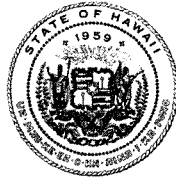


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August 10, 2011

VIA E-MAIL

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Re: Fetu Kolio et al v. State of Hawaii; Hawaii Public Housing Authority
Civil No. CV 11-00266 LEK/RLP
Fetu Kolio et al v. State of Hawaii; Hawaii Public Housing Authority
Civil No. 11-1-0795-04 (GWBC)

Dear Mr. Hunter and Counsel:

First, with regard to plaintiffs' protestations that they had received no discovery information, we quickly learned that LEJ made an UIPA request to review and copy the following documents:

- Documents that describe the solar water heating system installed and currently in use at Mayor Wright Homes (MWH), including but not limited to information about purchasing, installation, water heater capacity, maintenance needs, and other information;

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- Documents indicating the number of solar water heaters installed for each building at MWH;
- Contracts between Hawaii Public Housing Association (HPHA) and third parties for supplying, installation, and/or maintenance of MWH's solar water heating systems;
- Annual and/or periodic maintenance records or logs for solar water heating system going back 10 years;
- Past evaluations or reports completed over the past 10 years describing the conditions and/or required maintenance of the solar water heaters at MWH;
- Records about the adequacy or deficiencies of the solar water heater back-up systems;
- Records of tenant complaints regarding lack of hot water at MWH;
- Any reports issued or evaluations conducted over the past 5 years containing information about deficiencies identified in operation or maintenance at MWH;
- Contracts between HPHA and Alii Security or any other security provider to provide security at MWH going back 6 years;
- Incident reports and/or security reports for MWH;
- Records of tenant complaints regarding security issues, including but not limited to criminal acts such as assault, vandalism, or others; and
- Documents or reports related to results of surveys of MWH residents regarding housing complaints or issues from the last 5 years.

On January 18, 2011, Lawyers for Equal Justice (LEJ) in fact examined several boxes of HPHA documents shortly before filing the lawsuits. Further, LEJ requested and received copies from that examination of over 800 pages of documents. Included in the documents received by LEJ were:

Records regarding engineering investigations into Settlement Cracks at MWH dating back to the 1990s
Interim Health and Safety Improvements at MWH, Job No. 95-007-103-F
HHA Feasibility Study for Mayor Wright Housing, Final Report from Group 70, 1997
Structural Investigation of the Mayor Wright Homes for the HPHA, SSFM Engineers, 11/6/1992

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Security Services Contracts for Mayor Wright Homes, 2004-Present for Freeman Guards
and Alii Security
Maintenance Logs 2008-2010
Email from Kelbert Yoshida explaining work order logs
Notes from Resident Community Meetings back to 2008

Additionally, LEJ reviewed a box of incident (security) reports, going back 3 years, but did not request copies, and was advised that HPD crime reports were publicly available from the HPD website.

Although Plaintiffs have already received most of the major documentation requested in this case, Defendants have continued preparing and producing documents (now in excess of 1000 additional pages), which are primarily “source documents” such as individual or daily reports. Other documentation such as police crime statistics is publicly available on the World Wide Web and Defendants provided Plaintiffs with the website addresses.

On August 3, per schedule, we received Plaintiffs’ “Statement of Issues and Proposed Remedies” which proved to be sorely lacking in the detail necessary to resolve the issues. Defendants stand ready, willing, and as able as funds allow to resolve the issues, but cannot do so without more facts.

As a general reply and to keep this process going, Defendants respond:

A. ADA, 504 Compliance issues.

Mayor Wright Homes was constructed in 1953 and remodeled in 1984. The construction is primarily concrete and hollow tile (cinderblock) throughout and is not amenable to structural modifications. Because of the age of the buildings, HPHA is not obligated to modify them to comply with the various disability requirements. Moreover, the law does not require compliance which would create an undue financial or administrative hardship on the public housing authority.

It is structurally infeasible and cost prohibitive for example to widen bathroom doors or cut down steel bathtubs, although HPHA does recognize the obligation to make reasonable accommodations to address tenants’ mobility impairments.

For example, since early on in the progress of the KPT litigation, it has been the policy of HPHA to install bathroom grab bars upon request and without undue delay. If there has been a specific factual failing in this area, we will see to it that it is attended to.

