMENT 2

HPHA APPLIED ILLEGAL POLICIES - USED 2 LOW COMPS - \$1,621 & \$2,621

ATTACHMENT 3

03.29.22 EMAIL FROM LYLE MATSUURA

*HPHA APPLIED ILLEGAL POLICIES - USED 1 LOW COMP - \$1,621
LANDLORD TO REDUCE RENT FROM \$4K TO \$3,273*

ATTACHMENT 4

*01.19.23 AGENDA FOR BOARD MEETING (INCLUDES HIGHLIGHTS, SCROLL TO
PAGE 147 OF AGENDA, WHICH BOARD APPROVES THE ANNUAL PHA PLAN
SUBMITTED BY HAKIM OUANSAFI TO INCLUDE THE ILLEGAL POLICIES THAT
"...DIFFERS FROM THE HUD MANDATE..."*

ATTACHMENT 5

*01.19.23 BOARD MEETING - PAGE 147 - ILLEGAL POLICIES TO USE LOW
COMPS "...DIFFERS FROM THE HUD MANDATE..."*

ATTACHMENT 6

*HPHA ADMIN PLAN 8-III.D (SCROLL TO PAGE 17)
HPHA METHODOLOGY IN GATHERING COMPARABLES IS ILLEGAL
AND DOES NOT COMPLY WITH HUD REGULATIONS*

ATTACHMENT 7

*HUD SECTION 8 HOUSING CHOICE VOUCHER GUIDEBOOK, CHAPTER 3,
SECTION 3.1.2, PAGE 8 PROVIDES LEGAL METHODOLOGY TO DETERMINE
RENT REASONABLENESS*

ATTACHMENTS 8

LETTER TO HPHA REQUESTING COPY OF HUD FORM: HUD-52681-B

ATTACHMENT 9

*PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY
FRAUD CHART PROVES HPHA STOLE \$117,796,916
(EVIDENCE = HUD DATA & HPHA FINANCIAL STMTS ATTACHED TO CHART)*

ATTACHMENT 10

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

ATTACHMENT 11

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

ATTACHMENT 12

PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

ATTACHMENT 13

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY

ATTACHMENT 14

PHA: H1003 ~ CITY AND COUNTY OF HONOLULU

ATTACHMENT 15

PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY

ATTACHMENT 16

UA CHARTS (2025)

PHA: H1901, HAWAII PUBLIC HOUSING AUTHORITY

ATTACHMENT 17

UA CHARTS (2025)

PHA: H1003, CITY AND COUNTY OF HONOLULU

ATTACHMENT 18

UA FIGURES – COMPARISON TO PROVE FRAUD

(HPHA v, PHA: CITY AND COUNTY OF HONOLULU)

ATTACHMENT 19

03.25.22 EMAIL FROM HUD/PIH DIR. JESSE WU PROVIDES HUD REGULATIONS

ATTACHMENT 20

04.01.22 EMAIL TO LYLE MATSUURA, FORWARDED WU's EMAIL DATED 03.25.22

ATTACHMENT 21

04.06.22 EMAIL TO HAKIM OUANSAFI, FORWARDED Wu's EMAIL DATED 03.25.22

ATTACHMENT 22

03.29.22 2 EMAILS FROM HUD PIH DIRECTOR JESSE WU re UNABLE TO HELP

ATTACHMENT 23

Written Testimony (11.20.25 board meeting)

This agenda is a duplicate of 10.16.25 agenda.

Objections to: object to board approving Board Resolution No. 20-05 (new illegal policies), object to PHA ANNUAL PLAN, and object to altered financial statements (included in the Executive Director's Report)

ATTACHMENT 24

Written Testimony #1 (10.16.25 board meeting)

ATTACHMENT 25

Written testimony #2 (10.16.25 board meeting)

Refer to page 3, WT#2 table of contents lists objections to Hakim Ouansafi's new illegal policies presented to the board for approval of PHA ANNUAL PLAN).

ATTACHMENT 26

Written Testimony #2 (10.16.25 board meeting)

(copy of Agenda attached to WT#2)

Agenda with highlights and notes in red, objecting to illegal policies.

ATTACHMENT 27

Written Testimony #1 (08.28.25 board meeting)

ATTACHMENT 28

Written testimony #2 (08.28.25 board meeting)

ATTACHMENT 29

Written Testimony 2 (05.29.25 board meeting)

*120% increase in payment standards not being made available to recipients.
Board approved the UA charts of HPHA decreasing utility allowances.
I provided board proof of my written request for HUD FORM: HUD-52681-B
Objected to proposed budget increases, which allow more funds to be stolen.*

ATTACHMENT 30

Written Testimony #1 (04.17.25 board meeting)

Provided the board with evidence (HUD data and HPHA financial statements) to prove fraud.

ATTACHMENT 31

Written Testimony #2 (04.17.25 board meeting)

*Objected to false figures HPHA provided to state auditors.
Objected to state audit.*

ATTACHMENT 32

Written Testimony #1 (03.20.25 board meeting)

Provided board copy of my P's Opposition to Defendants Motion for Summary Judgment, D's Motion for Summary Judgment (which included copy of Declaration by Hakim Ouansafi.

ATTACHMENT 33

Attachment to Written Testimony #1 (03.20.25 board meeting)

P's Opposition to D's Motion for Summary Judgment

ATTACHMENT 34

Written Testimony #2 (03.20.25 board meeting)

*Provided board copy of HPHA financial statement proving false figure (expenditures) to prove fraud.
Provided board copies of fraud charts, created using HUD data and HPHA financials only (for*

ATTACHMENT 35 (03.20.25 board meeting)

Attachment to Written Testimony #2

Email to auditors, Plante & Moran to inform them of false figures provided to them by HPHA and provided copies of fraud charts.

ATTACHMENT 36

Attachment to Written Testimony #2 (02.25.25 board meeting)

Provided the board with a copy of Declaration by Hakim Ouansafi, attached to his Motion for Summary Judgment.

ATTACHMENT 37

01.14.25 EMAIL TO HPHA TO FORWARD TO BOARD

ATTACHMENT 38

Written Testimony

*Requested board comply with HRS 356D-3 and add a recipient as a board member (board has 10 members, should have 11)
Provided copies of fraud charts.*

ATTACHMENT 39

Written Testimony (12.05.24 board meeting)

Provided board with copy of SB 3120, to prove that after the board denied Hakim Ouansafi's request to pay his management's salary that exceeds the governor's salary, that Hakim Ouansafi then petitioned the legislature in SB 3120 to override the board's authority.

ATTACHMENT 40

Written Testimony (11.21.24 board meeting)

Provided board with FRAUD CHART to prove the HPHA stole over \$106M from the Section 8 Housing Choice Voucher Program.

ATTACHMENT 41

Written Testimony (10.19.23 board meeting)

*First time I provided written testimony to the board.
I informed the board that the HPHA was using illegal policies that were not in compliance with HUD Regulations.*

ATTACHMENT 42

*ATTACHMENT 42 - 2017 HPHA APPROVED LIVE IN AIDE RA
AND 120% RA*

ATTACHMENT 43

*04.12.22 1.17pm, EMAIL FROM RYAN AKAMINE
RETALIATION BEGINS*

ATTACHMENT 44

*04.12.22 3.50pm, EMAIL TO RYAN AKAMINE
PROVIDED MEDICAL EVIDENCE TO SUPPORT LIVE IN AIDE RA*

ATTACHMENT 45

*04.13.22 6.29am, EMAIL TO RYAN AKAMINE, ADD'L EVIDENCE TO SUPPORT
LIVE IN AIDE RA*

ATTACHMENT 46

*04.13.22 8.03am EMAIL FROM RYAN AKAMINE
HE IS DETERMINED TO INTERFERE WITH MY LIA RA*

ATTACHMENT 47

*06.12.23 EMAIL FROM HUD/FHEO BRANCH CHIEF, STEPHANIE RABINER –
CONFIRMS HUD DOES NOT DEFINE A LIVE IN AIDE’S “PRIMARY RESIDENCE”*

ATTACHMENT 48

*06.13.23 EMAIL FROM HUD/FHEO BRANCH CHIEF, STEPHANIE RABINER –
CONFIRMS HPHA REOPENED THEIR “INVESTIGATION” FROM PREVIOUS YEAR
INTO THORSON’S “NEED” FOR A LIVE IN AIDE*

ATTACHMENT 49

*08.09.24 EMAIL FROM RYAN AKAMINE
CONFIRMS HE REQUIRED COMPLIANCE WITH HIS ILLEGAL “PREREQUISITES”
FOR THORSON TO RECEIVE RA APPROVAL FOR A LIVE IN AIDE*

ATTACHMENT 50

*03.05.24 EMAIL FROM LANDLORD TO LYLE MATSUURA
03.07.24 EMAIL FROM LYLE MATSUURA TO LANDLORD*

ATTACHMENT 51

*08.30.24 EMAIL FROM LAURIE TO HPHA RE CONVERSATION WITH MR. SAM
ROWLAND (CITY AND COUNTY OF HONOLULU-CODE ENFORCEMENT)*

ATTACHMENT 52

09.29.24 EMAIL FROM LANDLORD TO JUDGE MICAH SMITH

ATTACHMENT 53

*04.24.25 LETTER re VERBAL ABUSE BY HAKIM OUANSAFI AT BOARD
MEETINGS*

ATTACHMENT 54

Appellant’s Opening Brief was filed on 06.27.25

ATTACHMENT 55

Appellee’s Answering Brief was filed on 08.19.25
(only defense is that I’m confused)

ATTACHMENT 56

Appellant’s Reply Brief was filed on 08.26.25

ATTACHMENT 57

SB 3120 WRITTEN TESTIMONY BY HAKIM OUANSAFI dated 02.08.24

ATTACHMENT 58

SB 3120 and HB 2431 (COMPANION TO SB 3120)

FALSE CLAIMS ACT QUI TAM / DISCLOSURE STATEMENT
Submitted Pursuant to 31 U.S.C. § 3730(b)(2)

November 21, 2025

From:

Laurie Thorson, pro se Relator
P. O. Box 1409
Kailua, Hawaii 96734
Lthorson7@gmail.com
(808) 222-5885

To:

The Honorable Pam Bondi
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

-and-

Ken Sorenson
United States Attorney for the District of Hawaii
PJJK Federal Building
300 Ala Moana Blvd., Room 6-100
Honolulu, HI 96850

**Dear Honorable U.S. Attorney General G Pam Bondi
and Hawaii U.S. Attorney Ken Sorenson:**

This Disclosure Statement is submitted in support of Relator's **FALSE CLAIMS ACT qui tam complaint** filed under seal in the United States District Court for the District of Hawaii. Relator provides a written disclosure of substantially all material evidence and information in the Relator's possession regarding the alleged violations of the False Claims Act (FCA), 31 U.S.C. § 3729 et seq.

This statement is confidential and protected under applicable privileges, including attorney-client, work product, joint prosecution, and law enforcement privileges.

SUMMARY

- **Relator's name:** Laurie Thorson

- **Defendants' names:**

PHA: H1901 / H1001

HAWAII PUBLIC HOUSING AUTHORITY and STATE EMPLOYEES:

Hakim Ouansafi, Executive Director

Ryan Akamine, Chief Compliance Officer

Hakim Ouansafi, Executive Director

Lyle Matsuura, Supervisor IV

HAWAII PUBLIC HOUSING AUTHORITY / BOARD OF DIRECTORS:

Robert Hall, Chair

Betty Lou Larson, Vice Chair

Suzan Kunz, Secretary

Ryan Yamane (DHS Director)

Joseph Campos, II (DHS Asst. Director)

Scott Glenn (Governor's office)

Lisa Anne Darcy

Roy Katsuda

Christyl Nagao

Todd Taniguchi

PHA: H1003 / CITY AND COUNTY OF HONOLULU

Anton Krucky, Executive Director

PHA: H1005 / KAUAI COUNTY HOUSING AGENCY

Adam Roversi, Executive Director

- **RELEVANT PERIOD**

Provable fraud: January 2015 to Present

Provable retaliation: March 2022 to Present

- **ESTIMATED DAMAGES**

Evidence proves that there are three (3) fraud schemes being enforced by state employees to steal from the Section 8 Housing Choice Voucher Program.

FRAUD SCHEME #2 ~ Evidence proves the 3 of the 5 PHAs in Hawaii enforce FRAUD SCHEME #2, and steal a combined total of approximately **\$254,202,356** (since January 2015), and continue to steal a combined total of approximately **\$2,330,000 every month.**

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY =	<u>\$117,796,916</u>
PHA: H1003 ~ CITY AND COUNTY OF HONOLULU =	<u>\$109,428,860</u>
PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY =	<u>\$32,376,580</u>
	<u>\$254,202,356</u>

Evidence proves that the approximate total gross steal from all three fraud schemes is **\$896,741,636.**

FRAUD SCHEME #1 =	\$486,539,280
FRAUD SCHEME #2 =	\$254,202,356
FRAUD SCHEME #3 =	<u>\$156,000,000</u>

\$896,741,636

- **GOVERNMENTAL VICTIMS**

- U.S. Treasury
- U.S. Department of Housing and Urban Development (HUD)
- All recipients who participate in the federal program: Section 8 Housing Choice Voucher Program
- All landlords who participate in the federal program: Section 8 Housing Choice Voucher Program
- All residents and veterans in Hawaii who are currently on the waiting lists for housing assistance to receive a voucher from the Section 8 Housing Choice Voucher Program.

- **GOVERNMENTAL AGENCIES INVOLVED**

PUBLIC HOUSING AUTHORITIES:

PHA:1901 ~ Hawaii Public Housing Authority

PHA:1003 ~ City and County of Honolulu

PHA:1005 ~ Kauai County Housing Agency

DHS ~ Department of Human Services ~ Federal

DHS ~ Department of Human Services ~ State

HUD ~ Department of Housing and Urban Development ~ Federal

HUD ~ Department of Housing and Urban Development ~ State

- **FCA SUBSECTIONS IMPLICATED**

31 U.S.C. § 3729(a)(1)(A) (presenting false claims)

31 U.S.C. § 3729(a)(1)(B) (presenting false financial statements)

31 U.S.C. § 3729(a)(1)(G) (reverse false claims)

- **BRIEF DESCRIPTION OF ALLEGATIONS**

Admission by Hakim Ouansafi in his Declaration confirms he enforces the illegal policies which support FRAUD SCHEME #1. This admission by Hakim Ouansafi confirms that the allegations of fraud are true.

- **ILLEGAL POLICIES**

Defendants intentionally implement illegal policies to steal subsidy (surplus grant funds) from every voucher, the report false figures to HUD to hide the steal, the repeat those false figures in their financial statements. The HPHA falsely reports they used 100% subsidy to hide the steal (revenue v. expenditures = 100%); resulting in overpayment every year, resulting in HUD issuing 100% of the subsidy for the following year (based on false figures provided the previous year, since previous year expenditures determines the amount of subsidy the HPHA receives the following year.

Relator alleges the defendants intentionally enforce illegal policies that are not in compliance with HUD Regulations by applying “low” comparables in all rent reasonableness determinations, which allows for ‘surplus grant funds’ to be accumulated from every voucher, which funds are stolen from the Section 8

Housing Choice Voucher Program, as well as other programs (i.e., VASH vouchers). HUD confirms HPHA reported having only \$44 in Reserves.

Hakim Ouansafi confirms in his Declaration that the policies he enforces are illegal. The illegal policies are confirmed in **HPHA Admin Plan 8-III.D**:

- **ILLEGAL POLICIES**

HPHA ADMIN PLAN 8-III-D.

PHA RENT REASONABLENESS METHODOLOGY, reads:

“...At least **three** comparable units will be used for each rent determination and of which at least **two** must have a gross rent that exceeds the subject gross **contract rent**, and the total average gross rent of the comparable units exceeds the subject gross rent...”

ATTACHMENT 6

*HPHA ADMIN PLAN 8-III.D (SCROLL TO PAGE 17)
HPHA METHODOLOGY IN GATHERING COMPARABLES IS ILLEGAL
AND DOES NOT COMPLY WITH HUD REGULATIONS*

- **LEGAL POLICIES**

HUD Regulations: HUD Section 8 Housing Choice Voucher Guidebook, Chapter 3, Section 3.1.2, page 8, mandates the methodology PHAs are to use in gathering comparables to determine rent reasonableness.

**HUD SECTION 8 HOUSING CHOICE VOUCHER GUIDEBOOK,
CHAPTER 3, SECTION 3.1.2, page 8, reads:**

“...3.1.2 Ensure *method* represents entire market, not only units within the PHA’s Payment Standard...”

“...PHAs need to be careful not to limit their rent reasonableness analysis to only mid-range units or only units in certain more affordable neighborhoods. Voucher families may choose to rent units above the payment standard. As a rule of thumb, the PHA should collect data on units with **gross rents at least 20-25 percent above the greater of the payment standard or the FMR, including any HUD approved exception payment standards...**”

ATTACHMENT 7

HUD SECTION 8 HOUSING CHOICE VOUCHER GUIDEBOOK, CHAPTER 3, SECTION 3.1.2, PAGE 8 PROVIDES LEGAL METHODOLOGY TO BE USED IN RENT REASONABLENESS DETERMINATIONS:

- **ADMISSION OF GUILT**

Hakim Ouansafi admits in his Declaration (Attachment 1 of Complaint) that he enforces the illegal poliices, however, he imputes liability to his staff for implementing the illegal poliices, and imputes liability to the HPHA Board of Directors for approving the illegal poliices.

