

**PHILADELPHIA HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING MINUTES**  
**Thursday, September 17, 2015, 3 p.m., at 12 S. 23rd St., Philadelphia, PA 19103**

The regular meeting of the Philadelphia Housing Authority ("PHA") Board of Commissioners was brought to order at approximately 3:00 p.m. by the Chair, Lynette Brown-Sow. Vice-Chair Wetzel and Commissioners Callahan, Camarda, Danzy, Kurland and Wise were in attendance, as well as President & CEO, Kelvin Jeremiah ("CEO Jeremiah") and Board Secretary and General Counsel, Barbara Adams.

The Chair began the meeting by asking for a moment of silence in preparation for the work to be done in the meeting and then noted that the Board had met in executive session before the meeting, at approximately 2 p.m., to discuss litigation and matters confidential by law.

CEO Jeremiah reviewed the procedure for public comment at the Board meeting and made the following announcements: 1) PHA congratulates all involved in the opening of the 21 new apartments at Gordon Street; 2) PHA was selected earlier this summer to participate in the ConnectHome initiative of the U.S. President and the U.S. Department of Housing and Urban Development ("HUD"), to provide internet access, training, and resources to residents, for which PHA has committed \$250,000.00; 3) PHA's Office of Community Operations and Resident Development ("CORD") provided approximately 70,000 meals across 20 sites this summer to resident children and distributed 3,000 backpacks with school supplies; 4) 62 PHA residents recently graduated from CORD's Community Partners Job Training programs and 41 of them have already received employment, externships, or are in the process of starting their own business. A number of the graduates were in attendance, stood as their names were called and their new work positions stated, and received a congratulatory round of applause.

As part of the monthly Resident Spotlight, highlighting successes of PHA residents who have excelled with help from PHA's resident services programs, CEO Jeremiah recognized Patrick Rose and Maalik Groves. Under a partnership between PHA and the School District, Patrick and Maalik got a chance to participate in the Digital Service Fellows AmeriCorps Program for one year and the opportunity to gain IT certifications and a monetary award to be used for higher education. Patrick was also recently recognized by the Mayor and the Secretary of HUD. The two gentlemen were present and were applauded for their accomplishments.

CEO Jeremiah then congratulated the Chair for being named one of Philadelphia's Most Influential African-Americans by The Philadelphia Tribune, also noting that she was the only woman out of a group of 12.

As part of PHA's employee recognition program, Joanne Strauss introduced the winners for August (as there was no Board meeting for that month, for recognition) and September: Starr Marshall Cash, from the Office of General Counsel, and Abdelaziz Elmadani, from Operations, both of whom were noted for exceptional efforts and service in recent months. Each received a check for \$250.00, a certificate, and congratulatory applause.

The Chair then inquired whether there were any corrections or amendments to the minutes of the Board Meeting of July 16, 2015. Hearing none, the minutes were accepted as submitted.

Barbara Moore, PHA's Sustainability Coordinator, presented the third annual Sustainability Report, for the period from August 2014 to August 2015, a copy of which is attached hereto as Appendix 1 (without the cover page).

Nine resolutions were presented. Eight were unanimously approved and one was approved by a majority of the Commissioners present.

**Resolution 11804**, attached in Appendix 2, was presented by Janea Jordon, Executive Vice President – Office of Audit and Compliance, for the Board to adopt the FY 2015 Annual Report for the Audit Committee, for the period from April 1, 2014 to March 31, 2015, which was presented pursuant to the Charter of the Audit Committee. Commissioner Kurland, as a member of the Audit Committee, moved for its approval. The motion was seconded, after which Commissioner Kurland noted that the report had been reviewed and discussed by the Audit Committee, which recommended its approval. There being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

**Resolution 11805**, attached in Appendix 2, was presented by Dave Walsh, Executive Vice President – Supply Chain Management ("EVP – SCM"), to authorize PHA to contract with National Credit Reporting for credit & background check services. The contract performance period is a two (2) year base period with three (3) one-year option periods, for a total contract amount, if all options are exercised, not to exceed seven hundred fifty thousand dollars (\$750,000.00). Commissioner Danzy, as a member of the Finance Committee to which the resolution was sent for review, moved for its approval and, after the motion was seconded, noted that its adoption was recommended by the committee following presentation from PHA staff and discussion within the committee. After public comment, the motion was unanimously approved.

**Resolution 11806**, attached in Appendix 2, was presented by Dave Walsh, EVP-SCM, to authorize PHA to contract with Edens Corporation, Justinian Development Group, and Townscapes, Inc. for tree removal services. The contract performance period is a two (2) year base period with three (3) one-year option periods, with a total aggregate amount to be expended under the contracts, including the exercise of any options, not to exceed two million nine hundred twenty seven thousand five hundred fifty dollars (\$2,927,550.00). Commissioner Danzy, as a member of the Finance Committee that reviewed the resolution, moved for its approval. The motion was seconded and Commissioner Danzy stated that approval was recommended by the committee, after presentation from PHA staff and discussion within the committee. There being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

At this point, Commissioner Kurland left the meeting and did not participate in the remainder, although a quorum was still present.

**Resolution 11807**, attached in Appendix 2, was presented by Dave Walsh, EVP-SCM, for modification of Resolution Numbers 11688 and 11689, both of which were adopted by the Board on March 20, 2014, and relate to PHA's energy procurement strategy for purchases of natural gas and electricity. This resolution was to modify the approved maximum contracting period under the two resolutions from two (2) years to three (3) years, without otherwise changing all of the original limitations of the March 2014 resolutions. Commissioner Danzy, as a member of the Finance Committee that reviewed the resolution, moved for its approval and, after the motion was seconded, noted that after presentation from PHA staff and committee discussion, the committee recommended approval. Following public comment, the motion was unanimously approved.

**Resolution 11808**, attached in Appendix 2, was presented by Dave Walsh, EVP-SCM, to authorize PHA to contract with Main Line Investors Group, LLC for property management services. The contract performance period is a two (2) year base period with three (3) one-year option periods, with the total aggregate amount to be expended under the contract, including the exercising of any

options, not to exceed two hundred ninety-one thousand eight hundred fifty-nine dollars (\$291,859.00). Vice-Chair Wetzel, as Chair of the Policy and Planning Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Vice-Chair Wetzel noted that approval was recommended by the committee, after presentation from PHA staff and discussion within the committee. There being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

**Resolution 11809**, attached in Appendix 2, was presented by Clare Ann Fitzgerald, Deputy General Counsel - Office of General Counsel, and Joanne R. Strauss, Executive Vice President - Human Resources, for authorization for PHA to conclude and to execute a policy of insurance with Liberty Mutual Insurance Company for workers' compensation insurance for a maximum amount not to exceed \$15,476,217.00 (fifteen million four hundred seventy-six thousand two hundred seventeen dollars), for the policy period from October 15, 2015 to October 15, 2016. Commissioner Danzy, as a member of the Finance Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Commissioner Danzy stated that approval was recommended by the committee, after presentation from PHA staff and discussion within the committee. There being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

**Resolution 11810**, attached in Appendix 2, was presented by Erik Soliván, Senior Vice President, Policy, Research and Enterprise Planning, to authorize the execution of a Memorandum of Understanding ("MOU") between the School District of Philadelphia ("SDP") and PHA for the provision of Urban Technology Project Pre-Apprentice Program for residents at the Norman Blumberg Apartments, as part of the Sharswood/Blumberg Transformation Plan Initiative. Under the MOU, PHA would provide funding from PHA in the amount of one hundred twenty thousand dollars (\$120,000) that will be leveraged against nearly \$200,000 in funding from SPD. Commissioner Wise, as a member of the Resident Services Committee that reviewed the resolution, moved for its approval and, after the motion was seconded, noted that after presentation from PHA staff and committee discussion, the committee recommended approval. Following discussion and public comment, the motion was unanimously approved.

