

WRITTEN TESTIMONY

by Laurie Thorson

09.11.25 HPHA BOARD MEETING

TO: HPHA BOARD OF DIRECTORS

The agenda for this board meeting does not include the following information:

- APPROVAL OF MINUTES FOR BOARD MEETING ON AUGUST 28, 2025
- WRITTEN TESTIMONIES BY LAURIE THORSON
which included copies to all the board members of HPHA financial stmts and HUD data (to prove federal funds were diverted from the Section 8 program). AND copies of court documents:
 - APPELLANT’S OPENING BRIEF
 - APPELLEES’ RESPONSE BRIEF
 - APPELLANT’S REPLY BRIEF
- FINANCIAL STATEMENTS FOR THE MONTH OF JULY 2025 AND/OR AUGUST 2025
- EXECUTIVE DIRECTOR’S REPORT

Because the above items are not on the agenda, I am being denied the opportunity to prove to the board members that HPHA continues to provide false information to HUD, and that HPHA Executive Director Hakim Ouansafi and his staff continue to divert approximately \$1.3M in federal funds from the Section 8 program every month.

Even though the HPHA is not adding their financial statements to this agenda, the HUD DASHBOARD confirms the data the HPHA state employees are reporting to HUD is false.

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The board members can access the same information I am able to access at this HUD DASHBOARD:

<https://app.powerbigov.us/view?r=eyJrIjoiM2Y2OTQ2MTAtODVkNC00YmM2LThhOWEtZWY4MGU5YWFmZDFmIiwidCI6IjYxNTUyNGM1LTIyZTktNGJjZC1hODkzLTEXODBhNTNmYzdiMiJ9>

HPHA FRAUD SCHEME #1

HUD DASHBOARD data is current as of June 2025. I provided copies to the board members in the last month's board meeting, which are not attached to the this month's agenda for board meeting on 09.011.25.

The following HUD data proves that the HPHA continues to divert federal funds from the Section 8 program by providing false information in their financial statements, reporting false information to HUD, and the Executive Director Hakim Ouansafi confirms the false information in his monthly Executive Director's Report (at the end of each month's agenda).

HUD dashboard provides data for the month of June 2025:

HUD issued **4,379** Section 8 vouchers to HPHA

HPHA issued only **3,112 (72.90%) ***

2024 = 3,321 vouchers were issued by HPHA

2025 = 3,112 vouchers were issued by HPHA (209 less vouchers issued from 2024)

HUD budget to HPHA was **\$5,527,214**

HPHA reported to HUD that HAP payments totalled **\$4,600,267**

(utilizing approximately **83%** of the budget) *

(\$926,947 should be in reserves)

HPHA reported to HUD that it has only **\$44** in Reserves

(a decrease from the previous month's Reserves in the amount of \$140,000)

*HUD issued **643** Section 8 VASH (Veterans) vouchers to HPHA*

*HPHA issued only **421 (65.47%)***

*HUD issued **78** Section 8 mainstream vouchers to HPHA*

*HPHA issued only **57 (73.08%)***

THE ABOVE PROVES THAT THE HPHA REFUSES TO ISSUE ALL THE VOUCHERS TO THE COMMUNITY, WHICH IS ONLY ONE OF MANY FRAUD SCHEMES BEING IMPLEMENTED BY THE HPHA FOR THE PURPOSE OF DIVERTING FEDERAL FUNDS FROM THE SECTION 8 PROGRAM.

THE OTHER FRAUD SCHEME IS TO USE ILLEGAL POLICIES AS PART OF AN ELABORATE FRAUD SCHEME TO REDUCE THE AMOUNT OF THE PAYMENT STANDARD FOR EACH VOUCHER FOR THE PURPOSE OF REDUCING THE AMOUNT OF SUBSIDY USED FOR EACH VOUCHER.

The full amount of subsidy received is based on the amount of the payment standard for each voucher. However, the HPHA enforces the illegal policies to use **low** comparables against the **contract rent** in all rent reasonableness determinations. This reduces the amount of the payment standard for each voucher, which reduces the amount of subsidy expended for each voucher. **The difference of unused subsidy disappears (is not in Reserves).**

NOTE: Hakim Ouansafi admits HPHA enforces these illegal policies in his Declaration (attachment to his Motion for Summary Judgement); however, he imputes liability for using these illegal policies to his staff and HPHA Board of Directors.

HPHA FRAUD SCHEME #2

(to use low comps against the contract rent in all rent reasonableness tests)

HPHA (illegal policy) v. HUD (legal policy)

HPHA Admin Plan 8-III.D, is still noncompliant with **HUD Regulations** as required in **24 C.F.R. §982.507**, **24 C.F.R. §982.52(a)** and **24 C.F.R. §982.54(b)**.

HPHA:

ILLEGAL POLICY is confirmed in HPHA ADMIN PLAN 8-III.D

"...**How Rents are Determined...**" "...PHA Policy..."

"...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..."

Refer to page 17 at this HPHA link:

https://cdn.prod.website-files.com/61d64d5f9d24da33de8c58ab/6726d0689867ab40144c010e_240516%20Administrative%20Plan%2C%20Chapter%2008.pdf

HUD REGULATION:

LEGAL POLICY is confirmed in HUD Guidebook

"...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...**"

Refer to page 8 at this HUD link:

https://www.hud.gov/sites/dfiles/PIH/documents/HCV_Guidebook_Rent%20Reasonableness_updated_Sept%202020.pdf

<https://www.hud.gov/helping-americans/housing-choice-vouchers-guidebook>