Hakim Ouansafi's Declaration reads, in part:

"...(8)..HPHA **staff are responsible** for managing day to day operations...including conducting rent reasonableness tests to determine whether the rent requested by a landlord is reasonable..."

"...(9)..The **Board is responsible** for adopting HPHA's policies, including administrative rules and the HPHA Administrative Plan (among others)..."

"...(10)...It is the HPHA **Board, not me as Executive Director, that is responsible for adopting policies such as the "one low comparable"** referenced by Plaintiff..."

- **ILLEGAL POLICIES ARE NOT IN COMPLIANCE WITH HUD REGULATIONS**

The following federal rules require that PHAs must comply with HUD Regulations. Defendants know that the illegal policies do not comply with HUD Regulations and yet refuse to ratify the illegal policies into compliance with HUD Regulations.

24 C.F.R. 982 governs how Public Housing Authorities (PHA) are to implement the Section 8 Housing Choice Voucher Program.

The following federal rules require all PHAs, including the Hawaii Public Housing Authority, **must** comply with all federal rules and HUD Regulations that govern how the Section 8 Housing Choice Voucher Program is to be implemented.

24 C.F.R. §982.52(a) “...The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives...”

24 C.F.R. §982.53 (d) “...State and local law. Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program...”

24 C.F.R. §982.54 “...HUD Requirements.

(a) The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

(b) The PHA **must** comply with the consolidated ACC and the PHA’s HUD-approved applications for program funding...”

24 C.F.R. §982.54(b) “...The Administrative Plan **must** be in accordance with HUD regulations and requirements...”

- **FRAUD CLAIMS VIOLATED 18 U.S.C. § 666**

Evidence proves that since January 2015, the defendants have orchestrated three (3) elaborate fraud schemes to steal federal funds from the Section 8 Housing Choice Voucher Program. **Each fraud scheme is explained below.**

FRAUD SCHEME #1

Hakim Ouansafi admits in his Declaration that he enforces illegal policies - to use low comparables against the contract rent in all rent reasonableness determinations – which allows him to accumulate ‘surplus grant funds’ from every voucher, which funds are diverted from the Section 8 HCV Program.

Evidence proves that Hakim Ouansafi has been enforcing the illegal policies since he was hired in January 2012. HUD data and HPHA financial

statements prove that there is no accounting for 'surplus grant funds', however the application of the illegal policies to "low" comparables against the contract ensures that there is consistently 'surplus grant funds' accumulated from each and every voucher. HUD data confirms that HPHA recently reported having only \$44 in Reserves.

Because subsidies are paid to the HPHA based on the previous years expenditures, Hakim Ouansafi lies to HUD by falsely claiming it used 100% of the subsidy, and claims it only issued 70-75% of the vouchers it received from HUD. This leads us to FRAUD CLAIMS #2.

FRAUD SCHEME #2

The Hawaii Public Housing Authority falsely reports to HUD that 100% subsidy was used to issue 70-75% of vouchers – expenditures v .revenues - then alters the HPHA financial statements to reflect the same figures falsely reported to HUD – to hide the steal, then again repeats the false figures in the 'Executive Director's Report' that is attached to monthly board meeting Agendas.

Defendants falsely report to HUD (via *HUD FORM: HUD-52681-B – required to be issued to HUD for each and every voucher*) that 100% of subsidies were expended while issuing only ~70% of vouchers, allowing retention of subsidies for unused vouchers.

Defendants falsely report the false figures to HUD.

Defendants falsely report the false figures to the state auditors every year.

Defendants alter the HPHA financial statements to reflect the false figures reported to HUD (revenues v. expenditures) – to hide the steal.

Defendants again falsely report the false figures in the 'Executive Director's Reports (attached to monthly Agendas).

- Relator created FRAUD CHARTS (attached to the complaint), using only HUD data and HPHA financial statements that prove since Jan 2015, state employees have stolen federal funds from the Section 8 Housing Choice Voucher Program.

Relator created FRAUD CHARTS for two other PHAs in Hawaii that prove they also implement FRAUD SCHEME #2.

PHA: H1901 ~ HAWAII PUBLIC HOUSING AUTHORITY =	\$117,796,916
PHA: H1003 ~ CITY AND COUNTY OF HONOLULU =	\$109,428,860
PHA: H1005 ~ KAUAI COUNTY HOUSING AGENCY =	<u>\$32,376,580</u>
	<u>\$254,202,356</u>

FRAUD SCHEME #3

The Hawaii Public Housing Authority reduces the utility allowance figures in their Utility Allowance charts in order to reduce the amount of subsidy used for each voucher, thereby increasing the amount of 'surplus grant funds' that is stolen from each voucher. The figures in the HPHA UA Charts are drastically lower than the figures in the UA charts for PHA: CITY AND COUNTY OF HONOLULU, even though both use the same utility companies for the same addresses.

This fraud scheme allows 'surplus grant funds' to be accumulated from every voucher, which disappears. This fraud scheme is a direct hit to all recipients, because recipients depend on the utility allowances to pay their utilities. Because of this fraud scheme, it takes away from recipients caring for themselves and their families. Remember, to qualify to receive housing assistance, a recipient already qualifies because their income is "very low". This really hurts those who are elderly and disabled, and children too..

- **EVIDENCE**

Evidence (HUD data and HPHA financial statements) proves the state employees of Hawaii Public Housing Authority have been stealing federal funds from the Section 8 Housing Choice Voucher Program since January 2015.

Evidence proves the state employees report to HUD that they used 100% of the subsidy to issue approximately 70 – 75% of the vouchers. To cover the lie, the state employees alter the financial statements to reflect that 100% of the subsidy (revenue) was used by altering the expenditures figure to reflect the false figures they provided to HUD. Then Hakim Ouansafi, Executive Director of Hawaii Public Housing Authority reports those false figures in his monthly 'Executive Director's Report' attached to monthly board meeting Agendas.

Hakim Ouansafi admitted guilt in his Declaration that he enforces the illegal policies that support the fraud scheme to steal federal funds; however, he imputes liability to his staff for implementing the illegal policies, and imputes liability to the HPHA Board of Directors for approving the illegal policies.

HPHA FINANCIAL STATEMENTS

All audits and financial statements are available on the state auditor's website, which proves the steal. HPHA financial statements is evidence to prove that Hakim Ouansafi has been reporting of false figures as expenditures by altering the expenditures figures, to hide the steal. Because HUD dashboard only provides PHA data beginning January 2015, I can only prove fraud beginning January 2015. But HPHA financial statements prove revenue v. expenditures have been altered since Hakim Ouansafi was hired in January 2012.

HUD FORM: HUD-52681-B

HPHA is required to submit this form to HUD for each voucher, which documents the value of the voucher, amount of subsidy paid for rent (HAP), amount of 'surplus grant funds' – this form confirms the steal because the HJUD dashboard confirms that the HPHA is lying when it documents that

100% of the subsidy was used. This is not possible if the application of the illegal policies to use low comparables but for the purpose of reducing the contract rent (amount paid out) below the payment standard (amount of subsidy received for the voucher).

- **FALSITY**

Hakim Ouansafi admits to enforcing the illegal policies – to use low comparables against the contract rent in all rent reasonableness determinations – and he imputes liability to his staff for implementing the illegal policies and imputes liability to the HPHA Board of Directors to approving the illegal policies.

The application of the illegal policies allowed Hakim Ouansafi to steal ‘surplus grant funds’ from each and every voucher. However, there is currently no accounting for the accumulation of ‘surplus grant funds’ in any of the HPHA financial statements.

Confirmation of the steal comes from the false figures that the HPHA is reporting to HUD in order to hide the stealing of ‘surplus grant funds’ and hiding the false reporting to HUD that 100% of the subsidy was used to issue about 70% of the vouchers.

- **BASIS FOR KNOWLEDGE**

Initial knowledge was based on defendants applying illegal policies to my voucher. It was HUD/PIH Director, Jesse Wu, who informed me that the illegal policies were not in compliance with HUD Regulations. I forwarded Mr. Wu’s email to the defendants, and that’s when the retaliation began. The defendants terminated my live in aide and 2-bedroom voucher. It’s detail in my complaint.

After Relator reviewed the HUD and HPHA data, she knew there was no accounting of ‘surplus grant funds’ accumulated from every voucher as a result of defendants imposing illegal policies – admitted by Hakim Ouansafi.

Realtor has attempted to locate the 'surplus grant funds', and to date is only able to uncover that the defendants are reporting false figures to HUD to hide the steal and then altering the HPHA financial statements to reflect the false figures that the HPHA is providing to HUD. The total amount of stealing to date is approximately \$1B.

Confirmation of the steal is based on the Declaration by Hakim Ouansafi, in which he admits enforcing the illegal policies, which are the basis of the fraud scheme to steal federal funds from the Section 8 HCV Program.

- **RELATED ACTIONS/PROCEEDINGS**

Evidence proves that the state employees of the Hawaii Public Housing Authority have been stealing federal funds from the Section 8 Housing Choice Voucher Program since January 2015.

Hakim Ouansafi admits guilt in his Declaration of enforcing the illegal policies that support the fraud scheme to steal federal funds. After I disputed the illegal policies, he retaliated against me by terminating my live in aide and my 2-bedroom voucher. I filed a lawsuit at the district court, and now my case is before the 9th Circuit Court of Appeals. There is history of complaints being filed against Hakim Ouansafi in the past. There is currently a lawsuit against Hakim Ouansafi and Ryan Akamine.

On numerous occasions, I have filed complaints with AG Anne Lopez, requesting that she recuse the state from representing the state employees and refer the case to Hawaii's U.S. Attorney Ken Sorenson. I was informed by the FBI that this process is the only way they would get involved in investigating, because they must receive the referral from Hawaii's U.S. Attorney Ken Sorenson. This is what I was told.

I filed a complaint with the Hawaii State Auditor, Mr. Leslie Kondo, who refused to investigate my claims that the HPHA Financial Statements had been altered to hide the steal. The state auditor informed me that the audit was

performed by a subcontractor located on the mainland and was relying on the subcontractor to comply with federal and state laws in performing their audit of the Hawaii Public Housing Authority. I submitted written testimony to the HPHA Board of Directors to inform them of the discrepancies in the financial statements, and informed them that the figures provided to the state auditor were false, but the HPHA Board of Directors refused to get involved.

- **BASIS FOR RELATOR'S KNOWLEDGE**

Knowledge of government corruption in Hawaii:

I am a recipient of the Section 8 Housing Choice Voucher Program.

It was truly by accident that I discovered the state employees were using illegal policies – to use **low** comparables against the **contract rent** in all rent reasonableness determinations. It was *after* the illegal policies were applied to my voucher, and caused my payment standard to be reduced, and interfered with my securing a rental, that I contacted HUD to ask for help. It was the HUD/PIH Director, Jesse Wu, who informed me that the illegal policies did not comply with HUD Regulations. I forwarded his email to the defendants, but never did the state employees ratify the illegal policies into compliance with the HUD Regulations.

Realtor contacted Hawaii's HUD office and was informed by the HUD/PIH Director, Mr. Jesse Wu, that HPHA's use of low comparables was not in compliance with HUD Regulations. Mr. Wu provided the link to the HUD Regulations of the mandate on how comparables are to be gathered in determining rent reasonableness.

I forwarded Mr. Wu's email to Lyle and Hakim, and they never responded.

- **DETAILED DESCRIPTION OF DEFENDANTS**

The following is copied from Section XVII (Parties) of the FCA complaint.

Defendant HAWAII PUBLIC HOUSING AUTHORITY ("HPHA") is a state agency established under Hawaii Revised Statutes ("HRS") Chapter 356D, responsible for administering federal housing programs, including the Section 8 HCV Program. HPHA receives hundreds of millions in federal funds *annually* from HUD and is subject to HUD regulations (**24 C.F.R. Part 982**) to implement the Section 8 Housing Choice Voucher Program.

Defendant HAKIM OUANSAFI is HPHA's Executive Director since January 2012. He enforces illegal policies, submits false reports to HUD, alters financial statements, of which he benefits from. Hakim Ouansafi imputes liability to his staff for implementing the illegal policies, and imputes liability to the HPHA Board of Directors for approving the illegal policies, which allows any reasonable person to believe that the board members also benefits from approving the illegal policies.

The job description for Hakim Ouansafi proves that he is acting outside the scope of his duties by enforcing illegal policies that do not comply with federal rules and HUD Regulations.

Hakim Ouansafi, Executive Director job description reads:

"...to provide the overall **administration and management of all functions and activities related to the operation of the Hawaii Public Housing Authority...establish policies and procedures** to guide program operations..."

"...knowledge of accounting, budget, fiscal, procurement, and public relations principles and practices..."

"...ability to plan, organize direct, and coordinate the work and activities of a staff of administrative, technical, clerical, trades and custodial personnel...reviewing their work..."

"...**strong background in HUD regulations...**"

Defendant RYAN AKAMINE is HPHA's Chief Compliance Officer since January 2022. He enforces the illegal policies and fabricated new illegal policies against the Relator to interfere with her live in aide and her housing. Ryan Akamine conducted retaliatory investigations, fabricated prerequisites for Relator's live-in aide (which prerequisites only apply to the Relator and not to all recipients), and interfered with Relator's ability to remain in her rental with her 0-bedroom, causing the Relator to be homeless.

Ryan Akamine was hired in January 2022 as the Chief Compliance Officer of the Hawaii Public Housing Authority.

The job description for Ryan Akamine proves that he is acting outside the scope of his duties by enforcing illegal policies that do not comply with federal rules and HUD Regulations.

Ryan Akamine, Chief Compliance Officer job description reads:

“...oversees and manages the agency's Housing Compliance Office **to ensure all public housing programs comply with State and Federal Housing Laws**...assists program managers in reviewing Federal and State laws, rules and regulations to determine their impact on the agency's procedures, and assists program managers in determining and developing operational procedural changes...”

“...This position reviews and investigates all programs and activities for any performance deficiencies, **fraud**, waste, and mismanagement and recommends corrective action to the Executive Director...”

Defendant LYLE MATSUURA is an HPHA Supervisor who works directly with all recipients and landlords, who implements illegal policies to all vouchers.

Defendant BENNETT LIU is HPHA's Chief Financial Officer. He participates in altering HPHA financial statements to hide the theft of federal funds by altering HPHA financial statements and providing the false figures to HUD and to the state auditors.

Defendant HPHA BOARD OF DIRECTORS ("Board") is the governing body of the Hawaii Public Housing Authority, established under ***Hawaii Revised Statutes § 356D-3***. The HPHA Board of Directors are responsible for approving and adopting HPHA's policies, including the illegal policy – to use "one low comparable" against the contract rent in all rent reasonableness determinations. It is documented in the HPHA Agenda that the HPHA Board of Directors approved the illegal policies **"...that differs from the HUD mandate..."** (PHA ANNUAL PLAN, attached to 01.19.23 board Agenda, was approved by the HPHA Board of Directors)

As admitted by Defendant Ouansafi in his Declaration (Doc. 102-1, ¶ 10), **"...It is the HPHA Board, not me as Executive Director, that is responsible for adopting policies such as the 'one low comparable' policy..."** The Board is sued in its official capacity for injunctive relief and individually for damages. HPHA Board of Directors do not qualify for immunity.

Defendant ANTON KRUCKY, Director of the PHA: CITY OF COUNTY OF HONOLULU stole \$10,942,886 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$1,000,000 every month. Approximately \$109,428,860 stolen since January 2015.

Defendant ADAM ROVERSI, Director of the PHA: KAUAI COUNTY HOUSING AGENCY stole \$2,697,658 (in just ten months, Jan – Oct 2024), and he continues to steal ±\$270,000 every month (approximately a total of \$26,976,580 stolen since January 2015). HUD data confirms the steal, but I have yet to compile the data into a Fraud Chart to prove the amount stolen each month.

- **DETAILED DESCRIPTION OF APPLICABLE RULES**

Hakim Ouansafi, Executive Director of the Hawaii Public Housing Authority admits guilt that he and his management staff, in collaboration with the Board of Directors of Hawaii Public Housing Authority, approved, enforce, and implemented illegal policies that allow federal funds to be diverted from the Section 8 Housing Choice Voucher Program.

The illegal policies are confirmed in HPHA Admin Plan 8-III.D. which are not in compliance with HUD Regulations.

THE ILLEGAL POLICY READS:

HPHA ADMIN PLAN 8-III-D.

PHA RENT REASONABLENESS METHODOLOGY

“...At least **three** comparable units will be used for each rent determination and of which at least **two** must have a gross rent that exceeds the subject gross **contract rent**, and the total average gross rent of the comparable units exceeds the subject gross rent...”

THE LEGAL POLICY IS:

HUD Regulations, HUD HCV Guidebook, Chapter 3, page 8, mandates the methodology to be used in gathering comparables, which reads:

“...PHA should collect data on units with gross rents at least 20-25 percent ABOVE the greater of the payment standard or the FMR...”