**Resolution 11811**, attached in Appendix 2, was presented Clare Ann Fitzgerald, Deputy General Counsel - Office of General Counsel, to authorize PHA to contribute an amount not to exceed \$36,540.00 (thirty-six thousand five hundred forty dollars) toward the total amount of \$460,000.00 (four hundred sixty thousand dollars) to settle employment litigation on behalf of PHA and to take all other action necessary to conclude the settlement and dismissal of the case, including executing the settlement agreement. Deputy General Counsel Fitzgerald noted that a presentation had been made to the Board in executive session regarding the resolution. Vice-Chair Wetzel moved for approval. Following a second and there being no discussion, the motion was unanimously approved.

**Resolution 11812**, attached in Appendix 2, was presented by Erik Soliván, Senior Vice President, Policy, Research and Enterprise Planning, to clarify and confirm that PHA Board Resolution No. 11787 authorized the President & CEO of PHA to execute an amendment to Attachment A of the Moving To Work Agreement between PHA and HUD. Vice-Chair Wetzel, as Chair of the Policy and Planning Committee to which the resolution was sent for review, moved for its approval. After the motion was seconded, Vice-Chair Wetzel noted that approval was recommended by the committee and there was discussion, including public comment about the reason for and the effect of the resolution. It was also clarified that the approval contained in the resolution would be a part of future specific resolutions relating to the Rental Assistance Demonstration program, where appropriate.

The vote was not unanimous and the Commissioners were polled for their votes. Commissioner Wise voted against the resolution. Chair Brown-Sow, Vice-Chair Wetzel, and Commissioners Callahan, Camarda, and Danzy voted in favor of the resolution, so that the motion for approval was passed by a majority of the Board.

The public comment period was then held, beginning at 4:05 p.m.

The Chair adjourned the meeting at approximately 4:30 p.m. Sign-up sheets with the name of each member of the public who signed up to speak on specific resolutions and in the general comment period, with a designation of the topic(s) addressed by the speaker, are attached as Appendix 3.

Respectfully submitted,



Barbara Adams  
Secretary  
Philadelphia Housing Authority

# APPENDIX 1

## *August 2014-August 2015 Philadelphia Housing Authority Third Annual Sustainability Report*

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From Barbara Moore, Sustainability Coordinator  
Energy Finance and Sustainability Department  
September 11, 2015

As the fourth largest public housing authority in the nation, the Philadelphia Housing Authority ("PHA") has elected to take a leading role in addressing sustainability issues affecting PHA's residents, staff, and operations of the agency, as well as our communities.

This commitment has required the agency to embrace new ways of doing business, ultimately designing strategies to drive sustainable growth, better social outcomes and a stronger economy. Our actions have been guided by two major initiatives: 1) the SPI-Green Action Plan, underpinned by measurable objectives set for achievement with 5 years and 2) becoming a partner in The Better Business Challenge ("BBC") for Multi-family housing with HUD.

This progress report provides a summary of PHA's performance from August 2014 through August 2015 and reflects how PHA has maintained positive momentum towards achieving the goals set in our Green Action Plan and the BBC Challenge.

The 2012 PHA Sustainability Assessment Report reflected more than 115 areas with deficiencies that required corrective actions by PHA. Since then the agency has corrected 25% of those deficiencies.

However, after assessing the progress, PHA modified its energy conservation strategy to move forward with a more comprehensive approach by aligning the Green Action Plan with President Obama's Climate Action Plan, announced in June of 2013.

This approach will ensure agency outcomes in a more expeditious timeframe, while reducing our carbon pollution, fostering healthier communities, creating a reduction in energy usage and improving the financial stability of the housing assets.

### **The following are the accomplishments of the 12 months since August 2014:**

#### **1) New Sustainability Department**

PHA established a new sustainability department, called the Energy Finance and Sustainability Department, housed within PHA's Finance Department.

#### **2) Better Buildings Challenge**

In October of 2013, PHA signed on as a BBC partner in, a major joint initiative of the EPA, DOE and HUD. The BBC initiative commits PHA to reduce energy consumption by 20% within 10 years. It also gives PHA access to many valuable resources. To assure that PHA meets the 20% BBC commitment, PHA solicited a comprehensive Energy Performance RFP to procure an Energy Service Company ("ESCO") that will utilize performance contracting as a means to identify energy efficiency and manage our energy goals while deploying life-cycle cost-effective energy efficiency projects. The ESCO will also address clean energy technology, water conservation measures, resiliency, and will be financed with the cost savings achieved from the Energy Performance measures.

### 3) Energy Procurement

PHA has executed a contract with Tradition Energy as a broker for the electric procurement and executed a contract with Constellation as a supplier for gas procurement, to be purchased on the NYMEX Commodity Futures Exchange.

### 4) Energy Management

- a) **1,083** units were weatherized as part of PHA's vacant unit turnaround process.
- b) PGW replaced **500** gas meters with new ones to ensure more accurate automatic readings.
- c) PWD installed **125** new water meters to ensure more accurate automatic readings.
- d) PHA designated staff to manage each specific utility account with the Treasury Department.
- e) PHA created a protocol for utilities to be turned off and turned on for more accuracy with usage.

### 5) Benchmarking

PHA has surveyed and compiled a comprehensive database of its energy consumption and expenses. This database reflects all of the conventional and senior housing stock totaling **4,530** units, encompassing **7,359,788** sq. ft. of floor space and **1,589** utility meters.

### 6) Training

- a) *Better Building Technical Assistant*- Funded by the Better Building Challenge, the Operations and Maintenance and Development staff received training on Energy Code, Enterprise Green Communities standards, the basics of Operations and Maintenance, weatherization, and energy assessments.
- b) *HUD Technical Assistant* – PHA's Executive Cabinet and staff were trained on RAD and Energy Performance Contracting.
- c) *Operations and Maintenance* - Staff were trained on new solutions for Integrated Pest Management.
- d) *Greenbuild Representation* - In November 2014, PHA's Sustainability Coordinator, Barbara Moore, attended the Greenbuild International Conference & Expo, in New Orleans, which is the world's largest conference and expo dedicated to green building and to transforming affordable housing and community development.
- e) One member of PHA staff attended the *Energy Procurement training* offered by the Association of Energy Engineers and was certified.

### 7) Policy

PHA's Board of Commissioners adopted a smoke-free policy in July of 2015. PHA also designated **\$100,000** for smoking cessation programs.

### 8) Recycling

To date, PHA has recycled approximately 285 tons of scrap metal, corrugated boxes, electronic equipment, pallets, car batteries and non-ferrous metals generating revenue of **\$52,650**. Our recycling efforts have also produced a container/dumpster saving of **\$121,324** with a combined revenue/savings of **\$173,974**.

### 9) Environmental Protection Agency Training and Jobs for Residents

The EPA has provided funding of \$199,205 to train 25 PHA residents in waste remediation and environmental health and safety. This training program was recognized as the Interstate Renewable Energy Council's 2013 Clean Energy Training Program of the Year. The Energy Coordinating Agency ("ECA") is the training provider who partnered with PHA to solicit the EPA grant. In the past year, ten (10) PHA residents completed the program and all were certified. To date, **three (3) residents** have

been hired full-time and the other graduates are interviewing with employers. ECA is committed to provide residents assistance with reading and math. The training will help residents to meet the requirements to fill the remaining fifteen (15) slots open for January 2016.

#### 10) Resident and Staff Engagement

- a) In December of 2014, performance evaluations for all 1,400 PHA employees included, for the first time, ratings on their commitment to sustainability.
- b) In 2014, PHA launched its "Sustainability" web-page as a part of the PHA website, for greater transparency globally.
- c) PHA partnered with the Philadelphia Horticultural Society and initiated a pilot tree planting program with residents of Richard Allen Homes to plant 19 trees.
- d) PHA teamed up with GRID magazine and distributed more than 8,000 *Sustainability* magazines.
- e) PHA partnered with PECO and removed and replaced approximately 170 Energy Star refrigerators. PECO has also distributed more than 3,000 CFL light bulbs this year to PHA residents.
- f) PHA collaborated with the City of Philadelphia/ Indego for the bike share program and currently has a station located at the John F. Street Center.
- g) PHA worked together with several utility companies and hosted the first Energy Awareness Day in October of 2014 with more than 200 residents in attendance.