It is also the policy of HPHA since February 18, 2010 to provide a transfer list for

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residents who need ground floor or otherwise more accessible units due to mobility impairments. As such units become available they are offered to tenants on the transfer list. We do acknowledge that progress is often slow. Some efforts have been made to require able bodied tenants to transfer out of the more accessible units to make them available to handicapped tenants. Within Mayor Wright Homes itself, we were surprised to learn that ground floor units are frequently scorned in favor of second floor units. We would be happy to work with the tenants and the tenants association to facilitate voluntary transfers within the project. At that point we can address the question of wheelchair ramps.

B. Vermin.

Coincidentally, HUD recently completed its annual and mandatory REAC (Real Estate Assessment Center) assessment for Mayor Wright Homes. The REAC inspection identifies any health or safety violations which must be addressed immediately, i.e. 24 hours, such as inoperable smoke alarms or fire detectors. The inspection also is required to note any evidence of "pest" infestation within the units. For the first time in many years, the REAC inspector for Mayor Wright gave the project a passing score with no health or safety violations and no pest infestation was noted or observed. This is a noteworthy result.

Indeed there have been incidents of vermin and insects and they have all been addressed quickly. Usually this is done by HPHA maintenance staff, but when necessary Orkin is contracted to do the work. It is well known that bed bug infestations do not result from unsanitary conditions but rather are usually brought into the unit by the residents themselves, often in luggage, furniture or likewise.

Rats and mice are endemic to Oahu and while efforts are made to control them, they cannot be eliminated completely. Prevention is the key and requires tenants' cooperation by placing trash in appropriate dumpsters and keeping the lids closed. Incidentally, contrary to innuendo, trash is collected from Mayor Wright Homes, three times per week. Individual complaints by tenants are promptly handled by maintenance staff. Of course, it is necessary for the tenant to promptly bring the problem to the attention of management.

C. Security.

The private security company contracted to be on site at Mayor Wright is primarily there to control traffic and the ingress and egress of automobiles. Security personnel are not law enforcement. They do not have badges nor are they deputized. They do not carry firearms and do not have the power of arrest. They will call HPD when warranted.

Crime statistics available from HPD show that for the beat that includes Mayor Wright Homes, crime has been trending downward over the past three years and, in fact, is well below ambient crime (particularly major crimes) level for the surrounding area. A brief review of

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Incident Reports for early 2011 shows little more than noise complaints. Without additional facts, we cannot find a problem with security that needs to be fixed.

D. Hot Water.

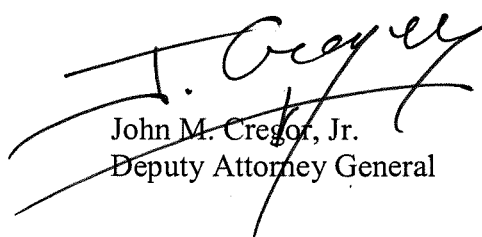
Hot water problems at Mayor Wright is no longer an issue and has not been since before the lawsuits were even filed. Gas fired tankless water heaters have been installed in each building, and are under the manufacturer's warranty.

E. Named Class Representatives.

Although not mentioned in the August 3, Statement of Issues, claims of the named Plaintiffs are set forth in detail in the Complaints. It appears that the problems faced by Plaintiffs Frances Wong (Wong) and Kazner Alexander (Alexander) can only be remedied by moving them to other units, probably outside of Mayor Wright Homes. Wong did file a Reasonable Accommodation request and is on the waiting list for transfer. It does not appear that Alexander has made such a request. We would be happy to explore avenues of settlement of those claims. Plaintiff Fetu Kolio does not seem to have similar problems and addressing his claims requires more factual detail; however, again, we would be happy to explore that as well.

Almost as soon as these two lawsuits were received by the State, Defendants requested the matter go into immediate mediation, such that the problems and disputes could be addressed and remedied, to the extent possible, quickly, with minimum expense and avoiding the delays often attendant to settlements of lawsuits where nothing is started until the ink is dry on the settlement agreements. At our first pre-mediation conference, dates were set and Plaintiffs were asked to provide a detailed list of the facts to be addressed. Plaintiffs protested that they had not yet received discovery from the State and therefore could not formulate the issues. On the contrary, it was pointed out that as plaintiffs, they are uniquely in the position to articulate the factual basis of their complaints and should not have to fish for them after filing the lawsuits.

Very truly yours,



John M. Cregor, Jr.
Deputy Attorney General