Federal rules mandate that the illegal policies must be in compliance with HUD Regulations. Intentionally refusing to ratify the illegal policies into compliance with HUD Regulations is illegal, especially when those illegal policies support the fraud schemes to steal federal funds.

- **24 CFR §982.52(a)** “...The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives...”

- **24 CFR §982.53 (d)** “...State and local law.

Nothing in part 982 is intended to pre-empt operation of State and local laws that prohibit discrimination against a Section 8 voucher-holder because of status as a Section 8 voucher holder. However, such State and local laws shall not change or affect any requirement of this part, or any other HUD requirements for administration or operation of the program...”

- **24 CFR §982.54** “...HUD Requirements.

(a) The PHA **must** comply with HUD regulations and other HUD requirements for the program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

(b) The PHA **must** comply with the consolidated ACC and the PHA’s HUD-approved applications for program funding...”

- **24 CFR §982.54(b)** “...The Administrative Plan **must** be in accordance with HUD regulations and requirements...”

- **18 U.S.C. §666, and DOJ Criminal Code 1001 – 1012**

Actions by Hakim Ouansafi, his management staff, and the HPHA Board of Directors refusal to comply with federal rules and HUD Regulations violates 18 U.S.C. §666

• **OFFER OF ASSISTANCE**

The False Claims Act qui tam complaint is very detailed and provides the evidence required to prove that Hawaii state employees are stealing federal funds from the Section 8 Housing Choice Voucher Program. Even though the state employees have already admitted guilt, and have already retaliated against me, the rest is up to the U.S. Attorney Pam Bondi. Please do what you can to help me, and help Hawaii.

Please don't hesitate to contact me if you need clarification or need more information.

Respectfully submitted,

November 21, 2025


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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII**

UNITED STATES OF AMERICA)	CASE #
ex rel. Laurie Thorson)	
<i>pro se Relator</i>	)	FALSE CLAIMS ACT qui tam
v.	)	COMPLAINT
	)	( 31 U.S.C. §3729 – 3733)
HAWAII PUBLIC HOUSING AUTHORITY)	
Hakim Ouansafi, Executive Director)	
Ryan Akamine, Chief Compliance Officer	)	CERTIFICATE OF SERVICE
Lyle Matsuura, Supervisor IV	)	OF
	)	FRAUD CLAIMS ACT qui tsm
HAWAII PUBLIC HOUSING AUTHORITY	)	COMPLAINT and
BOARD OF DIRECTORS:	)	DISCLOSURE STATEMENT
Robert Hall, Chair)	
Betty Lou Larson, Vice Chair)	
Suzan Kunz, Secretary)	
Ryan Yamane (DHS Director))	
Joseph Campos, II (DHS Asst. Director))	
Scott Glenn)	
Lisa Anne Darcy)	
Roy Katsuda)	
Christyl Nagao)	
Todd Taniguchi)	
)	
PHA: H1003)	
CITY & COUNTY OF HONOLULU)	
Anton Krucky, Executive Director)	
)	
PHA: H1005)	
KAUAI COUNTY HOUSING AGENCY)	
Adam Roversi, Executive Director)	
)	
<u>Defendants</u>)	

The undersigned hereby certifies that on November 21, 2025, **FALSE CLAIMS ACT qui tam Complaint is filed under seal** with the Federal District Court of Hawaii; and that a true copy of the Complaint and the Qui Tam Disclosure Statement was served via certified mail with returned receipt requested upon U.S. Attorney General Pam Bondi, and served upon the U.S. Attorney Ken Sorenson for the District of Hawaii, at the addresses noted below:

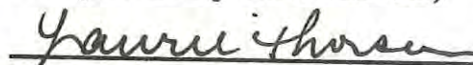
The Honorable Pam Bondi
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Ken Sorenson
Acting United States Attorney
United States Attorney's Office
District of Hawaii
PJKK Federal Building
300 Ala Moana Blvd., Room 6-100
Honolulu, Hawaii 96850

As required by law, Relator will not serve defendants until the court unseals the case and orders the Realtor to serve each of the defendants.

November 21, 2025

Respectfully submitted,



Laurie Thorson
P. O. Box 1409
Kailua, Hawaii 96734
Lthorson7@gmail.com
(808) 222-5885

MINUTE ORDER

CASE NUMBER: 1:25-cv-00491-LEK-WRP
CASE NAME: Laurie Thorson v. Hawaii Public Housing Authority et al
ATTY FOR PLA: Laurie Thorson, pro se
ATTY FOR DEFT:

JUDGE: Leslie E. Kobayashi

DATE: 01/30/2026

COURT ACTION: EO: ORDER DIRECTING THE CLERK'S OFFICE TO UNSEAL THE COMPLAINT

On November 21, 2025, pro se Relator Laurie Thorson ("Thorson") filed a False Claims Act qui tam Complaint ("Complaint") under seal pursuant to Title 31 United States Code Section 3730(b)(2). [Dkt. no. 1.] Section 3730(b)(2) states, in relevant part:

The complaint shall be filed in camera, shall remain under seal for at least 60 days, and shall not be served on the defendant until the court so orders. The Government may elect to intervene and proceed with the action within 60 days after it receives both the complaint and the material evidence and information.

Thorson asserts that she served the Complaint and the material evidence "to U.S. Attorney General, Pam Bondi, and to U.S. Attorney General for the District of Hawaii, Ken Sorenson." [Complaint at ¶ 5.] As of the date of this entering order, the Government has not intervened.

Finding that there is no good cause for the Complaint to remain under seal for more than sixty days after it was filed, the Court DIRECTS the Clerk's Office to unseal the Complaint. Cf. 31 U.S.C. § 3730(b)(3) ("The Government may, for good cause shown, move the court for extensions of the time during which the complaint remains under seal under paragraph (2).").

IT IS SO ORDERED.

Submitted by: Theresa Lam, Courtroom Manager

UNITED STATES DISTRICT COURT

DISTRICT OF HAWAII

LAURIE THORSON, UNITED STATES OF AMERICA EX REL. LAURIE THORSON,

CIV. NO. 25-00491 LEK-WRP

Plaintiff,

vs.

HAWAII PUBLIC HOUSING AUTHORITY, HAKIM OUANSAFI, EXECUTIVE DIRECTOR; RYAN AKAMINE, CHIEF COMPLIANCE OFFICER; LYLE MATSUURA, SUPERVISOR IV; HAWAII PUBLIC HOUSING AUTHORITY BOARD OF DIRECTORS, ROBERT HALL, CHAIR; BETTY LOU LARSON, VICE CHAIR; SUZAN KUNZ, SECRETARY; RYAN YAMANE, DHS DIRECTOR; JOSEPH CAMPOSII, DHS ASST. DIRECTOR; SCOTT GLENN, LISA ANNE DARCY, ROY KATSUDA, CHRISTYL NAGAO, TODD TANIGUCHI, CITY & COUNTY OF HONOLULU, PHA:H1003; ANTON KRUCKY, EXECUTIVE DIRECTOR; KAUAI COUNTY HOUSING AGENCY, PHA: H1005; AND ADAM ROVERSI, EXECUTIVE DIRECTOR;

Defendants.

ORDER DISMISSING RELATOR'S FALSE CLAIMS ACT QUI TAM COMPLAINT WITH LEAVE TO AMEND; AND RESERVING RULING ON THORSON'S APPLICATION TO PROCEED IN DISTRICT COURT WITHOUT PREPAYING FEES OR COSTS

On November 21, 2025, pro se Relator Laurie Thorson ("Thorson") filed a False Claims Act qui tam Complaint ("Complaint") under seal pursuant to Title 31 United States Code Section 3730(b)(2), and an Application to Proceed in District

Court Without Prepaying Fees or Costs ("Application"). [Dkt. nos. 1, 3.] The Complaint was unsealed on January 30, 2026 pursuant to an entering order filed by the Court. [Dkt. no. 8.] For the reasons set forth below, the Complaint is dismissed without prejudice, and the Court reserves ruling on the Application. In other words, Thorson will be allowed to file an amended complaint to try to cure the defects in the Complaint that are identified in this Order, and the Court will rule on the Application if any portion of the amended complaint survives the screening process.

STANDARD

"Federal courts can authorize the commencement of any suit without prepayment of fees or security by a person who submits an affidavit that demonstrates he is unable to pay." Smallwood v. Fed. Bureau of Investigation, CV. NO. 16-00505 DKW-KJM, 2016 WL 4974948, at *1 (D. Hawai'i Sept. 16, 2016) (citing 28 U.S.C. § 1915(a)(1)).

The Court subjects each civil action commenced pursuant to Section 1915(a) to mandatory screening and can order the dismissal of any claims it finds "frivolous, malicious, failing to state a claim upon which relief may be granted, or seeking monetary relief from a defendant immune from such relief." 28 U.S.C. § 1915(e)(2)(B); Lopez v. Smith, 203 F.3d 1122, 1126-27 (9th Cir. 2000) (en banc) (stating that 28 U.S.C. § 1915(e) "not only permits but requires" the court to *sua sponte* dismiss an *in forma pauperis* complaint that fails to state a

claim);^[1] Calhoun v. Stahl, 254 F.3d 845, 845 (9th Cir. 2001) (per curiam) (holding that “the provisions of 28 U.S.C. § 1915(e)(2)(B) are not limited to prisoners”).

Id. at *3.

In addition, the following standards apply in the screening analysis:

Plaintiff is appearing pro se; consequently, the court liberally construes her pleadings. Eldridge v. Block, 832 F.2d 1132, 1137 (9th Cir. 1987) (“The Supreme Court has instructed the federal courts to liberally construe the ‘inartful pleading’ of pro se litigants.” (citing Boag v. MacDougall, 454 U.S. 364, 365 (1982) (per curiam))). The court also recognizes that “[u]nless it is absolutely clear that no amendment can cure the defect . . . a pro se litigant is entitled to notice of the complaint’s deficiencies and an opportunity to amend prior to dismissal of the action.” Lucas v. Dep’t of Corr., 66 F.3d 245, 248 (9th Cir. 1995); see also Lopez v. Smith, 203 F.3d 1122, 1126 (9th. [sic] Cir. 2000).

Despite the liberal pro se pleading standard, the court may dismiss a complaint pursuant to Federal Rule of Civil Procedure 12(b)(6) on its own motion. See Omar v. Sea-Land Serv., Inc., 813 F.2d 986, 991 (9th Cir. 1987) (“A trial court may dismiss a claim *sua sponte* under [Rule] 12(b)(6). Such a dismissal may be made without notice where the claimant cannot possibly win relief.”); see also Baker v. Dir., U.S. Parole Comm’n, 916 F.2d 725, 727 (D.C. Cir. 1990) (holding that district court may dismiss cases *sua sponte* pursuant to Rule 12(b)(6) without notice where plaintiff could not prevail on complaint as alleged). . . . “Federal courts are courts of limited

¹ Lopez has been overruled, in part, on other grounds by Peralta v. Dillard, 744 F.3d 1076 (9th Cir. 2014) (en banc).

jurisdiction," possessing "only that power authorized by Constitution and statute." United States v. Marks, 530 F.3d 799, 810 (9th Cir. 2008) (quoting Kokkonen v. Guardian Life Ins. Co., 511 U.S. 375, 377 (1994)). The assumption is that the district court lacks jurisdiction. See Kokkonen, 511 U.S. at 377. Accordingly, a "party invoking the federal court's jurisdiction has the burden of proving the actual existence of subject matter jurisdiction." Thompson v. McCombe, 99 F.3d 352, 353 (9th Cir. 1996).

Flores v. Trump, CIVIL 16-00652 LEK-RLP, 2017 WL 125698, at *1 (D. Hawai'i Jan. 12, 2017) (some alterations in Flores) (some citations omitted).

DISCUSSION

Because Thorson filed the Application, the Court must screen the Complaint and determine whether the action can proceed. See 28 U.S.C. § 1915(a)(1). Thorson brings the instant action pursuant to the False Claims Act ("FCA"), Title 31 United States Code Sections 3729-33. [Complaint at ¶ 19.]

The FCA is a statutory scheme intended to discourage fraud against the federal government. Under the FCA, a private individual is authorized, among other things, to bring an action on behalf of the United States against any entity that has knowingly presented a false or fraudulent claim to the government. See, e.g., United States ex rel. Anderson v. Northern Telecom, 52 F.3d 810, 812-813 (9th Cir. 1995). Section 3729(a)(1)(A) is violated by one who "knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval[.]" Section 3729(a)(1)(B) is violated by one who "knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim[.]" A "claim" includes "any request or demand, whether

under a contract or otherwise, for money or property. . . .” Id. at 3729(b)(2). Such an action is termed a “*qui tam*” action and is most often filed by an insider at a private company who discovers his employer has overcharged under a government contract; supplied substandard products or services; engaged in false negotiation, including bid rigging and defective pricing; or provided false certification of compliance with federal law. See Hopper v. Anton, 91 F.3d 1261, 1266 (9th Cir. 1996) (and cases cited therein).

United States ex rel. Berglund v. Boeing Co., 835 F. Supp. 2d 1020, 1030 (D. Or. 2011) (alterations in Berglund).

The Ninth Circuit Court of Appeals has explained that the FCA motivates “a private individual [to] bring suit in federal court **on behalf of the United States**” by effecting a partial assignment of the government’s damages claim to the relator. [Vt. Agency of Nat. Res. v. United States ex rel.] Stevens, 529 U.S. [765,] 768, 120 S. Ct. 1858 [(2000)] (emphasis added).

Although the partial assignment allows the relator asserting the government’s injury to satisfy the requirements of Article III standing, it does not transform a *qui tam* action into the relator’s “own case” for purposes of [28 U.S.C.] § 1654. The FCA makes clear that notwithstanding the relator’s statutory right to the government’s share of the recovery, the underlying claim of fraud always belongs to the government. See 31 U.S.C. § 3730(c)(5) (providing that “the Government may elect to pursue **its claim** through any alternate remedy” (emphasis added)). Accordingly, where the government chooses not to intervene, a relator bringing a *qui tam* action for a violation of § 3729 is representing the interests of the government and prosecuting the action on its behalf. See 31 U.S.C. § 3730(b)(1); see also United States v. Schimmels (In re Schimmels), 127 F.3d 875, 882 (9th Cir. 1997) (“[T]he ‘United States is the real party in

interest in any False Claims Act suit, even when it permits a *qui tam* relator to pursue the action on its behalf.’” (quoting United States ex rel. Milam v. Univ. of Tex. M.D. Anderson Cancer Ctr., 961 F.2d 46, 50 (4th Cir. 1992)); [United States ex rel.] Kelly [v. Boeing Co.], 9 F.3d [743,] 743 [(9th Cir. 1993)]. (“The express language of the FCA gives relators the right to bring suit **on behalf of the government.**” (emphasis added)). Nor does the FCA “support a finding that the government and the relators can pursue their interests . . . separately,” Schimmels, 127 F.3d at 884, such that relators could bring their “own case” without binding the government. Rather, the United States “is bound by the relator’s actions” for purposes of res judicata and collateral estoppel. Id.; see also United States ex rel. Rockefeller v. Westinghouse Elec. Co., 274 F. Supp. 2d 10, 16 (D.D.C. 2003); United States ex rel. Schwartz v. TRW Inc., 118 F. Supp. 2d 991, 996 (C.D. Cal. 2000). Because *qui tam* relators are not prosecuting only their “own case” but also representing the United States and binding it to any adverse judgment the relators may obtain, we cannot interpret § 1654 as authorizing *qui tam* relators to proceed *pro se* in FCA actions.

Stoner v. Santa Clara Cnty. Off. of Educ., 502 F.3d 1116, 1126-27 (9th Cir. 2007) (some alterations in Stoner); see also Pierce v. Cal. Dep’t of Corr., Case No. 1:15-cv-00482-BAM (PC), 2015 WL 6081905, at *1 (E.D. Cal. Oct. 13, 2015) (“The Ninth Circuit has repeatedly held that *pro se* plaintiffs are prohibit[ed] from pursuing claims on behalf of others, and specifically may not prosecute False Claims *qui tam* actions on behalf of the United States without retaining licensed counsel.” (some citations omitted) (citing Simon v. Hartford Life, Inc., 546 F.3d 661, 664-65 (9th Cir. 2008))).