#### 11) Vehicles

PHA purchased 26 fuel efficient vehicles and removed 41 vehicles from its fleet inventory.

#### 12) Sustainable dollars saved or credited

- a) PHA identified \$501,847 in credits from the Philadelphia Water Department for reimbursement of charges related to estimated usage on vacant lots.
  - b) PHA identified \$5,384 in erroneous water charges from a ground leased property.
  - c) PHA identified \$117,807 of credits for charges related to properties previously sold.
  - d) PHA addressed a water leak at Abbottsford home which will provide approximately \$2,000 per month in savings.
  - e) PHA was awarded HUD technical assistance training dollars totaling \$15,000.
  - f) PHA was awarded \$65,000 from the Better Building Program for technical assistance training.
  - g) PHA earned \$55,656 from recycling efforts with various programs.
  - h) PHA was awarded \$50,000 from the Energy Foundation to implement the Benchmarking initiative.
- TOTAL SAVINGS AND AWARDS - \$692,968**

#### Proposed new initiatives

- Pending further review, PHA plans to request approval from the Board for the selected ESCO by the fourth quarter 2015.
- Blumberg Phase 1- Construction implementation started August 2015, as an Enterprise Green Communities project.
- The Blumberg project is planning to have a Green Street design. The design is a collaboration with the City of Philadelphia Water Department. The Water Department will contribute grant funding for this initiative.
- PHA will partner with PECO to retrofit all of the PAPMC units (1980 units) with aerators and new energy efficient shower heads and to replace interior light bulbs with CFL's. This program is being financed by the Pennsylvania's ACT 129 program. The project will start in the 4th quarter 2015.

# APPENDIX 2

THE PHILADELPHIA HOUSING AUTHORITY  
MEETING OF THE BOARD OF COMMISSIONERS  
12 S. 23<sup>rd</sup> ST.  
PHILADELPHIA, PA 19103  
THURSDAY, SEPTEMBER 17, 2015 at 3 p.m.  
AGENDA

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- A. **Call to Order:** Lynette M. Brown-Sow, Chair of the Board of Commissioners  
The Philadelphia Housing Authority Board of Commissioners
- B. **Remarks:** Lynette M. Brown-Sow, Chair of the Board of Commissioners  
Kelvin A. Jeremiah, President & CEO
- C. **Approval of Minutes** of the Board Meeting held July 16, 2015, as distributed.
- D. **Presentation of Third Annual Sustainability Report**
- E. **New Business:**
  - 1. **RESOLUTION AUTHORIZING ADOPTING THE ANNUAL REPORT OF THE PHILADELPHIA HOUSING AUTHORITY AUDIT COMMITTEE FOR FISCAL YEAR 2015**  
  
(Janea Jordon)
  - 2. **RESOLUTION AUTHORIZING A CONTRACT FOR CREDIT & BACKGROUND CHECK SERVICES WITH NATIONAL CREDIT REPORTING**  
  
(Dave Walsh)
  - 3. **RESOLUTION AUTHORIZING CONTRACTS FOR TREE REMOVAL SERVICES WITH EDENS CORPORATION, JUSTINIAN DEVELOPMENT GROUP, AND TOWNSCAPES, INC.**  
  
(Dave Walsh)
  - 4. **RESOLUTION AUTHORIZING CONTRACTING FOR THE PURCHASE OF ELECTRICITY AND NATURAL GAS FOR TERMS OF UP TO THREE YEARS**  
  
(Dave Walsh)
  - 5. **RESOLUTION AUTHORIZING A CONTRACT FOR PROPERTY MANAGEMENT SERVICES WITH MAIN LINE INVESTORS GROUP, LLC**  
  
(Dave Walsh)

**6. RESOLUTION AUTHORIZING A CONTRACT FOR WORKERS' COMPENSATION INSURANCE COVERAGE WITH LIBERTY MUTUAL INSURANCE COMPANY**

(Joanne R. Strauss and Clare Ann Fitzgerald)

**7. RESOLUTION ADOPTING A MEMORANDUM OF UNDERSTANDING TO SUPPORT THE URBAN TECHNOLOGY PROJECT PRE-APPRENTICE PROGRAM FOR BLUMBERG RESIDENTS**

(Erik Soliván)

**8. RESOLUTION AUTHORIZING SETTLEMENT OF LITIGATION**

(Clare Ann Fitzgerald)

**9. RESOLUTION CONFIRMING THE AUTHORITY OF THE PHILADELPHIA HOUSING AUTHORITY TO AMEND THE MOVING TO WORK AGREEMENT FOR THE RENTAL ASSISTANCE DEMONSTRATION PROGRAM**

(Erik Soliván)

**F. Public Comment Period**

**RESOLUTION NO. 11804**

**RESOLUTION ADOPTING THE FY 2015 ANNUAL REPORT OF THE PHILADELPHIA HOUSING  
AUTHORITY AUDIT COMMITTEE**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") Audit Committee (" Audit Committee") was created pursuant to Resolution No. 11571, adopted on November 30, 2012, as amended by Resolution No. 11785, adopted on May 21, 2015; and

**WHEREAS**, Section VI of the Charter of the Audit Committee, entitled "Reports," requires that the Audit Committee "submit a written, annual report to the Board summarizing its activities;" and

**WHEREAS**, the Audit Committee has reviewed and approved for submission to the PHA Board of Commissioners a FY 2015 Annual Report, attached hereto, prepared under the direction of the Audit Committee, summarizing its activities for Fiscal Year 2015, which is the period from April 1, 2014 to March 31, 2015; and

**WHEREAS**, the Audit Committee has distributed and presented its FY 2015 Annual Report to the PHA Board of Commissioners and recommends its approval;

**BE IT RESOLVED**, that PHA's Board of Commissioners hereby adopts and approves the FY 2015 Annual Report of the Audit Committee, in substantially the form attached hereto.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/15  
Burton C. Davis General Counsel  
ATTORNEY FOR PHA

**Annual Report of the Philadelphia Housing Authority Audit Committee  
Fiscal Year 2015 - April 1, 2014 to March 31, 2015**

**Audit Committee Members**

From April 2014 through January 2015, the committee consisted of the following members:

Commissioner Joan Markman (appointed September 9, 2013 – January 2015)

Commissioner Kenneth Murphy (appointed September 9, 2013)

Matthew Stitt (appointed September 9, 2013)

Kia Buckner (appointed November 21, 2013)

Commissioner Herbert Wetzel (appointed September 20, 2014)

Commissioner Amy Kurland (appointed March 19, 2015)

For the entirety of the fiscal year, the committee did not have a designated Chair; the position has been vacant since the former Chair of the Committee, Nelson Diaz, resigned as a Commissioner in March of 2014.

The Audit Committee Charter underwent two (2) revisions during the 2015 Fiscal Year:

1. October 23, 2014 – The charter was updated to provide for election by the Audit Committee of a Chair and Vice Chair of the Audit Committee, both of whom shall be members of the Audit Committee and Commissioners of the PHA Board of Commissioners.
2. May 15, 2015 – The charter was updated to change the requirement that both the Chair and Vice-Chair of the Audit Committee be members of PHA's Board of Commissioners and only requires that the Chair of the Audit Committee be a member of the PHA Board of Commissioners.

**Meetings**

Per the Audit Committee Charter, the committee shall meet on an as needed basis but not less than 4 times a year. Meetings were held on the following dates:

- September 15, 2014
- November 13, 2014
- December 1, 2014 (conference call)
- December 11, 2014
- February 23, 2015

Meeting agendas, attendance and meeting minutes are maintained by the Office of Audit and Compliance for each in-person meeting.