Thorson claims to bring this FCA action in the name of the United States, [Complaint at ¶ 9,] purports to reveal a scheme that she alleges is stealing funds from federal government housing programs, see, e.g., id. at ¶¶ 12, 16, 29, 167, and seeks to recover the allegedly stolen funds pursuant to Section 3730(d), [id. at ¶¶ 10, 316.c]. Thorson, however, is proceeding pro se. Therefore, as a matter of law, Thorson is prohibited from asserting any claims under the FCA on behalf of the federal government. See Stoner, 502 F.3d at 1126-27. As of the date of this Order, an attorney has not entered an appearance to represent Thorson. Because the Complaint is brought pursuant to the FCA, asserts three causes of action under the FCA, and is brought by a pro se party, the Court must dismiss the Complaint as frivolous. See 28 U.S.C. § 1915(e)(2)(B)(i). It is arguably possible, however, for Thorson to cure the defects in the Complaint by either retaining counsel or by filing an amended complaint that is not brought pursuant to the FCA. Thus, the dismissal must be without prejudice - in other words, with leave to amend. See Lucas, 66 F.3d at 248.²

² Thorson has previously filed a separate action in federal court against many of the same defendants in the instant action, stating many factual allegations similar to those made in the Complaint. Compare Thorson v. Hawai`i Pub. Hous. Auth. et al., CV 23-00412 MWJS-WRP ("CV 23-412"), Complaint, filed 10/4/23
(. . . continued)

CONCLUSION

On the basis of the foregoing, Thorson's False Claims Act qui tam Complaint, filed November 21, 2025, is DISMISSED WITHOUT PREJUDICE. If Thorson chooses to take the opportunity to file an amended complaint, she is ORDERED to do so by **March 5, 2026**. Thorson is CAUTIONED that, if she fails to comply with the **March 5, 2026** deadline, the Complaint, which was dismissed without prejudice, will be dismissed with prejudice, and this case will be closed.

In addition, the Court RESERVES RULING on Thorson's Application to Proceed in District Court Without Prepaying Fees or Costs, filed November 21, 2025. If Thorson chooses to file an amended complaint, and at least a portion of it survives the screening process, the merits of the Application will be

(dkt. no. 1) ("CV 23-412 Complaint"), at pgs. 14-24 (claiming that the defendants retaliated and discriminated against Thorson after they engaged in a process to determine rent reasonableness), with Complaint at ¶¶ 185-262 (same). Summary judgment was ultimately granted in favor of the defendants in CV 23-412, and Thorson is currently appealing various ruling that were made in that case. See CV 23-412, Notice of Appeal, filed 6/9/25 (dkt. no. 131). If Thorson chooses to file an amended complaint in the instant case and includes similar or identical factual allegations as those made in CV 23-412, the amended complaint would likely be considered duplicative and would be subject to dismissal on that basis. See Adams v. Cal. Dep't of Health Servs., 487 F.3d 684, 687-89 (9th Cir. 2007) (citations omitted) (discussing the analysis of when a complaint should be dismissed as duplicative), *overruled on other grounds* by Taylor v. Sturgell, 553 U.S. 880, 904 (2008).

addressed. Until Thorson files an amended pleading, Thorson should not file any other document in this action.

IT IS SO ORDERED.

DATED AT HONOLULU, HAWAII, February 2, 2026.



/s/ Leslie E. Kobayashi

Leslie E. Kobayashi
Senior U.S. District Judge

LAURIE THORSON VS. HAWAII PUBLIC HOUSING AUTHORITY, ET AL; CV 25-00491 LEK-WRP; ORDER DISMISSING RELATOR'S FALSE CLAIMS ACT QUI TAM COMPLAINT WITH LEAVE TO AMEND; AND RESERVING RULING ON THORSON'S APPLICATION TO PROCEED IN DISTRICT COURT WITHOUT PREPAYING FEES OR COSTS

cler LTR
filed copy main 2/27/26

Laurie Thorson, pro se Relator
P. O. Box 1409
Kailua, Hawaii 96734
(808) 222-5885
Lthorson7@gmail.com

USDC FEB 26 '26 12:00PM

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

FEB 26 2026
at 12 o'clock and min. M
Lucy H. Carrillo, Clerk

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII**

UNITED STATES OF AMERICA	)	25-CV-00491-LEK-WRP
ex rel. Laurie Thorson)	
<i>pro se Relator</i>	)	NOTICE
v.	)	OF
	)	VOLUNTARY
HAWAII PUBLIC HOUSING AUTHORITY	)	DISMISSAL
et al)	
<i>Defendants</i>)	

**NOTICE OF VOLUNTARY DISMISSAL
PURSUANT TO FRCP 41(a)(1)(A)(i)**

Relator Laurie Thorson, proceeding pro se, hereby voluntarily dismisses this action pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(i).

No defendant has been served with the Complaint, and no defendant has served an answer or motion for summary judgment.

Accordingly, this 'Notice of Voluntary Dismissal' is effective upon filing and dismisses this action without prejudice.

February 26, 2026

/s/ Laurie Thorson, pro se Relator
Laurie Thorson
P. O. Box 1409
Kailua, Hawaii 96734

Laurie Thorson, pro se Relator
P. O. Box 1409
Kailua, Hawaii 96734
(808) 222-5885
Lthorson7@gmail.com

USDC FEB 26 '26 12:01PM

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII**

UNITED STATES OF AMERICA	)	25-CV-00491-LEK-WRP
ex rel. Laurie Thorson)	
<i>pro se Relator</i>	)	CERTIFICATE
v.	)	OF
	)	SERVICE
HAWAII PUBLIC HOUSING AUTHORITY)	
et al)	
<i>Defendants</i>)	

CERTIFICATE OF SERVICE

I hereby certify that on February 26, 2026, a true and correct copy of the foregoing 'Notice of Voluntary Dismissal' was served via Certified Mail upon:

The Honorable Pam Bondi
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Ken Sorenson
Acting United States Attorney
United States Attorney's Office
District of Hawaii
PJKK Federal Building
300 Ala Moana Blvd., Room 6-100
Honolulu, Hawaii 96850

February 26, 2026

/s/ Laurie Thorson, pro se Relator
Laurie Thorson

UNITED STATES DISTRICT COURT

DISTRICT OF HAWAII

LAURIE THORSON, UNITED STATES OF
AMERICA EX REL. LAURIE THORSON;

Plaintiff,

vs.

HAWAII PUBLIC HOUSING AUTHORITY,
HAKIM OUANSAFI, EXECUTIVE
DIRECTOR; RYAN AKAMINE, CHIEF
COMPLIANCE OFFICER; LYLE
MATSUURA, SUPERVISOR IV; HAWAII
PUBLIC HOUSING AUTHORITY BOARD
OF DIRECTORS, ROBERT HALL,
CHAIR; BETTY LOU LARSON, VICE
CHAIR; SUZAN KUNZ, SECRETARY;
RYAN YAMANE, DHS DIRECTOR;
JOSEPH CAMPOSII, DHS ASST.
DIRECTOR; SCOTT GLENN, LISA ANNE
DARCY, ROY KATSUDA, CHRISTYL
NAGAO, TODD TANIGUCHI, CITY &
COUNTY OF HONOLULU, PHA:H1003;
ANTON KRUCKY, EXECUTIVE
DIRECTOR; KAUAI COUNTY HOUSING
AGENCY, PHA: H1005; AND ADAM
ROVERSI, EXECUTIVE DIRECTOR;

Defendants.

CIV. NO. 25-00491 LEK-WRP

**ORDER: DISMISSING RELATOR'S FALSE CLAIMS ACT QUI TAM COMPLAINT
WITH PREJUDICE; DENYING RELATOR'S APPLICATION TO PROCEED IN
DISTRICT COURT WITHOUT PREPAYING FEES OR COSTS AS MOOT;
AND DIRECTING THE CLERK'S OFFICE TO CLOSE THE CASE**

On November 21, 2025, pro se Relator Laurie Thorson
("Thorson") filed a False Claims Act qui tam Complaint
("Complaint") under seal pursuant to Title 31 United States Code
Section 3730(b)(2), and an Application to Proceed in District 2

Court Without Prepaying Fees or Costs ("Application"). [Dkt. nos. 1, 3.] The Complaint was unsealed on January 30, 2026 pursuant to an entering order filed by the Court. [Dkt. no. 8.]

The Court dismissed the Complaint without prejudice, provided Thorson an opportunity to file an amended complaint by March 5, 2026, and reserved ruling on the Application. See Order Dismissing Relator's False Claims Act Qui Tam Complaint with Leave to Amend; and Reserving Ruling on Thorson's Application to Proceed in District Court Without Prepaying Fees or Costs, filed 2/2/26 (dkt. no. 9) ("2/2 Order"), at 8-9. The Court warned Thorson that, if she failed to file an amended complaint by March 5, 2026, the Complaint would be dismissed with prejudice and the instant action would be closed. See id. at 8.

On February 26, 2026, Thorson filed a Notice of Voluntary Dismissal Pursuant to FRCP 41(a)(1)(A)(i) ("2/26 Notice"). [Dkt. no. 10.] The 2/2 Order, however, dismissed the Complaint without prejudice. See 2/2 Order at 8. In other words, there is nothing for Thorson to voluntarily dismiss. The Court therefore liberally construes the 2/26 Notice as a notice notifying the Court that Thorson does not intend to file an amended complaint. See Erickson v. Pardus, 551 U.S. 89, 94 (2007) (per curiam).

The Court has the discretion to dismiss the Complaint with prejudice and close the case. See Yourish v. Cal.

Amplifier, 191 F.3d 983, 988 (9th Cir. 1999) (holding that the plaintiff's failure to comply with a minute order setting forth the deadline to file the amended complaint gave the district court the discretion to dismiss the case under Fed. R. Civ. P. 41(b)),¹ *superseded by statute on other grounds as recognized in Russel v. United States*, Case No.: 21cv1029-LL-MDD, 2023 WL 2919319, at *3 (S.D. Cal. Apr. 12, 2023). After weighing the five dismissal factors set forth in Dreith v. Nu Image, Inc., 648 F.3d 779, 788 (9th Cir. 2011),² the Court finds that the public interest in the expeditious resolution of this litigation and the Court's interest in managing the docket strongly outweigh the policy favoring disposition of Thorson's claims on the merits. Moreover, the defendants will not be prejudiced by the closure of the case because Thorson did not serve the

¹ Federal Rule of Civil Procedure 41(b) states, in pertinent part: "If the plaintiff fails to prosecute or to comply with these rules or a court order, a defendant may move to dismiss the action or any claim against it."

² The Ninth Circuit has

identified five factors that a district court must consider before dismissing a case . . . : (1) the public's interest in expeditious resolution of litigation; (2) the court's need to manage its docket; (3) the risk of prejudice to the other party; (4) the public policy favoring the disposition of cases on their merits; and (5) the availability of less drastic sanctions.

Dreith, 648 F.3d at 788 (citation and internal quotation marks omitted).

Complaint, and there are no less drastic alternatives available at this time.

Accordingly, and for the reasons set forth in the 2/2 Order, Thorson's False Claims Act qui tam Complaint, filed November 21, 2025, is DISMISSED WITH PREJUDICE. Thorson's Application to Proceed in District Court Without Prepaying Fees or Costs, filed November 21, 2025, is DENIED AS MOOT. The Clerk's Office is DIRECTED to close the case immediately.

IT IS SO ORDERED.

DATED AT HONOLULU, HAWAII, March 3, 2026.



/s/ Leslie E. Kobayashi

Leslie E. Kobayashi

Senior U.S. District Judge

LAURIE THORSON VS. HAWAI`I PUBLIC HOUSING AUTHORITY, ET AL; CV 25-00491 LEK-WRP; ORDER: DISMISSING RELATOR'S FALSE CAIMS ACT QUI TAM COMPLAINT WITH PREJUDIE; DENYING RELATOR'S APPLICATION TO PROCEED IN AND DIRECTING THE CLERK'S OFFICE TO CLOSE THE CASE

CC: Aler,
LEK

ORIGINAL

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

MAR 09 2026 *CR*

at 11 o'clock and 00 min. A M
Lucy H. Carrillo, Clerk

Laurie Thorson, pro se Relator
P. O. Box 1409
Kailua, Hawaii 96734
(808) 222-5885
Lthorson7@gmail.com

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII**

UNITED STATES OF AMERICA	) #25-CV-00491-LEK-WRP
ex rel. Laurie Thorson)
<i>pro se Relator</i>	) MOTION FOR
v.	) RECONSIDERATION
	) (of court's order dismissing with
HUD PHA: 1901	) prejudice; memorandum in
HAWAII PUBLIC HOUSING AUTHORITY	) support of this motion; proposed
Hakim Ouansafi, Executive Director	) order; declaration of relator
Ryan Akamine, Chief Compliance Officer	) Laurie Thorson)
Hakim Ouansafi, Executive Director)
Lyle Matsuura, Supervisor IV)
)
HAWAII PUBLIC HOUSING AUTHORITY)
BOARD OF DIRECTORS:)
Robert Hall, Chair)
Betty Lou Larson, Vice Chair)
Suzan Kunz, Secretary)
Ryan Yamane (DHS Director))
Joseph Campos, II (DHS Asst. Director))
Scott Glenn)
Lisa Anne Darcy)
Roy Katsuda)
Christyl Nagao)
Todd Taniguchi)
↓)

↓
 HUD PHA: 1003)
 CITY AND COUNTY OF HONOLULU)
 Anton Krucky, Executive Director)
)
 HUD PHA: 1005)
 KAUAI COUNTY HOUSING AGENCY)
 Adam Roversi, Executive Director)
Defendants)
 _____)

TO: Honorable Leslie E. Kobayashi

As the relator in the above-mentioned case, I am requesting that the court please reconsider its order (docket #11), which reads as follows:

“...IT IS ORDERED AND ADJUDGED that this action is dismissed **with** prejudice, and judgment is entered, pursuant to the “Order Dismissing Relator’s False Claims Act Qui Tam Complaint With Leave to Amend...”

MEMORANDUM IN SUPPORT

I. INTRODUCTION AND FACTUAL BACKGROUND

On November 21, 2025, Relator filed this False Claims Act qui tam Complaint under seal alleging systemic fraud by Defendants in administering federal housing funds, including under-issuance of Section 8 vouchers and false certifications to HUD, resulting in over \$896 million in losses since 2015, and ongoing theft of \$3.5 million monthly (docket #1). The U.S. declined intervention, and the Complaint was unsealed on January 30, 2026 (docket 8).

On February 2, 2026, the Court dismissed without prejudice, citing Ninth Circuit precedent barring pro se qui tam prosecution (*Stoner v. Santa Clara County Office of Education*, 502 F.3d 1116, 1126-28 (9th Cir. 2007)), but granted leave to amend by March 5, 2026, for non-qui tam claims (docket #9).

On February 26, 2026, recognizing amendment futility without counsel, the Relator filed a Notice of Voluntary Dismissal without prejudice, under FRCP 41(a)(1)(A)(i), to preserve claims for future refileing with representation (docket #10).

On March 3, 2026, the Court dismissed with prejudice under Rule 41(b) for failure to prosecute, construing the Notice as non-intent to amend and applying the five factors from *Dreith v. Nu Image, Inc.*, 648 F.3d 779, 788 (9th Cir. 2011) (docket #11). This Order constitutes manifest error, as it ignores Relator's absolute right to voluntary dismissal, requires impossible pro se amendment, and mis-weighs *Dreith* factors, undermining societal obligations to deter public fraud.

II. LEGAL STANDARD FOR RECONSIDERATION

Under Rule 59(e), reconsideration is appropriate for (1) manifest errors of law or fact, (2) newly discovered evidence, or (3) to prevent manifesting injustice (*Allstate Ins. Co. v. Herron*, 634 F.3d 1101, 1111 (9th Cir. 2011)). Rule 60(b) allows relief for mistake, inadvertence, or excusable neglect [60(b)(1)], or any other reason justifying relief [60(b)(6)] (*Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. P'ship*, 507 U.S. 380, 393 (1993)). Pro se filings are liberally construed, and courts err by dismissing without considering futility or public interest (*Lucas v. Dep't of Corr.*, 66 F.3d 245, 248 (9th Cir. 1995)).

III. ARGUMENTS FOR RECONSIDERATION

A. Manifest Error in Denying Voluntary Dismissal Without Prejudice

The Court erred by reinterpreting Relator's Rule 41(a)(1)(A)(i) 'Notice of Voluntary Dismissal' as non-intent to amend, instead of granting automatic dismissal without prejudice. Voluntary dismissal is a plaintiff's absolute right before an answer or summary judgment motion - none occurred here (*Commercial Space Mgmt. Co. v. Boeing Co.*, 193 F.3d 1074, 1077 (9th Cir. 1999)).

Relator's 'Notice of Voluntary Dismissal' was filed seven (7) days before March 5, pre-deadline and unopposed, resulting in termination of the action immediately, and preserving claims for refiling with counsel (*Kamal v. Eden Creamery, LLC*, 88 F.4th 1268, 1277 (9th Cir. 2024); abuse of discretion to deny without legal prejudice).

No prejudice existed - defendants were never served, and societal obligations favor allowing qui tam relators time to secure counsel to expose fraud (*Vermont Agency of Natural Resources v. United States ex rel. Stevens*, 529 U.S. 765, 773-74 (2000); qui tam as partial assignment of government claims for public benefit).

Reconsideration prevents injustice, as with-prejudice dismissal bars meritorious claims against ongoing \$3.5 million monthly theft.

B. Futility of Pro Se Amendment Warrants Reconsideration

Requiring amendment by March 5 was futile for qui tam claims, as pro se relators cannot prosecute on the government's behalf (*Stoner*, 502 F.3d at 1126-28 (relators bind U.S. to judgments, requiring counsel

under 28 U.S.C. § 1654)). This follows *Stevens'* assignment theory - qui tam isn't a personal case (*id.* at 1127). Pro se litigants deserve notice of deficiencies and amendment only if curable (*Lucas*, 66 F.3d at 248; *Lopez v. Smith*, 203 F.3d 1122, 1126 (9th Cir. 2000) (en banc)).

Here, the defect (lack of counsel) was incurable pro se, making the deadline manifest error. Societal obligation warrants reconsideration to allow counsel-led pursuit, deterring fraud in housing programs vital to vulnerable populations (*United States ex rel. Polansky v. Executive Health Resources, Inc.*, 599 U.S. 419, 428 (2023); FCA balances relator incentives with government control for public good).

C. Misapplication of Dreith Factors Constitutes Manifest Error

The Court abused discretion in weighing *Dreith* factors for with-prejudice dismissal (*Dreith*, 648 F.3d at 788; factors: expeditious resolution, docket management, defendant prejudice, merits policy, lesser sanctions). While factors 1-2 (resolution/docket) favored dismissal, factor 3 (no prejudice to unserved defendants) and factor 4 (merits disposition) strongly opposed - FCA claims serve public interest in recovering taxpayer funds (*Stevens*, 529 U.S. at 769). Factor 5 (alternatives) was ignored: extensions or voluntary dismissal were viable, especially for pro se whistleblowers (*Pagtalunan v. Galaza*, 291 F.3d 639, 642 (9th Cir. 2002); abuse if alternatives overlooked); *Ferdik v. Bonzelet*, 963 F.2d 1258, 1262 (9th Cir. 1992); warnings suffice as alternatives).

Societal obligation to combat \$896 million fraud (with \$3.5 million monthly on-going losses) warrants reconsideration - dismissing meritorious qui tam exacerbates Hawaii's housing crisis (*U.S. ex rel.*

Berglund v. Boeing Co., 835 F. Supp. 2d 1020, 1030 (D. Or. 2011); public benefit in FCA deterrence). Reversal prevents injustice (*Allstate*, 634 F.3d at 1111).

IV. CONCLUSION

For the reasons outlined, please grant this motion for reconsideration, vacate the with-prejudice dismissal, and dismiss **without** prejudice.

March 9, 2026

Respectfully submitted,

/s/ Laurie Thorson

Laurie Thorson, pro se Relator
P. O. Box 1409
Kailua, HI 96734
Lthorson7@gmail.com
(808) 222-5885

.....

PROPOSED ORDER

Upon consideration, the Motion is GRANTED. The March 3, 2026 Order is VACATED, and this action is DISMISSED WITHOUT PREJUDICE.

IT IS SO ORDERED.

Dated: _____

Honorable Leslie E. Kobayashi
U. S. District Court
District of Hawaii

.....

UNITED STATES DISTRICT COURT

DISTRICT OF HAWAII

UNITED STATES OF AMERICA EX REL.
LAURIE THORSON,

Plaintiff,

vs.

HAWAII PUBLIC HOUSING AUTHORITY,
HAKIM OUANSAFI, EXECUTIVE
DIRECTOR; RYAN AKAMINE, CHIEF
COMPLIANCE OFFICER; LYLE
MATSUURA, SUPERVISOR IV; HAWAII
PUBLIC HOUSING AUTHORITY BOARD
OF DIRECTORS, ROBERT HALL,
CHAIR; BETTY LOU LARSON, VICE
CHAIR; SUZAN KUNZ, SECRETARY;
RYAN YAMANE, DHS DIRECTOR;
JOSEPH CAMPOSII, DHS ASST.
DIRECTOR; SCOTT GLENN, LISA ANNE
DARCY, ROY KATSUDA, CHRISTYL
NAGAO, TODD TANIGUCHI, CITY &
COUNTY OF HONOLULU, PHA:H1003;
ANTON KRUCKY, EXECUTIVE
DIRECTOR; KAUAI COUNTY HOUSING
AGENCY, PHA: H1005; AND ADAM
ROVERSI, EXECUTIVE DIRECTOR;

Defendants.

CIV. NO. 25-00491 LEK-WRP

ORDER DENYING PRO SE RELATOR'S MOTION FOR RECONSIDERATION

Pro se Relator Laurie Thorson's ("Thorson") False Claims Act qui tam Complaint, filed on November 21, 2025 ("Complaint"), was dismissed without prejudice by an order issued by this Court on February 2, 2026 ("2/2 Order"). [Dkt. nos. 1, 9.] This Court provided Thorson an opportunity to file either a pro se amended complaint that was not brought pursuant

to the False Claims Act (“FCA”), Title 31 United States Code Sections 3729–33, or an FCA amended complaint that was filed by counsel. See id. at 7–8. However, this Court warned Thorson that, if she failed to file an amended complaint by March 5, 2026, the Complaint would be dismissed with prejudice and the instant action would be closed. See id. at 8.

On February 26, 2026, Thorson filed a notice informing this Court that she intended to voluntarily dismiss the instant action (“2/26 Notice”). See dkt. no. 10. This Court issued an order on March 3, 2026 (“3/3 Order”), which explained that the 2/2 Order dismissed the Complaint without prejudice and that, as a result of that dismissal, there was nothing for Thorson to voluntarily dismiss. See dkt. no. 11 at 2.¹ Accordingly, this Court construed the 2/26 Notice as Thorson’s notice to this Court that she did not intend to file an amended complaint. Id. (citing Erickson v. Pardus, 551 U.S. 89, 94 (2007) (per curiam)). After applying the factors set forth in Dreith v. Nu Image, Inc., 648 F.3d 779, 788 (9th Cir. 2011), this Court dismissed the Complaint with prejudice. See 3/3 Order at 3–4. A final judgment dismissing the case was entered pursuant to the 2/2 Order and the 3/3 Order. See Judgment in a Civil Case (“Judgment”), filed 3/3/26 (dkt. no. 12).

¹ The 3/3 Order is also available at 2026 WL 612655.

On March 9, 2026, Thorson filed the Motion for Reconsideration ("Motion"). [Dkt. no. 13.] Thorson requests that this Court reconsider the 3/3 Order dismissing the Complaint with prejudice. See Motion, Mem. in Supp. at 2. The Motion is suitable for disposition without a hearing and without further briefing. See Local Rule LR7.1(d); Local Rule LR60.1. Thorson's Motion is denied for the reasons set forth below.

DISCUSSION

The 3/3 Order is case-dispositive. Local Rule 60.1 states: "Motions seeking reconsideration of case-dispositive orders shall be governed by Fed. R. Civ. P. 59 or 60, as applicable." Thorson cites Federal Rule of Civil Procedure 59(e) and Federal Rule of Civil Procedure 60(b) in her Motion. See Motion, Mem. in Supp. at 3. Rule 59(e) states: "A motion to alter or amend a judgment must be filed no later than 28 days after the entry of the judgment." Thorson timely filed her Motion within twenty-eight days after the Judgment was entered.

A Rule 59(e) motion is effectively a motion for reconsideration.

In general, there are four basic grounds upon which a Rule 59(e) motion may be granted: (1) if such motion is necessary to correct manifest errors of law or fact upon which the judgment rests; (2) if such motion is necessary to present newly discovered or previously unavailable evidence; (3) if such motion is necessary to prevent manifest injustice; or (4) if the amendment is justified by an intervening change

in controlling law.

Allstate Ins. Co. v. Herron, 634 F.3d 1101, 1111 (9th Cir. 2011) (citation omitted).

Thorson does not identify any intervening change in the applicable law since the 3/3 Order was issued, nor does she identify any newly discovered evidence. Instead, Thorson contends that this Court committed manifest error in dismissing the Complaint with prejudice. See Motion, Mem. in Supp. at 4-6.

First, Thorson contends that this Court committed manifest error by interpreting the 2/26 Notice as a notice that she did not intend to file an amended complaint rather than as a notice of voluntary dismissal. See id. at 4. However, as this Court explained in the 3/3 Order, because the 2/2 Order already dismissed the Complaint without prejudice, the 2/26 Notice could not have served as a notice of voluntary dismissal because there was no pleading to dismiss. See 3/3 Order at 2. This Court recognizes that, under Federal Rule of Civil Procedure 41(a)(1), “a plaintiff has an absolute right to voluntarily dismiss an action prior to service by the defendant of an answer or a motion for summary judgment.” Kamal v. Eden Creamery, LLC, 88 F.4th 1268, 1279 n.4 (9th Cir. 2023) (citation and internal quotation marks omitted). This Court, however, is not aware of any authority, nor does Thorson present any authority, “allowing a plaintiff to voluntarily dismiss its claims without prejudice

after the court has already dismissed those claims.” Gargoyle Granite & Marble, Inc. v. Opustone, LLC, Ct. No. 2:21-cv-00127-MMB, 2021 WL 5999133, at *2 (D. Idaho Dec. 20, 2021); see also id. (“In the court’s view, Rule 41(a)(1) necessarily presupposes the existence of live claims to be voluntarily dismissed.”).

Second, Thorson argues “[r]equiring amendment by March 5 was futile for qui tam claims, as pro se relators cannot prosecute on the government’s behalf[.]” [Motion, Mem. in Supp. at 4 (citation omitted).] Thorson contends that retaining counsel to file an amended complaint pursuant to the FCA was “incurable” thereby “making the [March 5, 2026] deadline manifest error.” [Id. at 5.] This argument fails at the outset because Thorson could have retained counsel. Indeed, the 2/2 Order explicitly considered the possibility that Thorson would retain counsel. See 2/2 Order at 7.

Finally, Thorson argues that this Court abused its discretion in applying the Dreith factors, specifically the third, fourth, and fifth factors. See Motion, Mem. in Supp. at 5-6. With respect to the third factor, “the risk of prejudice to the other party,” the Dreith analysis focuses on prejudice to the other parties - not prejudice to the plaintiff. 648 F.3d at 788 (quotation marks and citation omitted). “Unreasonable delay is the foundation upon which a court may presume prejudice.” Sw. Marine Inc. v. Danzig, 217 F.3d 1128, 1138 (9th Cir. 2000). With

respect to the fifth factor, "the availability of less drastic sanctions," Dreith, 648 F.3d at 788 (quotation marks and citation omitted), this Court provided Thorson an opportunity to file an amended complaint and cautioned Thorson that dismissal with prejudice would follow if she failed to file an amended complaint. She chose not to take that opportunity. See In re Phenylpropanolamine (PPA) Prods. Liab. Litig., 460 F.3d 1217, 1240 (9th Cir. 2006) (recognizing that a warning that the failure to comply with a court order will result in dismissal can satisfy the availability of less drastic sanctions factor). The fourth factor, "the public policy favoring the disposition of cases on their merits," typically always weighs against dismissal. See Dreith, 648 F.3d at 788 (quotation marks and citation omitted). However, the Ninth Circuit "may affirm a dismissal where at least four factors support dismissal, or where at least three factors strongly support dismissal." Id. (citation omitted). This Court finds that Thorson has failed to establish that this Court committed manifest error in dismissing the Complaint with prejudice.

Thorson also invokes Rule 60(b)(1) and (b)(6) in support of the Motion. See Motion, Mem. in Supp. at 3. Thus, the Motion is also construed as seeking reconsideration under Rule 60(b)(1) and (b)(6). Rule 60(b) states, in relevant part:

On motion and just terms, the court may relieve a party or its legal representative from a final judgment, order, or proceeding for the following reasons:

(1) mistake, inadvertence, surprise, or excusable neglect;

. . . .

(6) any other reason that justifies relief.

A motion brought pursuant to Rule 60(b)(6)

must demonstrate "extraordinary circumstances" justifying reopening the judgment, See Pioneer Inv. Servs. Co. v. Brunswick Assoc. Ltd. P' ship, 507 U.S. 380, 393, 113 S. Ct. 1489, 123 L. Ed. 2d 74 (1993). Extraordinary circumstances occur where there are "other compelling reasons" for opening the judgment. Klapprott v. United States, 335 U.S. 601, 613, 69 S. Ct. 384, 93 L. Ed. 266 (1949).

Bynoe v. Baca, 966 F.3d 972, 979 (9th Cir. 2020).

To the extent that Thorson argues the 3/3 Order should be reconsidered pursuant to Rule 60(b)(1), Thorson fails to identify any grounds of mistake, inadvertence, surprise, or excusable neglect that warrant reconsideration that have not already been discussed in this Court's analysis of Thorson's Rule 59(e) argument.

Further, Thorson has not presented any other compelling reasons warranting reconsideration of the 3/3 Order. On March 9, 2026, Thorson filed a notice and a declaration where she states that, on that same day, she visited "the office of U.S. Attorney Ken Sorenson," and allegedly learned that "there

is no record at the U.S. Attorney's office that [Thorson's] False Claims Act Complaint was received, and so investigation of the evidence was performed." See Judicial Notice, Declaration of Laurie Thorson ("Thorson Decl."), filed 3/9/26 (dkt. no. 14), at ¶¶ 1, 6. In the same declaration, however, Thorson admits that the "U.S. Postal Service confirmed the [Complaint] had been delivered." See Thorson Decl. at ¶ 4; see also Complaint at pg. 127 (second page of the "Certificate of Service of Fraud [sic] Claims Act qui tsm [sic] Complaint and Disclosure Statement," certifying that, on November 21, 2025, Thorson served a true copy of the Complaint "via certified mail with returned receipt requested upon U.S. Attorney General Pam Bondi, and served upon the U.S. Attorney Ken Sorenson for the District of Hawaii").

On March 26, 2026, Thorson filed a document titled "Supplemental Judicial Notice" ("3/26 Notice"). [Dkt. no. 15.] Attachment A to the 3/26 Notice is a letter dated March 24, 2026, purportedly from the Office of the Inspector General Investigations Division of the United States Department of Justice ("DOJ") to Thorson ("3/24 Letter"). [Dkt. no. 15-1.] Thorson claims that, in the 3/24 Letter, the DOJ "notifies [her] that it has investigated her complaint and formally forwarded the entire qui tam matter . . . to the Executive Office for United States Attorneys (EOUSA) General Counsel, . . . for

further review and action.” [3/26 Notice at 1-2 (emphases omitted).²] She asserts that the DOJ’s alleged notification in the 3/24 Letter confirms that “the U.S. Attorney’s Office for the District of Hawaii (U.S. Attorney Ken Sorenson) never logged, received, or reviewed the qui tam Complaint and two 4-inch binders of evidence that were delivered by certified mail on November 24, 2025.” [Id. at 2.]

This Court will not speculate as to why the DOJ chose not to intervene in the instant case. Even if the United States Attorney for the District of Hawai`i failed to review the Complaint, this alleged failure would not cure the glaring deficiency in the Complaint, namely Thorson’s pro se status. Nor would it cure Thorson’s failure to retain counsel, her decision to not file an amended complaint prior to the March 5, 2026 deadline, or her failure to request an extension of the March 5

² This Court finds that the 3/24 Letter does not establish what Thorson claims. There is nothing in the 3/24 Letter that establishes that the DOJ “investigated [Thorson’s] complaint” or that the DOJ’s Office of the Inspector General had “formally forwarded” Thorson’s Complaint to a different office at the DOJ “for further review and action.” See 3/26 Notice at 1-2 (emphases omitted). The 3/24 Letter merely informs Thorson of the role of the DOJ’s Office of the Inspector General and notifies Thorson that the Office of the Inspector General forwarded Thorson’s correspondence (which she did not provide to this Court) to the DOJ’s Executive Office for the United States Attorneys General Counsel. See id., Attachment A (3/24 Letter) at PageID.389. However, even if the 3/24 Letter established what Thorson claims, this Court’s ruling would not change for the reasons that follow.

deadline. Furthermore, assuming the assertions made in the 3/26 Notice to be true, the DOJ can bring these claims against the named defendants if it so chooses: the 3/3 Order does not preclude the DOJ from investigating or prosecuting Thorson's allegations.

CONCLUSION

Because Thorson has not presented any ground that warrants reconsideration of the 3/3 Order, her Motion for Reconsideration, filed March 9, 2026, is DENIED.

To avoid any doubt, this Court CLARIFIES that the 3/3 Order dismissed with prejudice Thorson's claims brought pro se in the instant action pursuant to the FCA. See 3/3 Order at 4 (dismissing the Complaint with prejudice for, *inter alia*, "the reasons set forth in the 2/2 Order"); 2/2 Order at 7 (concluding that Thorson, who is proceeding pro se, is prohibited from asserting claims on behalf of the federal government under the FCA). In other words, if Thorson were to file a new pro se complaint asserting a cause of action other than the FCA, the dismissal in the 3/3 Order would likely have no preclusive effect on that separate action. Thorson, however, is precluded from bringing an identical FCA action pro se for the reasons set forth in the 2/2 Order and the 3/3 Order.

IT IS SO ORDERED.

DATED AT HONOLULU, HAWAII, April 8, 2026.