**Reports**

The following reports were distributed to the Audit Committee for review and discussion during the 2015 Fiscal Year:

1. Audit Report #2015– 002-Housing Choice Voucher Special Programs
2. Audit Report #2015-001 – Housing Choice Voucher Program Recertification Process
3. Audit Report #2015-003 – Oversight and Administration of Tenant Participation Activity Funds

Internal Audit reports were also finalized and distributed for the following Resident Council Tenant Participation Activity Fund Audits:

- Spring Garden Apartments
- Cambridge Plaza
- Francisville
- Wilson Park
- Wamock
- Mantua
- Hillcreek
- Blumberg Family
- Blumberg Senior
- Bartram Village
- Holmcrest

The Committee also received updates from the Philadelphia Housing Authority's (PHA) Compliance Department and Risk Management Committee during committee meetings. The following Compliance Review Reports were distributed to the Audit Committee for review and discussion during the 2015 Fiscal Year.

1. REAC Compliance Review Report
2. Risk Management Audit - Follow Up Report
3. Section 3 Audit - Follow Up Report
4. Public Housing Program Site Based Quality Assurance Review Report

#### **Internal Audit**

PHA's Internal Audit (IA) Department commences each annual audit planning process with the development of a Risk Based Audit Plan. The Audit Committee is an integral part of this process as key stakeholders in the following areas:

1. Providing potential risk factors for IA to consider;
2. Reviewing the Risk Assessment matrix that identifies potential risk factors based on assessment results; and
3. Reviewing and approving the annual Internal Audit Plan prior to implementation.

During the 2015 fiscal year, the Audit Committee played an active role in establishing the 2016 Audit Plan through conversation with PHA's Internal Audit Manager, through participation in meaningful discussion around IA's risk assessment process during committee meetings and through reviewing and approving the Internal Audit Plan.

#### **Independent Annual Audit**

During the 2015 fiscal year, the audit committee played an active role in PHA's 2014 annual financial audit, conducted by an independent public accounting firm and required by the federal government. Participation was evidenced in the following ways:

- Conducted mandated entrance conference with audit firm
- Participated in committee member inquiries with the audit firm
- Reviewed draft audit report and provided feedback
- Reviewed and approved final audit report

In addition to direct participation in the Annual Audit process, the Audit Committee ensured that PHA Departments adequately addressed findings and recommendations identified by the audit firm.

**RESOLUTION NO. 11805**

**RESOLUTION AUTHORIZING A CONTRACT FOR CREDIT & BACKGROUND CHECK SERVICES WITH NATIONAL CREDIT REPORTING**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") has identified a need for credit and background check services and a Request for Proposal was developed for the selection of a company to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

**WHEREAS**, the Request for Proposal was mailed to the appropriate companies on PHA's Outreach List and distributed to those who responded to the invitation through the publications; and

**WHEREAS**, the proposals were reviewed and evaluated by an evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

**WHEREAS**, based upon the consensus evaluation, it is recommended that a contract be awarded to National Credit Reporting; and

**WHEREAS**, it is further recommended that the contract be for a total amount not to exceed seven hundred fifty thousand dollars (\$750,000.00), with a two-year base period and three one-year option periods, as follows:

- 1) The not-to-exceed amount for the two-year base period is three hundred thousand dollars (\$300,000.00);
- 2) The not-to exceed amount for the first one-year option period is one hundred fifty thousand dollars (\$150,000.00);
- 3) The not-to-exceed amount for the second one-year option period is one hundred fifty thousand dollars (\$150,000.00); and
- 4) The not-to-exceed amount for the third one-year option period is one hundred fifty thousand dollars (\$150,000.00);

**BE IT RESOLVED**, that that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to conclude and execute a contract with National Credit Reporting, in a total contract amount not to exceed, seven hundred fifty thousand dollars (\$750,000.00) subject to availability of funds therefor, as set forth above, and to take all necessary actions relating to such contract, including determining whether the options available under the contract shall be exercised.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/10  
Barbara Adams, General Counsel  
ATTORNEY FOR PHA

**RESOLUTION NO. 11806**

**RESOLUTION AUTHORIZING CONTRACTS FOR TREE REMOVAL SERVICES  
WITH EDENS CORPORATION, JUSTINIAN DEVELOPMENT GROUP, AND TOWNSCAPES,  
INC.**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") has identified a need for tree removal services and a Request for Proposal was developed for the selection of companies to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

**WHEREAS**, the Request for Proposal was posted on PHA's website, advertised via local publications and chambers of commerce, mailed to qualified entities on PHA's Outreach List, and distributed to those who responded to the invitation; and

**WHEREAS**, the proposals were reviewed and evaluated by an evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

**WHEREAS**, based upon the consensus evaluation, it is recommended that contracts be awarded to Edens Corporation, Justinian Development Group, and Townscapes, Inc.; and

**WHEREAS**, work is to be assigned to each of the three (3) awardees at the discretion of the Contracting Officer based on need, performance and other legitimate business factors, and may be altered at any time during the course of this contract; and

**WHEREAS**, it is recommended that the aggregate amount to be expended under the three (3) contracts, combined, shall not exceed two million nine hundred twenty seven thousand five hundred fifty dollars (\$2,927,550.00) with a two-year base period and three (3) one-year option periods, as follows:

- 1) The aggregate not-to-exceed amount for the two-year base period is one million one hundred seventy-one thousand and twenty dollars (\$1,171,020.00); and
- 2) The aggregate not-to exceed amount for the first one-year option period is five hundred eighty-five thousand five hundred and ten dollars (\$585,510.00); and
- 3) The aggregate not-to exceed amount for the second one-year option period is five hundred eighty-five thousand five hundred and ten dollars (\$585,510.00); and
- 4) The aggregate not-to exceed amount for the third one-year option period is five hundred eighty-five thousand five hundred and ten dollars (\$585,510.00);

**BE IT RESOLVED**, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to conclude and execute contracts with Edens Corporation, Justinian Development Group, and Townscapes, Inc. for a total aggregate amount not to exceed two million nine hundred twenty seven thousand five hundred fifty dollars (\$2,927,550.00) subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contracts, including determining whether the options available under the contracts shall be exercised.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/15  
*Barbara Edors General Counsel*  
ATTORNEY FOR PHA

**RESOLUTION NO. 11807**

**RESOLUTION AUTHORIZING CONTRACTING FOR THE PURCHASE OF ELECTRICITY AND NATURAL GAS FOR TERMS OF UP TO THREE YEARS**

**WHEREAS**, Board Resolutions No. 11688 (relating to electricity) and No11689 (relating to natural gas) adopted March 20, 2014, authorized the Philadelphia Housing Authority ("PHA") to purchase electricity and natural gas through competitive bidding and also authorized PHA to enter into commitments for PHA's energy supply requirements on the best terms available in the market from time to time; and

**WHEREAS**, said Resolutions included specific limitations on PHA's authority to enter into energy purchase commitments, including a requirement that the term of any such commitment may not exceed two (2) years; and

**WHEREAS**, PHA has developed a strategic plan for its energy purchasing program, based on two goals: 1) managing exposure to energy pricing volatility to achieve budget certainty; and 2) taking advantage of favorable pricing opportunities to realize savings when market prices are falling and to mitigate and manage risk when prices are rising; and

**WHEREAS**, in consultation with its energy advisors, PHA has determined that, to achieve these goals, it is appropriate for PHA to place orders and reservations for commodity and distribution capacity when forward market pricing presents favorable opportunities, with commitments covering forward periods of up to three (3) years; and

**WHEREAS**, current favorable energy market conditions provide an opportunity for PHA to address its strategic goals for energy purchasing by entering into electricity and natural gas purchase commitments in autumn 2015 or thereafter, to purchase up to one hundred percent (100%) of its energy requirements for periods of up to three (3) years; and

**WHEREAS**, in order to enter purchase commitments for periods of up to three (3) years, the two (2) year limitation specified in the March 20, 2014 Resolutions must be modified by the Board; and

**WHEREAS**, it is in PHA's best interest to take advantage of the favorable pricing opportunities currently available in furtherance of the two strategic goals described above;

**BE IT RESOLVED**, that the Board of Commissioners hereby approves the modification of Resolutions 11688 and 11689, to extend the two-year limit on the term of purchase commitments for electricity and natural gas, referenced in those Resolutions, to three (3) years.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/15  
*Barbara Adams General Counsel*  
ATTORNEY FOR PHA