/s/ Leslie E. Kobayashi

Leslie E. Kobayashi
Senior U.S. District Judge

**UNITED STATES OF AMERICA EX REL. LAURIE THORSON VS. HAWAII
PUBLIC HOUSING AUTHORITY, ET AL; CV 25-00491 LEK-WRP; ORDER
DENYING PRO SE RELATOR'S MOTION FOR RECONSIDERATION**



April 14, 2026

Ms. Laurie Thorson
P. O. Box 1409
Kailua, HI 96734
Lthorson7@gmail.com

Dear Ms. Thorson:

On behalf of Secretary Scott Turner, thank you for your correspondence dated April 3, 2026, and received by the Honolulu Field Office on April 6, 2026. In your letter, you expressed concern regarding fraud by the state employees of the Hawaii Public Housing Authority. Specifically, by the administration of the Housing Choice Voucher (HCV) program and the presence of "unused" vouchers at the Hawaii Public Housing Authority (HPHA). HUD understands the frustration one may have when seeing vouchers go "unused" when thousands of families remain on waiting lists.

To provide clarity and budgetary context that dictates how the program operates, the following is provided:

The Shift from Long-Term Stability to Annual Uncertainty

For the first two decades of the program, vouchers were backed by multi-year funding contracts. However, since the mid-1990s, the program budget funding shifted to a **one-year renewal cycle**. This change, combined with federal discretionary spending caps, turned the HCV program into a year-to-year operation, making long-term planning nearly impossible for local Public Housing Agencies (PHAs).

Why Vouchers May Appear "Unused"

The primary reason a PHA may have "unleased" vouchers is not a lack of effort, but a lack of funding to back them. The three main factors driving this gap are:

- **"Use It or Lose It" Funding Formulas:** Since 2003, the program funding authority has generally required HUD to fund PHAs based only on the vouchers used in the *previous* year, rather than the total number of vouchers the PHA's were originally authorized. If a PHA suffers a funding shortfall one year and cannot replace a family that leaves the program, the PHA budget is permanently lowered the following year.
- **Rising Costs vs. Fixed Budgets:** Rental markets have seen sharp cost increases. When the cost of a single voucher rises, the PHA must often leave available vouchers "on the shelf unused" because the PHA simply does not have the total budget to pay for every authorized voucher.

- **Administrative Constraints:** Managing vouchers requires significant staff time for inspections, income verifications, and landlord outreach. For years, federal funding has been insufficient to fully fund the administrative fees needed to run these programs. Without adequate staff, the process of issuing new vouchers slows down significantly.

In summary, a PHA may be "authorized" for 1,000 vouchers, but if federal funding for the program is insufficient and only provides enough funding for 900 vouchers, the remaining 100 vouchers remain "unused" because the money to pay a landlord does not exist.

Thank you for your interest in HUD's voucher program, should you have additional program specific questions please contact Jesse Wu, Director, Office of Public Housing Honolulu Field Office at Jesse.Wu@hud.gov or by phone at (808) 457-4668. Should you have questions regarding this letter please contact me at Mark.A.Chandler@hud.gov or by phone at (808) 457-4678.

Sincerely,



Mark A. Chandler
Field Office Director

**Executive Director's Report
Hawaii Public Housing Authority
April 2026**

I. Planning and Evaluation

A. Hawaii Interagency Council for Transit-Oriented Development

On Friday, April 17, 2026, the HPHA participated in the Hawaii Interagency Council for Transit-Oriented Development (TOD) Meeting where TOD-Related legislation and TOD-Related CIP budget requests were discussed, the TOD Council was presented with two informational presentations, and the HPHA provided an update on the Ka Lei Momi redevelopment project.

Honolulu Authority for Rapid Transportation's Executive Director and Chief Executive Officer Lori Kahikina provided an update on the current status, construction progress and schedule, and shared highlights from their recent station design workshops for the Skyline project.

School Facilities Authority's Program Manager Brian Canevari provided an update on the Vertical Schools in TOD Areas Report, the Akamai Digital Configurator, and mass timber options.

B. 2026 Legislative Session Activities

"Adjournment Sine Die" is May 8, 2026, and is the last day of the 2026 Legislative Session, which indicates a suspension of business of the Legislature.

Below are the Senate Bills (SB) and House Bills (HB) that are being negotiated at the Legislature:

SB 2338, RELATING TO HOUSING: Exempts all positions under the Hawai'i Housing Finance and Development Corporation (HHFDC) from civil service requirements and from the requirement that the employment actions and job descriptions of HHFDC officers and employees be subject to approval by the Director of Business, Economic Development, and Tourism. Increases the salary cap for the Executive Director of HHFDC. Renames the position of Executive Assistant to Deputy Executive Director for HHFDC and increases the salary cap for the Deputy Executive Director. Establishes the Finance Manager position within HHFDC. Establishes a cap on the term of employment contracts for HHFDC and the Hawai'i Public Housing Authority.

SB 2866, RELATING TO KUPUNA HOUSING: Repeals the sunset date for the State Rent Supplement Program for Kupuna. Appropriates funds to the Hawai'i Public Housing Authority for the State Rent Supplement Program for Kupuna and for positions to support the program.

SB 3218, RELATING TO BONDS: Part I: Substitutes the word "tax increment" with "housing infrastructure growth" for purposes of the Housing Infrastructure Growth Financing Act, except under certain circumstances. Part II: Conforms state law concerning county debt limits to permit counties to exclude housing infrastructure growth bonds from the debt limit of the counties, if a constitutional amendment authorizing the use of housing infrastructure growth bonds and excluding housing infrastructure growth bonds from determinations of the counties' funded debt is ratified.

SB 3219, PROPOSING AMENDMENTS TO ARTICLE VII, SECTIONS 12 AND 13, OF THE HAWAII STATE CONSTITUTION: Proposes constitutional amendments to expressly provide that the Legislature may authorize political subdivisions, such as the counties, to issue housing infrastructure growth bonds for specified public works, public improvements, or other actions necessary for housing and community development, and exclude these bonds from determinations of the funded debt of the political subdivisions.

HB 1800, RELATING TO THE STATE BUDGET: Adjusts and requests appropriations for fiscal biennium 2025–2027 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs.

HB 2271, MAKING EMERGENCY APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS: Makes emergency appropriations for collective bargaining cost items for the members of bargaining units (1) and (10) and their excluded counterparts to resolve issues related to temporary hazard pay for fiscal year 2025-2026.

II. Fiscal Management

A. Monthly Financial Performance – March 2026

HPHA reported a net loss for the month of March 2026 that exceeded the budgeted loss by \$4,289,682, primarily due to lower-than-anticipated CFP grant revenue resulting from timing differences in receipts.

Total revenues were \$4,089,664 below budget. CFP grant income was \$3,265,932 under budget due to timing differences in receipts. COCC fee

income was \$77,266 below budget, primarily reflecting a lower-than-anticipated HUD administrative fee proration rate for the Section 8 voucher programs and fewer housing units eligible for management fees. Grant income was \$126,003 below budget due to timing differences between budgeted and actual allotments. Other income was \$281,827 below budget, mainly attributable to lower-than-expected front-line service fees under the Multi-Skilled Workers Pilot Program (MSWPP) and other COCC branches.

Total expenses were \$200,018 above budget, primarily due to higher housing assistance payments under the project-based contract administration (PBCA) program. Administrative expenses exceeded budget by \$199,342, driven mainly by office equipment upgrades, higher software maintenance costs, and increased consulting and professional fees. Insurance expense was \$57,878 above budget due to higher liability premiums billed by the private management company. Maintenance and Protective Services expenses were slightly above budget by \$40,589 and \$25,231, respectively.

These higher expenses were partially offset by favorable variances in several areas. Management fees were \$69,026 below budget, consistent with reduced HUD administrative funding. Tenant services were \$13,302 below budget, and utilities expenses were \$52,783 below budget, reflecting lower-than-anticipated usage. Bad debt expense was \$234,437 below budget due to month-end reconciliations and updates to the allowance for doubtful accounts. General expenses were \$128,574 below budget, primarily attributable to lower undistributed P-card balances and reduced back payments.

B. Year-to-Date Financial Performance

HPHA reported year-to-date net income of \$3,020,564 above budget through March 2026, primarily driven by higher grant revenues and timing differences in funding recognition.

Year-to-date revenues exceeded budget largely due to the timing of grant drawdowns and accounting classification differences. CFP grant revenue was \$4,206,519 above budget, reflecting timing differences between actual and budgeted drawdowns, as well as the recognition of certain non-capitalized expenditures as operating income. COCC fee income was \$1,115,710 above budget due to the timing of management fee drawdowns. State CIP revenue exceeded budget by \$1,001,976, primarily related to below-threshold capital expenditures recorded as operating income. Grant income was \$3,713,055 above budget, driven by ERA2 subaward activity and timing differences in state grant allotments. These favorable variances were partially offset by other income, which was

\$1,687,039 below budget due to lower-than-projected front-line service fee revenue.

Year-to-date expenses were \$3,844,538 above budget, reflecting increased programmatic activity and market-driven cost pressures. Administrative expenses were \$1,214,534 below budget due to payroll savings and disciplined cost control. Maintenance expenses were \$2,577,813 below budget, primarily attributable to lower payroll, materials, front-line service, and contract service expenditures. Tenant services were \$47,642 below budget.

Partially offsetting these savings, management fees were \$1,183,644 above budget due to timing differences in CFP management fee drawdowns. Housing assistance payments were \$1,339,289 above budget, reflecting a higher payment made to low-income families. Insurance expenses exceeded budget by \$392,241 due to higher liability premiums billed by the private management company. Bad debt expense was \$528,871 above budget, reflecting ongoing tenant account reconciliations and updates to the allowance for doubtful accounts. General expenses were \$4,909,637 above budget, primarily driven by higher undistributed P-card balances, Section 8 HAP back payments, and predevelopment activity.

HAWAII PUBLIC HOUSING AUTHORITY
Consolidated Balance Sheet
Agency Total
As of March 31, 2026 and March 31, 2025

	<u>As of March 31, 2026</u>	<u>As of March 31, 2025</u>	<u>Increase (Decrease)</u>
ASSETS:			
Cash	164,321,896	171,429,593	(7,107,697)
Accounts receivable (net of allowance)	2,963,081	2,433,475	529,606
Accrued Interest	593,413	269,384	324,029
Prepaid Expenses	361,946	309,732	52,214
Inventories	832,550	753,222	79,329
Total Current Assets	<u>169,072,886</u>	<u>175,195,406</u>	<u>(6,122,520)</u>
Property, Plant & Equipment:			
Land	25,518,054	25,518,054	-
Buildings	833,723,630	823,985,995	9,737,635
Furniture & Equipment	8,884,775	8,849,218	35,558
Motor vehicles	5,429,726	5,429,726	-
Construction in Progress	56,200,155	49,327,414	6,872,741
Less: Accumulated Depreciation	(597,363,592)	(576,209,856)	(21,153,735)
Notes, Loans & Mortgage Receivable-Non Current	26,219,188	9,919,446	16,299,743
Other Long Term Assets	-	-	-
Deferred Outflows of Resources	10,393,217	8,889,882	1,503,335
Total Assets & Deferred Outflow of Resources	<u>\$ 538,078,040</u>	<u>\$ 530,905,284</u>	<u>\$ 7,172,756</u>
LIABILITIES AND NET POSITION			
Accounts Payable	4,808,992	8,498,649	(3,689,657)
Accrued Expenses	-	-	-
Accrued Salaries & Wages	2,383,894	2,286,285	97,610
Tenant Security Deposits	1,587,198	1,622,828	(35,631)
Other Liabilities & Deferred Income	5,536,627	7,802,907	(2,266,280)
Total Current Liabilities	<u>14,316,710</u>	<u>20,210,669</u>	<u>(5,893,958)</u>
Net Pension Liability	42,532,481	40,659,919	1,872,561
Net OPEB Liability	28,490,372	33,182,220	(4,691,848)
Other Long Term Liabilities	5,175,022	2,138,720	3,036,301
Deferred Inflows of Resources	9,085,132	6,698,590	2,386,542
Net Assets			
Investment in capital assets	332,392,749	336,900,550	(4,507,801)
Restricted Net Assets	395,129	247,664	147,465
Unrestricted Net Assets	124,299,836	103,369,261	20,930,575
Net Income Year to Date	(18,609,390)	(12,502,310)	(6,107,080)
Total Net Assets	<u>438,478,324</u>	<u>428,015,165</u>	<u>10,463,158</u>
Total Liabilities, Deferred Inflow of Resources & Net Position	<u>\$ 538,078,040</u>	<u>530,905,284</u>	<u>7,172,756</u>

HAWAII PUBLIC HOUSING AUTHORITY

Agency-Wide

Actual vs Budget

For the Month of March 2026, and the 9 Months ended March 31, 2026

(Amounts in Full Dollars)

	Month of March 2026				Year To Date ended March 31 ,2026			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Amount	%			Amount	%
REVENUES								
Dwelling Rental Income	2,467,255	2,426,542	40,713	2%	21,903,863	21,833,207	70,656	0%
HUD Operating Grants	12,263,455	12,642,804	(379,350)	-3%	112,229,465	113,785,240	(1,555,775)	-1%
CFP Grant Income	289,641	3,555,573	(3,265,932)	-92%	7,762,092	3,555,573	4,206,519	>100%
COCC Fee Income	442,445	519,711	(77,266)	-15%	5,802,757	4,687,047	1,115,710	24%
State CIP Fund	-	-	-	0%	1,001,976	-	1,001,976	100%
Grant Income	0	126,003	(126,003)	-100%	8,020,730	4,307,674	3,713,055	86%
Other Income	429,270	711,097	(281,827)	-40%	5,715,786	7,402,825	(1,687,039)	-23%
Total Revenues	\$ 15,892,066	19,981,730	(4,089,664)	-20%	\$ 162,436,668	155,571,566	6,865,101	4%
EXPENSES								
Administrative	2,761,097	2,561,755	199,342	8%	22,095,205	23,309,739	(1,214,534)	-5%
Management Fees	380,525	449,551	(69,026)	-15%	5,238,441	4,054,797	1,183,644	29%
Bookkeeping Fees	61,920	67,183	(5,263)	-8%	564,316	605,457	(41,141)	-7%
Housing Assistance Payments	10,138,127	9,757,764	380,363	4%	89,159,167	87,819,879	1,339,289	2%
Tenant Services	4,562	17,865	(13,302)	-74%	113,123	160,765	(47,642)	-30%
Utilities	1,248,122	1,300,905	(52,783)	-4%	11,110,477	11,708,144	(597,667)	-5%
Maintenance	2,777,789	2,737,200	40,589	1%	22,729,642	25,307,455	(2,577,813)	-10%
Protective Services	387,115	361,884	25,231	7%	3,226,610	3,256,956	(30,347)	-1%
Insurance	156,609	98,730	57,878	59%	1,420,452	1,028,212	392,241	38%
Depreciation Expense	2,039,742	2,039,742	-	0%	18,375,999	18,375,999	-	0%
Bad Debt Expense	(139,358)	95,079	(234,437)	<-100%	1,558,396	1,029,525	528,871	51%
General Expenses	(68,064)	60,510	(128,574)	<-100%	5,454,230	544,593	4,909,637	>100%
Total Expenses	19,748,187	19,548,168	200,018	1%	181,046,058	177,201,520	3,844,538	-2%
Net Income(Loss)	\$ (3,856,121)	433,562	(4,289,682)	<-100%	\$ (18,609,390)	(21,629,954)	3,020,564	14%

HAWAII PUBLIC HOUSING AUTHORITY
Federal Low Rent Housing Projects

Actual vs Budget

For the Month of March 2026, and the 9 Months ended March 31, 2026

(Amounts in Full Dollars)

	Month of March 2026				Year To Date ended March 31 ,2026			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Amount	%			Amount	%
REVENUES								
Dwelling Rental Income	2,038,917	2,008,158	30,759	2%	18,080,610	18,064,866	15,744	0%
HUD Operating Grants	2,063,057	2,360,084	(297,027)	-13%	21,710,881	21,240,756	470,125	2%
CFP Grant Income	289,641	3,555,573	(3,265,932)	-92%	7,225,454	3,555,573	3,669,881	>100%
COCC Fee Income	-	-	-	0%	-	-	-	0%
State CIP Fund	-	-	-	0%	959,787	-	959,787	100%
Grant Income	291,314	6,173	285,141	>100%	2,619,186	111,126	2,508,060	>100%
Other Income	68,691	53,367	15,324	29%	1,415,882	489,832	926,050	>100%
Total Revenues	\$ 4,751,621	7,983,355	(3,231,734)	-40%	52,011,801	43,462,153	8,549,648	20%
EXPENSES								
Administrative	1,217,920	956,728	261,192	27%	8,818,573	8,781,159	37,414	0%
Asset Management Fees	-	-	-	0%	-	-	-	0%
Management Fees	287,924	322,715	(34,791)	-11%	4,182,027	2,912,899	1,269,128	44%
Bookkeeping Fees	31,058	34,363	(3,306)	-10%	283,275	310,062	(26,787)	-9%
Housing Assistance Payments	921	-	921	100%	8,540	-	8,540	100%
Tenant Services	3,645	16,091	(12,446)	-77%	48,410	144,802	(96,392)	-67%
Utilities	1,039,708	1,042,033	(2,325)	0%	9,179,200	9,378,297	(199,097)	-2%
Maintenance	2,309,217	2,168,249	140,968	7%	18,387,733	20,086,305	(1,698,572)	-8%
Protective Services	367,340	345,990	21,350	6%	3,068,571	3,113,910	(45,339)	-1%
Insurance	121,449	78,941	42,508	54%	1,093,064	802,791	290,273	36%
Depreciation Expense	1,692,470	1,692,470	-	0%	15,267,128	15,267,128	-	0%
Bad Debt Expense	(171,237)	89,168	(260,405)	<-100%	1,312,973	974,733	338,240	35%
General Expenses	(147,339)	-	(147,339)	-100%	1,512,009	-	1,512,009	100%
Total Expenses	6,753,076	6,746,748	6,328	0%	63,161,504	61,772,086	1,389,418	-2%
Net Income(Loss)	\$ (2,001,454)	1,236,607	(3,238,061)	<-100%	(11,149,703)	(18,309,933)	7,160,230	39%