**RESOLUTION NO. 11808**

**RESOLUTION AUTHORIZING A CONTRACT FOR PROPERTY MANAGEMENT SERVICES WITH  
MAIN LINE INVESTORS GROUP, LLC**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") has identified a need for property management services and a Request for Proposal was developed for the selection of companies to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

**WHEREAS**, the Request for Proposal was posted on PHA's website, advertised via local publications and chambers of commerce, mailed to qualified entities on PHA's Outreach List, and distributed to those who responded to the invitation; and

**WHEREAS**, the proposal was reviewed and evaluated by an evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

**WHEREAS**, based upon the consensus evaluation, it is recommended that a contract be awarded to Main Line Investors Group, LLC; and

**WHEREAS**, work is to be assigned to the awardee at the discretion of the Contracting Officer based on need, performance and other legitimate business factors, and may be altered at any time during the course of this contract; and

**WHEREAS**, it is recommended that the aggregate amount to be expended under the contract shall not exceed two hundred ninety-one thousand eight hundred fifty-nine dollars (\$291,859.00) with a two-year base period and three (3) one-year option periods, as follows:

- 1) The aggregate not-to-exceed amount for the two-year base period is one hundred forty-one thousand seven hundred and sixty dollars (\$141,760.00); and
- 2) The aggregate not-to exceed amount for the first one-year option period is fifty thousand and thirty-three dollars (\$50,033); and
- 3) The aggregate not-to exceed amount for the second one-year option period is fifty thousand and thirty-three dollars (\$50,033); and
- 4) The aggregate not-to exceed amount for the third one-year option period is fifty thousand and thirty-three dollars (\$50,033);

**BE IT RESOLVED**, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to conclude and execute a contract with Main Line Investors Group, LLC for an aggregate amount not to exceed two hundred ninety-one thousand eight hundred fifty-nine dollars (\$291,859.00) subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contract, including determining whether the options available under the contract shall be exercised.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/10  
Andrew Wilson, General Counsel  
ATTORNEY FOR PHA

**RESOLUTION NO. 11809**

**RESOLUTION AUTHORIZING A CONTRACT WITH LIBERTY MUTUAL INSURANCE COMPANY  
FOR WORKERS' COMPENSATION INSURANCE COVERAGE**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") has a need to maintain workers' compensation and employer's liability insurance coverage in force to be in compliance with Pennsylvania law; and

**WHEREAS**, the current workers' compensation insurance policy in force expires on October 15, 2015; and

**WHEREAS**, pursuant to Resolution No.11710, approved by this Board on June 19, 2014, PHA entered into a contract with Conner Strong & Buckelew ("Conner") on July 15, 2014, for the provision of qualified, professional insurance and brokerage services; and

**WHEREAS**, at PHA's request, and in compliance with procurement regulations, Conner has provided insurance quotations from two insurers: one from Liberty Mutual Insurance Company ("Liberty Mutual"), which is the incumbent insurer, and one from Zurich Insurance Company, which is a competitor; and

**WHEREAS**, in consultation with Conner, PHA has reviewed all of the proposals and has determined that Liberty Mutual provides the best workers' compensation insurance coverage option for PHA; and

**WHEREAS**, the "Maximum Premium" for the insurance is \$15,476,217.00 (fifteen million four hundred seventy-six thousand two hundred seventeen dollars), which would reflect a "worst case scenario" of claims in the amount of \$13,044,998.00 (thirteen million forty-four thousand nine hundred ninety-eight dollars) and premium and terrorism charges in the amount of \$2,431,219.00 (two million four hundred thirty-one thousand two hundred nineteen dollars); and

**WHEREAS**, the "Total Expected Premium" is \$5,363,149.00 (five million three hundred sixty-three thousand one hundred forty-nine dollars) reflecting a "usual case scenario" of expected claims for the year of \$5,094,289. 00 (five million ninety-four thousand two hundred eighty-nine dollars) and risk transfer premium and related fixed and variable costs totaling \$286,860.00 (two hundred eighty-six thousand eight hundred sixty dollars); and

**WHEREAS**, it is recommended that workers' compensation coverage be contracted with Liberty Mutual for a maximum amount not to exceed \$15,476,217.00 00 (fifteen million four hundred seventy-six thousand two hundred seventeen dollars), for the policy period from October 15, 2015 to October 15, 2016, to pay premiums and cash collateral and to maintain an appropriate reserve to be used to pay deductible amounts on claims, as necessary during the policy period;

**BE IT RESOLVED**, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to take all necessary actions to conclude and to execute a policy of insurance for PHA's workers' compensation insurance with Liberty Mutual for a maximum amount not to exceed \$15,476,217.00 (fifteen million four hundred seventy-six thousand two hundred seventeen dollars), for the policy period from October 15, 2015 to October 15, 2016, as set forth above, subject to the availability of funds therefor.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/15  
*Barbara Adams General Counsel*  
ATTORNEY FOR PHA

**RESOLUTION NO. 11810**

**RESOLUTION ADOPTING A MEMORANDUM OF UNDERSTANDING TO SUPPORT THE URBAN TECHNOLOGY PROJECT PRE-APPRENTICE PROGRAM FOR BLUMBERG RESIDENTS**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") provides quality affordable housing to families with low incomes as a designated Moving to Work Agency; and

**WHEREAS**, PHA is a public body, corporate and politic, organized and existing as a public housing authority in accordance with the Housing Authorities Law of 1937, Title 35, §1541 *et seq.*, of the Pennsylvania Statutes; and

**WHEREAS**, the School District of Philadelphia ("SDP") is a body corporate and political subdivision formed and existing under the laws of the Commonwealth of Pennsylvania, located at the Education Center, 440 North Broad Street, Philadelphia, Pennsylvania 19130-4015; and

**WHEREAS**, the mission of SDP is to provide a high-quality education that prepares, ensures, and empowers all students to achieve their full intellectual and social potential in order to become lifelong learners and productive members of society; and

**WHEREAS**, PHA and SDP are already partners on the Choice Neighborhoods Initiatives ("CNI") for both Sharswood/Blumberg and the North Central Philadelphia Planning and Implementation Grants, respectively; and

**WHEREAS**, PHA and SDP agree to expand the existing partnership to include the Urban Technology Project ("UTP") Pre-Apprentice Programs for residents at the Blumberg Apartments; and

**WHEREAS**, the UTP Pre-Apprentice Program will provide significant educational opportunities for those selected from the Blumberg Apartments to participate; and

**WHEREAS**, as set forth in the attached MOU, funding for the activities shall come from PHA in an amount not to exceed \$120,000.00 (one hundred twenty thousand dollars);

**BE IT RESOLVED**, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to enter into an MOU, in the substantially the form attached hereto, for the SDP to provide services to residents participating in the UTP Pre-Apprentice Program.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/10  
*Barbara Wilson, General Counsel*  
ATTORNEY FOR PHA

**MEMORANDUM OF UNDERSTANDING**

In consideration of the mutual promises set forth below, intending to be legally bound, **The Philadelphia Housing Authority**, a public body and a body corporate and politic created and organized in accordance with the provisions of the Housing Authorities Law of the Commonwealth of Pennsylvania (the "**Authority**"), having a business address at 12 South 23<sup>rd</sup> Street, Philadelphia, Pennsylvania 19103; and **The School District of Philadelphia**, a body corporate and political subdivision formed and existing under the laws of the Commonwealth of Pennsylvania (the "**School District**"), located at the Education Center, 440 North Broad Street, Philadelphia, Pennsylvania 19130-4015, have executed and delivered this Memorandum of Understanding (the "**Memorandum**") as of April 17, 2015.

**WITNESSETH:**

**WHEREAS**, the mission of the Authority is to provide safe, decent, and sanitary housing for persons of low income, in accordance with the United States Housing Act of 1937, as amended, which appears at Title 42, §§1437 et seq., United States Code, and the Pennsylvania Housing Authorities Law of 1937; and

**WHEREAS**, the School District carries out the mission of seeking to provide a high-quality education that prepares and empowers all students to achieve their full intellectual and social potential in order to become lifelong learners and productive members of society; and

**WHEREAS**, the Authority and the School District participate together in the U.S. Department of Housing and Urban Development – Sharswood/Blumberg - Choice Neighborhoods Initiative Planning Grant, which includes the Authority's Blumberg Apartments; and

**WHEREAS**, in furtherance of mutual objectives under the Choice Neighborhoods Initiative Planning Grant, the School District and the Authority agree to collaborate on the provision of the Urban Technology Project's (the "UTP") pre-apprenticeship and registered apprenticeship opportunities to residents at Blumberg Apartments;

The School District and the Authority agree and commit to work closely on the following initiatives.

1. **Incorporation.** The background set forth herein above is specifically made part of this Memorandum and Attachment A as referenced herein shall be incorporated by reference into this Memorandum.
2. **Funding.** Funding for the activities described below shall come from the Authority and be provided to the School District for the School District's administration of the UTP Program according to the budget detailed in Attachment A for a total amount not to exceed **One Hundred Twenty Thousand Dollars (\$120,000.00)** over the period from April 16, 2015 to August 31, 2015.
3. **Activities.**
  - a. **Urban Technology Project Program.**
    - i. The Authority and the School District shall collaborate on the administration of UTP Programming at Blumberg Apartments, providing for up to sixteen (16) residents who are age eighteen (18) to twenty six (26), to become pre-apprentices.
    - ii. The Authority shall provide financial funding for the UTP program at Blumberg according to the budget set forth in Attachment A.
    - iii. The School District shall provide the Authority with monthly reporting in mutually acceptable form and substance on the progress of all participating Authority residents in the UTP Program.
  - b. **Collaborative Grant Writing.** The Authority and the School District shall work closely to identify grant opportunities supporting UTP apprenticeship programs, and, where appropriate, shall submit collaborative grants together, especially those related, but not limited to, the expansion of services for residents of the Sharswood/Blumberg Community, the development of data methodology, and data collection, each under and subject, however, to subsection 15.b. below, and analysis of Authority data, as well as research grants, where appropriate. If an application is submitted and the grant funding is awarded to support the UTP Program, the Authority and the School District agree to amend this Memorandum to provide for the expansion of this relationship.
  - c. **Data Sharing.** Except as limited by Applicable Law, *see, e.g.*, subsection 15.b., below, the Authority and the School District agree to share data for the recruitment and selection of the Authority residents at

Blumberg Apartments and other the Authority sites as necessary for the successful processing of residents to become UTP pre-apprentices.

5. *Amendments.* This Memorandum may be amended by the President and Chief Executive Officer of the Authority in a writing, signed by both parties, contingent upon review by the School District's legal counsel, and the Authority legal counsel. No oral representation, warranty, condition, or agreement of any kind or nature whatsoever shall be binding upon the parties hereto unless incorporated in this Memorandum in the form of an amendment.

6. *Severability.* The invalidity or unenforceability of any one or more provisions of this Memorandum shall not affect the validity or enforceability of the remaining portions of this Memorandum, unless the invalidity or unenforceability would substantially deprive a party of the benefits of this Memorandum.

7. *Termination for Convenience.* Either the Authority or the School District shall have the right to terminate this Memorandum by giving the other party thirty (30) days' notice in writing, unless a shorter period of notice is mutually agreeable.

8. *Term and Review of Memorandum.* The initial term of this Memorandum will be from April 17, 2015 to the ending date of August 31, 2015.

a. The parties may agree to extend the term of this Memorandum and revise or amend the services outlined herein for up to three (3) additional one (1) year terms. The School District may not agree to extend the Term except with the prior approval of the School Reform Commission, acting in its sole discretion.

b. If the Memorandum expires and is not renewed, the affiliation between the parties shall thereby expire without any further act of either party.

9. *Notice.* Any notice required to be given hereunder shall be made by U.S. Mail, return receipt requested, postage pre-paid, and shall be deemed to have been received on the date noted on the receipt returned to sender. Any such notice shall be addressed as follows:

**The School District of Philadelphia**  
440 North Broad Street  
Philadelphia, PA 19130  
Attention: General Counsel

**The Philadelphia Housing Authority**  
12 S. 23<sup>rd</sup> Street  
Philadelphia, PA 19103  
Attention: Executive Director

10. *Choice of Law.* This Memorandum is executed pursuant to and shall be construed under the laws of the Commonwealth of Pennsylvania. In the event that a dispute arises under this Memorandum that cannot be resolved by the parties, jurisdiction shall rest with a Pennsylvania tribunal of competent jurisdiction.

11. *Confidentiality.* Except as limited by Applicable Law, *see, e.g.*, subsection 15.b. below, As part of this Memorandum, the Authority may share data containing certain information including, but not limited to, information about staff, resident population, initiatives, business, operations, litigation, properties, financial condition, plans, intellectual property, trade secrets, technologies, processes, business relationships, and/or vendors. All such information furnished, whether oral, written, or recorded/electronic, and regardless of the manner in which it is furnished, is referred to in this Memorandum as "Authority Confidential Information." The term "Authority Confidential Information" shall also include all reports, summaries, compilations, analyses, notes, or other information prepared by the either party or its representatives that are based on, contain, or reflect any Authority Confidential Information. Unless otherwise agreed upon in writing, the parties agree (a) to keep all Authority Confidential Information confidential and not to disclose or reveal any Authority Confidential Information to any person, and (b) not to disclose to any person any information about the Memorandum or any other facts relating thereto, or the fact that Authority Confidential Information has been made available to either parties' representatives, in each case other than to those of its representatives who are actively and directly participating in, or otherwise need to know for purposes of performing, the Memorandum.

The parties agree to take the same steps to safeguard and protect the confidentiality of the Authority Confidential Information as it would take with respect to its own confidential information. The parties agree that they will use the Authority Confidential Information only for purposes of performing the Memorandum.

In the event that any party to this Memorandum is requested pursuant to, or required by, applicable law, regulation, or legal process to disclose any Authority Confidential Information, that party will provide all other parties with prompt notice of such request or requirement. Upon completion of the Memorandum, each party will promptly destroy, and confirm such destruction in writing, or deliver to the other parties all requested Authority Confidential Information of the other party, including all copies, reproductions, summaries, compilations, third party analyses, or extracts thereof or based thereon in its possession or in the possession of any representative thereof except for (i) any electronic copies of Authority Confidential Information that were created pursuant to such party's standard electronic and

archival procedures and (ii) any Authority Confidential Information that is required to defend or maintain any litigation related to this Memorandum. Subject to the exception in the previous sentence, all Authority Confidential Information not requested and delivered will be archived or destroyed in such a way as to protect all confidentiality.

12. *No Waiver of Immunity; Continued Application; Recourse.* Nothing herein shall waive, release, amend or otherwise alter or amend any defense or immunity which the School District, the School Reform Commission or the Authority, or their respective officers, employees or agents may have under the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa.C.S.A. § 8541 *et seq.*, or the Commonwealth Agency Law, 42 Pa. C.S.A. § 8521 *et seq.* The preceding sentences are intended, without limitation, to afford the Authority and the School District the statutory protections, including sovereign, governmental and official immunity, as the case may be, to which they are entitled in the course of defending the Authority or the School District against third party claims (whether ultimately asserted against the Authority or the School District by direct action, cross-claim, by action over or otherwise), or against claims brought against one party to this Memorandum by the other party hereto.

13. *Non-Discrimination.* The Authority, for itself, its officers, agents, employees and Subcontractors, covenants and agrees that it shall not discriminate against or intimidate any employee or other Person on account of age, race, color, sex, sexual orientation, handicap, disability, religious creed, ancestry, national origin or Vietnam-era or any other veteran status. The School District is an equal opportunity employer under Applicable Law, and requires the same of the Authority. The School District shall not do business with any Person that unlawfully discriminates on the basis of age, race, color, sex, sexual orientation, handicap, disability, religious creed, ancestry, national origin or Vietnam-era or any other veteran status, or any other impermissible ground in hiring, promotion, subcontracting or procurement practices. The Authority shall include the first three sentences of this Section 5, with appropriate adjustments for the identity of the parties, in any Subcontracts that it executed and delivers.