HAWAII PUBLIC HOUSING AUTHORITY
State Low Rent and Elderly Housing Projects

Actual vs Budget

For the Month of March 2026, and the 9 Months ended March 31, 2026

(Amounts in Full Dollars)

	Month of March 2026				Year To Date ended March 31 ,2026			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Amount	%			Amount	%
<u>REVENUES</u>								
Dwelling Rental Income	375,152	344,331	30,821	9%	3,254,355	3,101,865	152,490	5%
HUD Operating Grants	-	-	-	0%	-	-	-	0%
CFP Grant Income	-	-	-	0%	-	-	-	0%
COCC Fee Income	-	-	-	0%	-	-	-	0%
State CIP Fund	-	-	-	0%	42,188	-	42,188	100%
Grant Income	-	119,830	(119,830)	-100%	3,142,261	2,967,804	174,457	6%
Other Income	13,077	27,158	(14,081)	-52%	159,440	244,422	(84,982)	-35%
Total Revenues	\$ 388,229	491,319	(103,090)	-21%	6,598,245	6,314,091	284,154	5%
<u>EXPENSES</u>								
Administrative	146,356	121,213	25,143	21%	1,225,346	1,131,090	94,256	8%
Asset Management Fees	-	-	-	0%	-	-	-	0%
Management Fees	32,125	36,593	(4,468)	-12%	320,307	329,738	(9,431)	-3%
Bookkeeping Fees	6,135	6,464	(329)	-5%	56,308	58,208	(1,900)	-3%
Housing Assistance Payments	-	-	-	0%	-	-	-	0%
Tenant Services	179	442	(263)	-60%	204	3,978	(3,774)	-95%
Utilities	188,059	229,030	(40,971)	-18%	1,714,136	2,061,270	(347,134)	-17%
Maintenance	242,253	264,410	(22,157)	-8%	2,278,764	2,491,308	(212,544)	-9%
Protective Services	14,096	8,162	5,934	73%	120,866	73,458	47,408	65%
Insurance	30,272	12,716	17,556	>100%	272,449	161,760	110,689	68%
Depreciation Expense	270,941	270,941	-	0%	2,422,139	2,422,139	-	0%
Bad Debt Expense	31,879	5,911	25,968	>100%	245,423	54,792	190,631	>100%
General Expenses	-	-	-	0%	344	-	344	100%
Total Expenses	962,294	955,882	6,412	1%	8,656,286	8,787,741	(131,455)	1%
Net Income(Loss)	\$ (574,065)	(464,563)	(109,502)	-24%	(2,058,041)	(2,473,650)	415,609	17%

HAWAII PUBLIC HOUSING AUTHORITY

Housing Rental Assistance Programs

Actual vs Budget

For the Month of March 2026, and the 9 Months ended March 31, 2026

(Amounts in Full Dollars)

	Month of March 2026				Year To Date ended March 31 ,2026			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Amount	%			Amount	%
REVENUES								
Dwelling Rental Income	-	-	-	0%	-	-	-	0%
HUD Operating Grants	10,200,398	10,282,720	(82,323)	-1%	90,518,584	92,544,484	(2,025,900)	-2%
CFP Grant Income	0	-	0	100%	536,638	-	536,638	100%
COCC Fee Income	-	-	-	0%	-	-	-	0%
State CIP Fund	-	-	-	0%	-	-	-	0%
Grant Income	-	-	-	0%	1,054,416	882,100	172,316	20%
Other Income	14,401	22,321	(7,920)	-35%	280,438	200,890	79,548	40%
Total Revenues	\$ 10,214,799	10,305,042	(90,242)	-1%	92,390,075	93,627,474	(1,237,398)	-1%
EXPENSES								
Administrative	399,149	383,520	15,629	4%	3,607,313	3,546,096	61,216	2%
Asset Management Fees	-	-	-	0%	-	-	-	0%
Management Fees	60,476	90,243	(29,767)	-33%	736,107	812,160	(76,054)	-9%
Bookkeeping Fees	24,728	26,356	(1,628)	-6%	224,733	237,187	(12,454)	-5%
Housing Assistance Payments	10,137,206	9,757,764	379,442	4%	89,222,627	87,819,879	1,402,749	2%
Tenant Services	-	111	(111)	-100%	62,160	995	61,165	>100%
Utilities	3,133	3,962	(829)	-21%	35,870	35,662	208	1%
Maintenance	1,131	1,479	(348)	-24%	11,627	13,312	(1,685)	-13%
Protective Services	1,149	680	469	69%	7,773	6,119	1,654	27%
Insurance	1,592	2,426	(834)	-34%	14,325	21,835	(7,510)	-34%
Depreciation Expense	4,309	4,309	-	0%	38,781	38,781	-	0%
Bad Debt Expense	-	-	-	0%	-	-	-	0%
General Expenses	116,352	60,357	55,995	93%	1,406,238	543,213	863,025	>100%
Total Expenses	10,749,225	10,331,207	418,018	4%	95,367,554	93,075,239	2,292,315	-2%
Net Income(Loss)	\$ (534,426)	(26,166)	(508,260)	<-100%	(2,977,478)	552,235	(3,529,713)	<-100%

HAWAII PUBLIC HOUSING AUTHORITY

Central Office Cost Center

Actual vs Budget

For the Month of March 2026, and the 9 Months ended March 31, 2026

(Amounts in Full Dollars)

	Month of March 2026				Year To Date ended March 31 ,2026			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Amount	%			Amount	%
REVENUES								
Dwelling Rental Income	-	-	-	0%	-	-	-	0%
HUD Operating Grants	-	-	-	0%	-	-	-	0%
CFP Grant Income	-	-	-	0%	-	-	-	0%
COCC Fee Income	442,445	519,711	(77,266)	-15%	5,802,757	4,687,047	1,115,710	24%
State CIP Fund	-	-	-	0%	-	-	-	0%
Grant Income	33,897	-	33,897	100%	1,892,531	346,644	1,545,887	>100%
Other Income	321,822	608,242	(286,421)	-47%	2,414,733	6,467,603	(4,052,870)	-63%
Total Revenues	\$ 798,163	1,127,953	(329,790)	-29%	10,110,021	11,501,295	(1,391,274)	-12%
EXPENSES								
Administrative	979,958	1,080,567	(100,609)	-9%	8,237,387	9,666,657	(1,429,270)	-15%
Asset Management Fees	-	-	-	0%	-	-	-	0%
Management Fees	-	-	-	0%	-	-	-	0%
Bookkeeping Fees	-	-	-	0%	-	-	-	0%
Housing Assistance Payments	-	-	-	0%	-	-	-	0%
Tenant Services	739	1,221	(482)	-39%	2,349	10,990	(8,641)	-79%
Utilities	7,911	11,841	(3,930)	-33%	76,357	106,570	(30,213)	-28%
Maintenance	219,926	286,651	(66,725)	-23%	1,990,918	2,568,836	(577,918)	-22%
Protective Services	4,531	3,052	1,478	48%	29,399	27,469	1,930	7%
Insurance	2,873	3,149	(276)	-9%	25,855	28,338	(2,483)	-9%
Depreciation Expense	12,598	12,598	-	0%	113,136	113,136	-	0%
Bad Debt Expense	-	-	-	0%	-	-	-	0%
General Expenses	(34,763)	153	(34,916)	<-100%	31,198	1,380	29,818	>100%
Total Expenses	1,193,773	1,399,232	(205,459)	-15%	10,506,599	12,523,376	(2,016,777)	16%
Net Income(Loss)	\$ (395,610)	(271,279)	(124,331)	-46%	(396,578)	(1,022,081)	625,503	61%

Hawaii Public Housing Authority
 Summary of Capital Funds
 As of 3/31/2026

Grant Number	MOF	Grant Award	Budgeted Expenditures	Obligation/ Encumbrance	Actual Expenditures	Actual / Budgeted Exp
FEDERAL: Capital Fund Program (CFP)						
HI08P001501-22		15,037,163	15,037,163	15,037,163	5,824,111	39%
HI08P001501-23		14,891,053	14,891,053	14,891,053	6,388,926	43%
HI08P001501-24		15,384,579	15,384,579	15,384,579	5,520,841	36%
HI08P001501-25		15,526,078	15,526,078	0	0	0%
HI08P001501-26		15,407,155	15,407,155	0	0	0%
CFP Totals		60,838,873	76,246,028	37,708,831	17,733,878	29%
STATE: Capital Improvement Program (CIP)						
FY 13-14	B	45,000,000	45,000,000	45,000,000	44,725,157	99%
FY 16-17 Lump Sum CIP	B	29,150,000	28,859,413	28,706,929	28,110,843	97%
FY 17-18 Security CIP	B	2,500,000	2,500,000	2,500,000	2,481,982	99%
FY 17-18 La`a Kea CIP GRANT	B	300,000	300,000	300,000	150,000	50%
FY 18-19 Lump Sum CIP	B	21,500,000	21,500,000	21,500,000	19,950,408	93%
FY 19-20 Lump Sum CIP	B	20,000,000	20,000,000	20,000,000	16,542,324	83%
FY 20-21 TOD Planning Lanakila	B	550,000	550,000	550,000	504,414	92%
FY 20-21 Lump Sum CIP	B	5,135,000	5,135,000	5,135,000	3,375,632	66%
FY 21-22 Lump Sum Planning Office	B	10,000,000	10,000,000	870,121	258,527	3%
FY 21-22 TOD Planning Puuwai Momi, Kahakili Terrace	B	625,000	625,000	625,000	0	0%
FY 22-23 Hale Poai Modernization	B	500,000	500,000	279,845	237,943	48%
FY 22-23 Lump Sum	B	10,000,000	10,000,000	10,000,000	2,353,645	24%
FY 22-23 Palolo Valley Homes	B	3,970,000	3,970,000	0	0	0%
FY 22-23 Puahala Homes	B	600,000	600,000	600,000	30,571	5%
FY 22-23 Kahekili Terrace	B	4,280,000	4,280,000	4,199,700	353,006	8%
FY 23-24 Lump Sum CIP	B	5,000,000	5,000,000	4,300,633	196,122	4%
FY 23-24 Lump Sum CIP	A	5,000,000	5,000,000	4,675,817	2,140,461	43%
FY 23-24 Kalihi Valley Homes	A	400,000	400,000	155,366	0	0%
FY 23-24 Kalihi Valley Homes	B	4,400,000	4,400,000	2,359,600	2,100,044	48%
FY 23-24 Kapaa	B	2,000,000	2,000,000	2,000,000	221,003	11%
FY 23-24 TOD	B	600,000	600,000	0	0	0%
FY 24-25 Lump Sum CIP	B	5,000,000	5,000,000	911,081	0	0%
FY 24-25 Lump Sum CIP	A	5,000,000	5,000,000	2,155,361	688,614	14%
FY 24-25 Kalihi Valley Homes	A	800,000	800,000	0	0	0%
FY 24-25 Affordable Housing, Downtown Honolulu,	B	5,000,000	5,000,000	0	0	0%
FY 24-25 Lump Sum, Site and Building Improvements	B	10,000,000	10,000,000	3,176,077	967,768	10%
FY 24-25 Repair of Housing Units	A	10,500,000	10,500,000	10,500,000	7,505,763	71%
FY 25-26 Repair of Housing Units	A	10,000,000	6,991,032	0	0	0%
CIP Totals		217,810,000	214,510,445	170,500,531	132,894,230	62%

III. Procurement

A. Solicitation(s) Issued in April 2026

IFB-PMB-12-2026 for refuse collection services at various state and federal low income public housing properties on Oahu, Maui, and Hawaii Island; *Bid Due Date*: May 21, 2026

RFQ-PMB-15-2026 for sewer repair services at Kalihi Valley Homes under AMP 31 on Oahu; *Quote Due Date*: May 4, 2026

RFQ-PMB-26-2026 for tree trimming services at Kalākaua Homes, Makua Ali'i, and Paoakalani under AMP 34 on Oahu; *Quote Due Date*: May 8, 2026

B. Contract(s) Executed in April 2026

- Ted's Wiring Service, Ltd. (Contract # CMS 26-04) for \$22,726.00 to provide labor, material, and equipment for exterior lighting replacement at buildings 10 through 20 at Palolo Valley Homes (AMP 50) on Oahu; 60 calendar days from Notice to Proceed.
- Coastal Construction Co., Inc. (Contract # CMS 25-30-SC02) for \$215,283.04 to amend the scope of services and compensation and payment schedule for repair of 7 vacant units at Mayor Wright Homes (AMP 32) on Oahu, through April 24, 2026.
- C C Engineering & Construction Inc. (Contract # CMS 25-24-SC01) for \$23,323.00 to amend the scope of services and compensation and payment schedule for repair of 7 vacant units at Kalākaua Homes, Makua Ali'i, and Paoakalani (AMP 34) on Oahu; 120 calendar days from Notice to Proceed.
- Architects Pacific, Inc. (Contract # CMS 23-25-SC01) for a no-cost time extension of 240 calendar days for continued design and consultant services for site building improvements at Hale Poai (MU 42) on Oahu, through October 16, 2026.
- Diede Construction Inc. (Contract # CMS 23-14-SC04) for \$69,762.81 to provide additional labor, material, and equipment for modernization of Palolo Valley Homes (AMP 50), phase 5, on Oahu, through November 11, 2026.
- Sapigao Construction Inc. (Contract # CMS 21-02-SC10) for \$39,103.00 to provide additional labor, material, and equipment for site and building improvements at Hale Poai (MU 42) on Oahu, through

March 3, 2026.

- New Angle Systems LLC (Contract # FMO 24-01-SC02) for \$23,048.82 for continued printing and mailing services of the monthly tenant rent bills and annual IRS 1099 forms, through April 30, 2027.
- First Quality Building & Design, Inc. dba First Quality Environmental (Contract # PMB 26-05) for \$104,645.00 for preventive maintenance services to individual wastewater systems at Hale Hoolulu, Kalaheo Homes, and Kekaha Haaheo (AMP 38) on Kauai, through December 31, 2026.
- Doonwood Engineering, Inc. (Contract # PMB 22-07-SC03) for \$5,520.00 for continued preventive maintenance services to the sewage lift pump station at Kauhale Ohana (AMP 45) on Oahu, through March 31, 2027.

C. Planned Solicitation and Contract Activities for May/June 2026

Upcoming Solicitations

- RFQ for tree assessment at AMP 34 on Oahu.
- IFB for roof coating and gutter installation at AMP 34 on Oahu.
- IFB for landscape and grounds maintenance services at AMP 38 on Kauai.
- IFB for preventive maintenance and repair services to fire prevention systems at AMP 30, 34, 35, and MU 42 on Oahu.
- IFB for laundry services at AMP 34, 35, 44, and 49 on Oahu, AMP 38 on Kauai and AMP 46 on Hawaii Island.
- IFB for refuse collection services at AMP 30, 31, 32, 34, and 35 on Oahu, AMP 37 on Hawaii Island, and AMP 39 on Maui.
- IFB for process server services for AMP 30, 31, 32, 33, 34, 35, 40, 44, 45, 49, 50 and MU 42 on Oahu, AMP 37, 43 and 46 on Hawaii Island, AMP 38 on Kauai, and AMP 39 on Maui and Molokai.
- IFB for security services at AMP 34 on Oahu.

Planned Contracts

Execute new and supplemental contracts on an as-needed basis, including extensions for property management, preventive maintenance, security, refuse collection, and custodial services, as determined to be in the best interest of the State.

IV. Development

- A. School Street Elderly Housing Redevelopment Construction is currently

77.3% complete. Construction continues to progress forward. The field team continues to assess impacts from the recent storms and respective effects on the project's completion schedule.