14. *Intentionally omitted.*

15. *Confidentiality, Student Records.*

a. *Confidential Information.* Except as provided in subsection 12.c. below regarding academic research publications, the Authority shall keep in strict confidence all information acquired in connection with or as a result of this Contract that is not generally known to others ("School District Confidential Information"). Except as provided in subsection 12.c. below regarding academic research publications, during the Term of this Contract and at any time thereafter, without the prior written consent of the School District, the Authority shall not disclose or use to its advantage, profit or gain any School District Confidential Information or any other information subject to a third party's proprietary right, such as a copyrighted or trademarked work.

b. *Student Records.* The Authority shall keep in strict confidence as required and to the fullest extent required by any Applicable Law, including but not limited to the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g ("FERPA"), any and all records and information, in whatever form or format received, pertaining to the School District's individual students and children, including but not limited to any academic or grade information, attendance, truancy, discipline, receipt of special education services or supplementary educational services, social security or public benefits, or information as to race, ethnicity or disability. The Authority acknowledges and that FERPA limits the transfer and re-transfer of education records and personally identifiable information in education records. The School District shall transmit information or records, or both, protected by FERPA solely to the officer named in Section 9 above in this Memorandum, and such other duly authorized individuals as the Authority may specify by notice to the School District, see Section 9 above in this Memorandum.

c. *Publication Rights.* With regard to any academic research reports, studies or other works developed in the course of this Contract, or as a result thereof, the Authority shall not publish School District Confidential Information or any other information which identifies students, employees or officers of the School District by name without first obtaining written consent from such individuals, or in the case of a student, his or her parent or legal guardian. The Authority shall provide to the School District for its review any proposed publication, brochure or advertisement in that names the School District not less than thirty (30) calendar days prior to submission for publication, and the Authority shall remove the School District's name or information identifying the School District from the publication if the School District requests removal. The Authority shall not issue, publish or divulge any Materials developed or used in the performance of this Contract or make any statement to the media relating to the Contract without the prior consent of the School District. If the School District does not object within fifteen (15) calendar days, the School District shall be deemed to have consented to the Authority's request.

d. *Data Ownership.* The School District retains and reserves its ownership of, and all right, title and interest in, any and all data provided by the School District to the Authority under or in connection with this Contract. The Authority acknowledges and agrees that the School District grants to the Authority a limited, revocable, nonexclusive right and license to use any such School District data, which may include personally identifiable information subject to FERPA, solely for the Authority's use in carrying out the Work set forth in this Contract and

solely in conformity with FERPA and other Applicable Law. At any time during and after the expiration or earlier termination of the Term of this Contract, the School District may request that the Authority deliver to the School District all or any portion of any data provided by the School District; promptly upon receipt of any such request the Authority shall, without any charge to the School District, deliver to the School District the requested data in a usable format reasonably specified by the School District. School District data includes any information and data developed by the Authority, e.g., by populating a database, as part of or associated with the Work set forth in this Contract. The Authority shall not destroy nor permit the destruction of any School District data, except upon the prior express written consent of the School District. Upon the expiration or earlier termination of the Term of this Contract, the Authority shall promptly and in any event not later than ten (10) business days after request by the School District, return to the School District all School District data then in the possession or control of the Authority. Once the Authority has returned all School District data, it shall promptly destroy and dispose of any remaining copies of the data in its possession or in the possession of any Subcontractor.

16. *Conflict of Interest.*

a. *Disclosure of Conflict of Interest.* The Authority represents, warrants and covenants that it has no public or private interest which does or may conflict in any manner with the performance of the Work and that neither it, nor any of its directors, officers, members, partners, employees or Subcontractors, has or shall during the Term acquire, directly or indirectly, any such interest. The Authority shall promptly and fully disclose to the School District's Responsible Official all interests which constitute or may constitute such a conflict.

b. *Improper Gift; Improper Relationship.* The Authority represents, warrants and covenants that it has not directly or indirectly offered or given and shall not directly or indirectly offer or give any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal or minimal value to any School District employee who participated in the decision to authorize or enter into this Contract. The Authority warrants that, to its knowledge, neither a School District employee or officer who participated in the decision to enter into this Contract, nor any member of the employee's immediate family, receives more than \$1,000 per year from the Authority, has a direct or indirect investment worth \$1,000 or more in the Authority or is a director, officer, partner, trustee or employee of the Authority.

c. *School District Employees Not to Benefit.* The Authority shall not make any payment or give anything of more than nominal value to any School District official or employee except in accordance with Applicable Law and School District policy. The Authority shall disclose to the School District the name of each School District official or employee who receives payment from the Authority, the amount such official or employee receives and the services rendered by the official or employee in consideration of the payment.

IN WITNESS WHEREOF, the parties hereto have caused the execution of this Memorandum by their respective officers on the date and year as set forth below, with the effective date as evidenced on the first page of this Memorandum.

**The School District of Philadelphia**

**The Philadelphia Housing Authority**

By:

\_\_\_\_\_  
Dr. William R. Hite  
Superintendent

By:

\_\_\_\_\_  
Kelvin A. Jeremiah  
President & Chief Executive Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Attachment A:

PHA - D&F PROGRAM BUDGET FY16							
<b>Section I. Program Operating Costs</b>							
<b>A. Personnel Expenses</b>							
Position/Title	Qty	Annual Salary	% Time	Total Amount	PHA Match	School District	Other Grants
Program Manager	1	62,500	25%	\$ 15,625	\$ 6,250	\$ 9,375	
PHA Fellows Supervisor	1	45,000	100%	\$ 45,000	\$ -	\$ -	\$ 45,000
<b>Totals</b>				<b>\$ 60,625</b>	<b>\$ 6,250</b>	<b>\$ 9,375</b>	<b>\$ 45,000</b>
<b>B. Personnel Fringe Benefits</b>							
Purpose	Calculation	Total Amount	PHA Match	School District	Other Grants		
Fringe Benefits for All Staff	Cost as a % of Salaries (32%)	19,400	0	5,000	\$ 14,400		
<b>Totals</b>		<b>19,400</b>	<b>0</b>	<b>5,000</b>	<b>\$ 14,400</b>		
<b>C. Member Travel</b>							
Purpose	Calculation	Total Amount	PHA Match	School District	Other Grants		
Travel for Members	\$91/per month for 7 members	8,008	8,008	0			
<b>Totals</b>		<b>8,008</b>	<b>8,008</b>	<b>0</b>			
<b>D. Equipment and Supplies</b>							
Item	Quantity	Unit Cost	Total Amount	PHA Match	School District	Other Grants	
Incentives	7	\$ 200	1,400	1,400	0		
Program Uniforms	7	\$ 350	2,450	2,800	0		
Member Equipment (Laptops/technical tools)	7	\$ 1,000	7,000	2,500	4,500		
<b>Totals</b>		<b>\$ 1,550</b>	<b>10,850</b>	<b>2,800</b>	<b>4,500</b>		
<b>E. Member Training</b>							
Purpose	Calculation	Unit cost	Total Amount	PHA Match	School District	Other Grants	
Professional Development (P2F and online trainers)		\$ 750	18,000	18,000	0		
College course and materials	\$700 per member (Based on 7)	\$ 700	5,600	5,600	0		
Technology Certifications vouchers	\$500 per member (Based on 7)	\$ 500	4,000	0	4,000		
<b>Totals</b>			<b>27,600</b>	<b>23,600</b>	<b>4,000</b>		
<b>F. Other Program Operating Costs</b>							
Purpose	Calculation	Total Amount	PHA Match	School District	Other Grants		
Recruitment materials (Flyers, Brochures, etc.)		500	0	500			
Background Checks	3 per member @ \$50/set	400	400	0			
Social Services Supports (access to social worker, career readiness programming, etc)		20,000	5,400	15,000			
Education Consultant	\$750	3,000		3,000			
Conference/professional meeting attendance (travel, registration, per diem)		2,400	0	2,400			
<b>Totals</b>		<b>26,300</b>	<b>5,800</b>	<b>20,900</b>			
<b>Subtotal Section I:</b>				<b>Total Amount</b>	<b>PHA Match</b>	<b>School District</b>	<b>Other Grants</b>
				152,783	46,458	43,775	59,400
<b>Section II. Member Costs</b>							
Item	Qty	Allowance stipend	Total Amount	PHA Match	School District	Other Grants	
Fellows Living Allowance (1700 hrs) 1st Year Members*	7	\$ 14,650	102,550	62,550	40,000		
<b>Totals</b>							
<b>Totals</b>			<b>102,550</b>	<b>62,550</b>	<b>40,000</b>		
* Maximum cost and partner match if required							
<b>Subtotal Section II</b>				<b>Total Amount</b>	<b>PHA Match</b>	<b>School District</b>	<b>Other Grants</b>
				117,117	62,550	54,567	
<b>Subtotal Sections I + II:</b>				<b>Total Amount</b>	<b>PHA Match</b>	<b>School District</b>	<b>Other Grants</b>
				269,900	109,008	98,342	\$ 59,400
<b>Section III. Administrative/Indirect Costs</b>							
Purpose	Calculation	Total Amount	PHA Match	School District	Other Grants		
Indirect Fee (CISP)	10% based on Federal statute	26,990	10,901	9,834			
<b>Total Sections I + II+III:</b>				<b>Total Amount</b>	<b>PHA Match</b>	<b>School District</b>	<b>Other Grants</b>
				296,890	119,909	108,176	\$ 59,400
<b>% Match</b>					40.39%	36.44%	20.01%