- B. Kūhiō Park Terrace Low-Rises and Kūhiō Homes Redevelopment is approximately 3.4% complete. Soils testing is under review by DOH, onsite construction office location is being identified, and existing utility coordination continues to be ongoing.
- C. Ka Lei Momi – Mayor Wright Homes continues to advance the Building Permit, Superstructure Permit, Foundation Permit, Demolition Permit and Mass Grading Plan for Phases 1A and 1B. We have completed the second round of plan check comments for the Superstructure Permit, Foundation Permit, Demolition Permit, and Mass Grading Plan for Phase 1A. The Tenant Protection Voucher application was approved by HUD with TPVs available in early May. In February, the Phase 1A lender and investor solicitation was sent out to dozens of entities nationwide. The lender and investor will be selected in May.
- D. Ka Lei Momi – Kapa‘a continues to progress building and demolition permits for the project. The Request for Release of Funds (RROF) package was submitted to the Governor's Office in April, and the HUD Authority to Use Grant Funds (“AUGF”) is expected in May. The HUD Section 18 application will be submitted to HUD’s SAC Office in March and the team received initial feedback from HUD. The team will resubmit the HUD Section 18 application once the AUGF is issued.
- E. Ka Lei Momi – Ka‘ahumanu Homes is progressing and a draft of the Section 106 MOA is now expected to be in the final stages of SHPD review and processing prior to execution. The NEPA Environmental Assessment (EA) documentation will be submitted upon execution of the MOA. Phase 1A architectural schematic design is underway.
- F. Ka Lei Momi – Lānakila Homes is progressing forward with the 50% Design Development (DD) set of architectural plans out for both HPHA and HCDC review.
- G. Ka Lei Momi – Kahekili Terrace kicked off initial fit tests with the architect to determine potential site density. The high-level archaeological review and initial geotechnical site characterization required for early-stage project planning are complete. Other master planning studies will continue in Q2 2026.
- H. Ka Lei Momi – Alternate Sites are progressing, with initial fit tests having been completed for Hale Nana Kai Okea and Kekaha Haaheo and initial fit tests on Lokahi and Hale Olaloa are being refined. High-level

archaeological, geotechnical, and environmental studies are complete for all four sites. Additionally, other master planning studies are underway. Master planning analysis for all four alternative sites will continue to progress in Q2 2026.

V. Property Management and Maintenance Services Branch

In April 2026, HPHA processed 23 move-ins, 30 move-outs, completed 416 annual reexaminations, 204 interim reexaminations, and facilitated 9 new admissions, ensuring compliance with occupancy standards.

A. Contract Monitoring

HPHA conducted 68 site visits, including 21 refuse collection, 7 generator, 16 laundry, 1 fire, 3 security and 20 elevator inspections, and continues to strengthen on-site monitoring to supplement AMP oversight of contracted services.

B. Vacant Unit Contracts: HPHA completed 102 vacant units as of April 2026.

C. Tenant Accounts Receivable

Approximately \$4.1 million is owed by former tenants, primarily for unpaid rent and tenant-related charges, with delinquent accounts actively referred to the Department of the Attorney General for collection actions, including tax intercepts and wage garnishments.

D. REAC NSPIRE Notices

The following AMPs have been scheduled for Real Estate Assessment Center (REAC) inspections on the dates listed below:

▪ AMP 30 Puuwai Momi	June 8, 2026
▪ AMP 33 Kamehameha Homes	June 16, 2026
▪ AMP 49 Wahiawa Terrace	June 16, 2026
▪ AMP 35 Punchbowl Homes	June 30, 2026
▪ AMP 32 Mayor Wright Homes	July 14, 2026
▪ AMP 31 Kalihi Valley Homes	July 17, 2026
▪ AMP 50 Palolo Valley Homes	July 22, 2026
▪ AMP 37 Lanakila Homes I	July 27, 2026
▪ AMP 44 Waimaha Sunflower	August 18, 2026
▪ AMP 45 Koolau Village	August 21, 2026

E. Hearings

HPHA conducted a total of sixteen federal eviction hearings. All sixteen hearings addressed rent delinquency violations, resulting in twelve evictions with a ten-business-day cure, three cases resolved through full payment, and one notice to vacate. HPHA conducted no state eviction hearings and held three Section 8 informal hearings.

VI. Construction Management

- As of April 30, 2026, HPHA is managing 228 vacant units under the Construction Management Branch (42 state units and 186 federal units), including 146 units under modernization and 82 units under the Emergency Proclamation, with units distributed across Oahu (112 units, 40 EP), Kaua'i (26 units, all EP), Maui (70 units, including 10 EP and 60 demolition), and Hawai'i Island (14 units, including 6 EP).

Vacant units are actively under construction across Oahu, Kaua'i, Moloka'i, Maui, and Hawai'i Island. The contracts generally have a 90-day period of performance unless there is something out of the ordinary requiring an additional month to 120 days. Vacant units in AMPs 31, 32, and 33 are being prioritized to prepare units for relocation for the first phase of the upcoming Mayor Wright Homes development.

- Multi-Site Projects have advanced with 2025 Environmental Reviews (ER). The consultant has completed the drafts ERs for all federal sites, and they are currently being reviewed by the Hawai'i Housing Finance and Development Corporation (HHFDC) on behalf of the Governor, who serves as the responsible entity. For the Emergency Generators upgrades, work continues at Kalākaua Homes. Pre-planning has started for Makua Ali'i which will be the next site after Kalākaua Homes.
- For State Elderly Projects (MU 42), the Hale Poai Site and Building Improvements Phase 10 is 30% complete. The Notice to Proceed (NTP) for the Laiola Reroofing, Spall Repairs, and Site Improvements contract was issued in March 2026. The concrete spall repairs are approximately 25% complete. The contractor is now preparing to begin reroofing the lower roofs.
- At AMP 30, the Notice to Proceed for Waipahu I & II and Puuwai Momi Building Improvements and Security Upgrades project is pending until the Contractor can confirm long-lead items availability. The Contractor's replacement of the painting subcontractor has been approved. At Salt Lake Apartments, the revised consultant fee proposal for the ADA Title II and Building and Site Improvements project has been received and is under review.

- At AMP 31, the Kalihi Valley Homes (KVH) reroofing of buildings 25, 28, 29, 33, 38 is complete, with the pre-final inspection scheduled for April 30, 2026. The roof replacement design-build contract of the existing deteriorated metal roofs on buildings 1A, 2B, 3A, 4A, 5A, 6A, 12A, 26A, 31A, 35A, 40A and 45A has been procured and is pending approval and contract execution. The bid opening for the demolition of the KVH community center project was April 16th, 2026. There were five bidders, and the bids are currently being evaluated. The perimeter fencing project went out to bid at the beginning of April and the pre-bid meeting was held on April 8. At Hauiki Homes, the consultant fee proposal for the Site and Building Modernization has been negotiated and is recommended for approval and contract execution. Preliminary plans, design, and cost reports for the Major Modifications at Puahala Homes are under review.
- At AMP 34, general security improvements and work at the burned unit at Makua Ali'i Unit 1802 are behind schedule due to the long-lead prefabricated Guard Shack, with delivery anticipated at the end of September. Ongoing work inside unit 1802 includes installation of interior and exterior doors, shower hardware, and jalousie windows. A consultant has been selected for plumbing and building upgrades at Makua Ali'i, and approval of the revised fee proposal is recommended.
- At AMP 35, the Pumehana Design for the ADA, Life Safety, and Site Improvements project is in permitting review. The Disabilities and Communication Access Board (DCAB) has approved the plans.
- At AMP 40, the Kuhio Homes Lead Removal Project Invitation for Bids (IFB) is scheduled to be posted in early May.
- At AMP 50, the Palolo Valley Homes Phase 4 (Buildings 1, 2, 7, 8, and 9) modernization of 29 units was delayed by several weeks of rain, impacting sitework. Exterior painting is scheduled for next week along with electrical work at the meters.
- On Hawai'i Island, the Hale Aloha O Puna and Pomaika'i Improvements (AMP 37) project continues to advance with the ongoing Phase 3 construction. Ongoing site work includes the pouring of the ADA-compliant concrete walkway and backfilling around the new sidewalk with new soil. The contractor is currently working in units in Buildings 1, 8, and 9 to rough-in all new utility connections before installing the walls. This project is anticipated to be substantially complete by September 2026.
- At Kaimalino (AMP 43) work is progressing on schedule. Ongoing site work includes backfilling the trenches of the new light pole bases, demolition of the asphalt basketball court, and replacement of two backflow preventers. Ongoing work inside buildings 1, 2, and 3 include putting up the walls for the

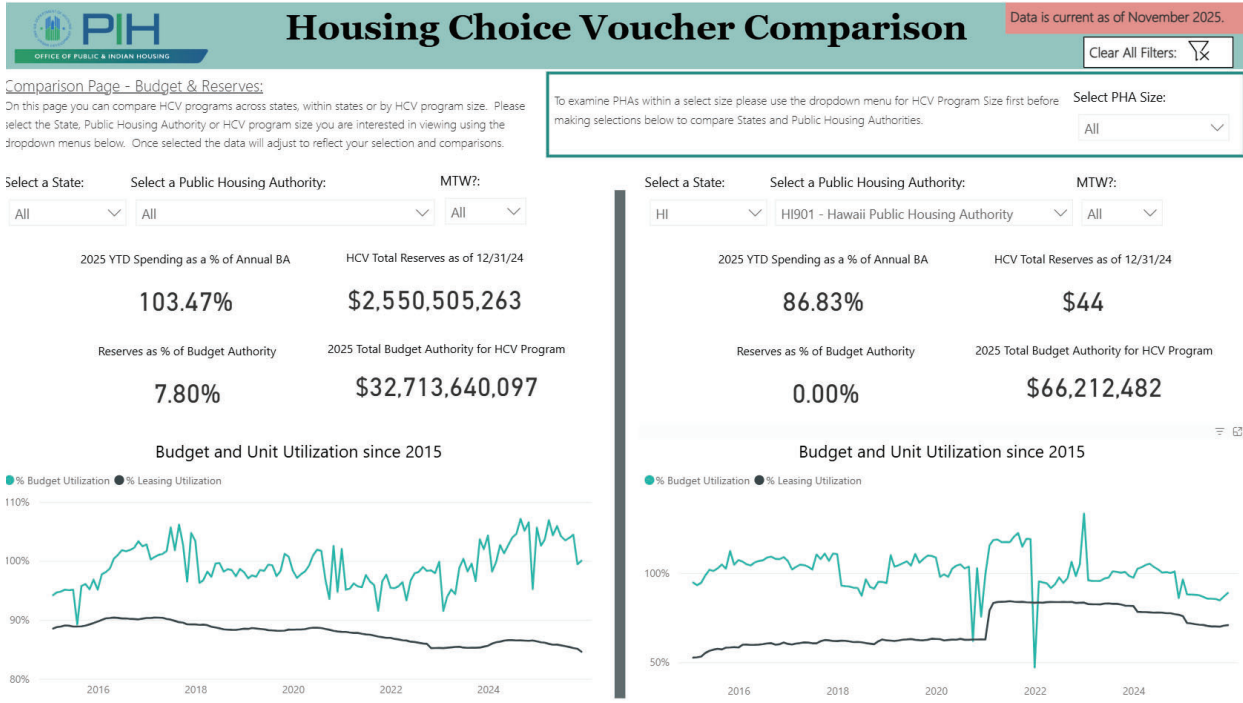
ADA conversion and installing insulation for the unit ceilings. The landscaping work is approximately eighty percent complete. The portion of landscaping work that was eroded and washed away by the Kona low storms has been remediated by the contractor.

- For the Maui County Projects (AMP 39), the demolition of the remaining standing buildings at Pi'ilani Homes is 90% complete. Weed mitigation for the two Lahaina sites consumed by the fire, David Malo Circle and Pi'ilani Homes has started. At Kahekili Terrace, the utility improvements design/build project has been submitted for building permitting and is being reviewed by the State Historic Preservation Division. Additional costs resulting from review comments are being negotiated with the Contractor.
- Kauai (AMP 38), the pre-construction meeting to replace the roofs at Buildings A, B, C and D at Kawailehua (State) was held on April 16. The Notice to Proceed (NTP) is anticipated for the beginning of June to procure long-lead items. The design/build contract for the Hui O Hanamaulu project to repair the electrical service panels and all the site lighting is being recommended for approval.
- For the State Capital Improvement Projects (CIP), the HPHA is on track to meet the encumbrance deadline of June 30, 2026.

VII. Section 8 Subsidy Program

- HPHA administers the Housing Choice Voucher (HCV), Project-Based Voucher (PBV), Veteran's Affairs Supportive Housing (VASH), Non-Elderly Disabled (NED), Mainstream (MS), Performance-Based Contract Administration (PBCA), State Rent Supplement Program (RSP), and Family Self-Sufficiency (FSS) programs, expending \$5,140,164 in Housing Assistance Payments (HAP) on behalf of 3,208 households, including 467 VASH families receiving \$529,519 in HAP, and leasing 58 MS, and port-in vouchers with \$78,276 in HAP disbursements.
- In April 2026, HPHA completed 26 NSPIRE inspections, with 7 failures, 0 quality control inspections, processed 54 rent comparable requests (47 approved, 7 denied), and continues to allow 30 days for correction, with failures historically not affecting landlord participation.
- Under the State Rent Supplement Program (RSP), HPHA paid \$74,091 to 168 families, including \$9,702 for new lease-ups, with \$64,389 paid to 158 families for April 2026, while Catholic Charities-administered Kupuna and Family RSP paid \$252,643 to 605 families, including 284 Kupuna households.

- The Family Self-Sufficiency (FSS) program served 25 active participants, with 162 Section 8 graduates and 32 LIPH graduates since inception, 10 of 24 Section 8 participants and 1 of 1 LIPH participants currently eligible for escrow credits, and \$7,761 in total escrow deposits made in April 2026.



HUD Dashboard (above): Housing Choice Voucher Comparison as of November 2025.

On this page, HCV programs can be compared across states, within states, or by program size. As reflected in the chart, the Hawaii Public Housing Authority's (HPHA) HCV program closely mirrors the rest of the nation, with budget authority and spending levels outpacing the total number of available vouchers. This trend reflects that the HCV program covers a significant share of rent costs for participating households.

As demonstrated by HUD, vouchers do not come with funds attached to each voucher. Instead, funding is tied to a PHA's budget authority, which is determined through a formula driven by several factors, including prior leasing levels, inflation adjustments, local housing costs, and the total annual appropriation provided by Congress to HUD. As a result, although vouchers may exist within a program, housing authorities may not have sufficient budget authority to support all vouchers at the same time.

The HUD dashboard shows that nationwide HCV programs have approximately \$32.7 billion in total budget authority, with about \$2.55 billion in reserves (approximately 7.8%), and year-to-date spending at about 103.47% of annual budget authority. Similarly, the HPHA's HCV program has a 2025 budget authority of approximately \$66.2 million, with 86.83% year-to-date spending and essentially no reserves (\$44). Based on national averages reflected in HUD data, the estimated annual cost per voucher is roughly \$14,000. With approximately 6,200 authorized vouchers, fully funding all

vouchers at that average cost would require approximately \$88 million annually, or about \$20–22 million more than the current budget authority provided to HPHA. This illustrates the difference between the number of vouchers authorized and the actual level of funding appropriated and allocated by HUD.

VIII. Compliance Office

- In April 2026, HPHA continued active program reviews to ensure compliance with Federal and State requirements and agency and Board policies, processed 69 reasonable accommodation/modification requests (62 new and 7 reactivated), issued 25 decisions, and carried 135 outstanding requests as of April 30, 2026.
- HPHA responded to Fair Housing inquiries and complaints from tenants and non-tenants, directing tenant matters internally for resolution and referring non-tenant inquiries to appropriate external agencies.
- Construction report reviews continued to identify and address ADA and compliance-related issues.
- HPHA completed its Declaration of Trust and Declaration of Restrictive Covenants (DOT/DORC) update initiative, and all filings with the Bureau of Conveyances are now current.
- Staffing is again an issue, as the only Compliance Specialist on staff is out on leave, and the office only has the Chief Compliance Officer and a secretary.

IX. Human Resources

- As of April 30, 2026, HPHA maintained 317 filled positions, 15 Tenant Aide Program positions: 50 on continuous recruitment and 12 pending recruitments.
- HPHA conducted interviews and made hiring decisions across multiple positions, including Housing Development Specialist, Engineer VI, Housing Public Housing Supervisor IV, Systems Analyst IV, Accountant III, Public Housing Specialist Is, Administrative Assistant II and Is, Social Service Aide IV, Office Assistant IIIs, Housing Building Maintenance Worker Is and Housing General Laborer IIs.
- Worked with Planning Office on all agencywide vacant positions that were identified by this legislative session that could possibly be abolished. HPHA provided an impact statement to retain our positions.

- Kauai staff participated in the Workforce Development job fair on April 15, 2026, at the Lihue Civil Center. HR staff attended the job fair on April 29, 2026, at the Neal Blaisdell Center. HR was able to screen candidates for various positions.
- Training sessions and conferences attended by staff in April included training on soil contamination for Lanakila AMP 37 staff, Fair Housing Training (virtual) sponsored by Housing and Development Law Institute, Small Purchase Procurement, Fair Housing Act Accessibility and Moving to Work Program.
- Workers' Compensation activities included one (1) injury at School Street Office and no lost time. Eight (8) employees were on Temporary Partial Disability (TTD), for the entire month. Each employee was out on 21 working days (except one holiday). One (1) employee was on Temporary Partial Disability (TPD). AMP 30 employees are scheduled for a job search meeting with HPHA, DHS/HR and WC Vocational Counselor on May 7, 2026.
- HR held a Safety Committee meeting on April 23, 2026, with 9 members attending. Meetings will be scheduled on a quarterly basis. The purpose of the agency's safety committee is to provide training and other resources for managers and staff on reducing on-the-job accidents, and to provide a safe working environment.