**RESOLUTION NO. 11811**

**RESOLUTION AUTHORIZING SETTLEMENT OF LITIGATION**

**WHEREAS**, a former employee of PHA ("Plaintiff") brought an employment action against the Philadelphia Housing Authority ("PHA") seeking monetary damages; and

**WHEREAS**, based on an evaluation of the case made by the Office of General Counsel ("OGC"), in cooperation with outside legal counsel and PHA's general liability insurer, the Housing Authority Risk Retention Group, Inc. ("HARRG"), PHA reached a comprehensive settlement agreement with the Plaintiff, pursuant to which PHA and HARRG will pay Plaintiff a total of \$460,000.00 (four hundred sixty thousand dollars), of which PHA will pay an amount not to exceed \$36,540.00 (thirty-six thousand five hundred forty dollars), in exchange for Plaintiff's release of all claims; and

**WHEREAS**, this resolution was discussed with the Board of Commissioners in Executive Session, in accordance with the Sunshine Act, 65 Pa. C.S.A. §§ 701 *et seq.*; and

**WHEREAS**, pursuant to the terms of the settlement agreement, Plaintiff has agreed to maintain the confidentiality of the terms of the agreement; and

**WHEREAS**, PHA's contribution toward the settlement, in an amount not to exceed \$36,540.00 (thirty-six thousand five hundred forty dollars), is approximately the amount remaining on PHA's insurance policy deductible of \$150,000.00 (one hundred fifty thousand dollars); and

**WHEREAS**, pursuant to the terms of the settlement agreement, HARRG will pay directly the amount of \$143,506.00 (one hundred forty-three thousand five hundred six dollars) to Plaintiff's attorney for fees and costs, HARRG will pay to PHA the amount of \$316,494.00.00 (three hundred sixteen thousand four hundred ninety-four dollars), and PHA will then pay to Plaintiff that gross amount less appropriate taxes and deductions, along with an IRS Form W-2; and

**WHEREAS**, the settlement was determined by OGC and represented to the Board in Executive Session to be in the best interests of PHA;

**BE IT RESOLVED**, that the Board of Commissioners hereby authorizes PHA's President & CEO or his authorized designee(s) to make payment in an amount not to exceed \$36,540.00 (thirty-six thousand five hundred forty dollars) to settle the claim on behalf of PHA, as referenced above, following receipt of the approval of such payment from the U.S. Department of Housing and Urban Development, and to take all other action necessary to conclude the settlement of the litigation and dismissal of the case, including executing the settlement agreement.

I hereby certify that this was  
APPROVED BY THE BOARD ON 8/17/10  
Barbara Eden, General Counsel  
ATTORNEY FOR PHA

**RESOLUTION NO. 11812**

**RESOLUTION CONFIRMING THE AUTHORITY OF THE PHILADELPHIA HOUSING AUTHORITY  
TO AMEND THE MOVING TO WORK AGREEMENT FOR THE RENTAL ASSISTANCE  
DEMONSTRATION PROGRAM**

**WHEREAS**, the U.S. Department of Housing and Urban Development ("HUD") administers a Moving to Work ("MTW") Demonstration Program that is designed to provide the opportunity for selected Housing Authorities to explore and demonstrate more efficient ways to provide and administer low income housing; and

**WHEREAS**, the Philadelphia Housing Authority ("PHA") submitted to HUD an MTW Application Plan and Agreement, which was authorized by PHA's Board of Commissioners (the "PHA Board"), pursuant to Resolution No. 10618, adopted on December 21, 2000; and

**WHEREAS**, HUD and PHA executed a MTW Demonstration Agreement (the "MTW Agreement"), and PHA has continuously participated in the MTW Demonstration Program, as detailed in Resolution 11577, adopted by the PHA Board on January 11, 2013; and

**WHEREAS**, as a participant in the Rental Assistance Demonstration Program (the "RAD Program"), PHA is required to amend the MTW Annual Plan and the MTW Agreement for any conversion of units to the RAD Program; and

**WHEREAS**, pursuant to Resolution No.11787, approved on June 18, 2015, the PHA Board authorized the amendment to the MTW Plan and the execution of any requirements related to the financial closing, with respect to the Phase 1 Blumberg Redevelopment Plan, that consists of the construction of 57 new rental units that will be converted under the RAD Program upon completion; and

**WHEREAS**, PHA seeks to further clarify and confirm that PHA Board Resolution No. 11787 authorized the President & CEO of PHA to execute an amendment to the MTW Agreement, in substantially the form attached hereto as Exhibit A, and made a part hereof;

**BE IT RESOLVED** that the Board of Commissioners hereby approves and ratifies the execution of the MTW Amendment, in substantially the form attached hereto as Exhibit A, by the President & CEO of PHA, and hereby further approves and ratifies the execution of any other documents, agreements, certificates or related actions by the President & CEO of PHA that are necessary to effectuate or further said MTW Amendment.

I hereby certify that this was  
APPROVED BY THE BOARD ON 9/17/15  
*Barbara Adams, General Counsel*  
ATTORNEY FOR PHA

**FOURTH AMENDMENT  
TO  
AMENDED AND RESTATED MOVING TO WORK AGREEMENT AMENDING  
ATTACHMENT A (CALCULATION OF SUBSIDIES) FOR THE  
RENTAL ASSISTANCE DEMONSTRATION (RAD)  
BETWEEN  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND  
PHILADELPHIA HOUSING AUTHORITY**

This Fourth Amendment to the Moving to Work ("MTW") Agreement ("Agreement") is entered into by and between the United States of America through the U.S. Department of Housing and Urban Development ("HUD") and Philadelphia Housing Authority ("Agency") and is effective on the date of execution by HUD. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Agreement.

As a result of the Agency's participation in the RAD demonstration, Attachment A is amended as follows:

1. The following is added to the **Definitions** section:  
**RAD Proration Factor:** Where noted in Section 1 of this Attachment A, the Agency's annual subsidy amount will be reduced by application of a RAD proration factor. The proration factor is calculated by dividing the cumulative number of public housing units that have been converted under the RAD Notice by June 30<sup>th</sup> of each year, by the total number of public housing units under Annual Contributions Contract (ACC) as of June 30, 2015, as established in the HUD PIH Information Center (PIC). The RAD proration factor will be calculated each year as part of the annual operating subsidy process.
2. The "**Utility Subsidy**" paragraphs of Section 1.A. are replaced as follows:
  - **Utility subsidy.** The PHA's utility consumption is frozen based on the three-year rolling-base in effect in the base year (base year frozen consumption). The base year frozen consumption will be reduced by the RAD proration factor each year, and the resulting amounts shall be known as the frozen consumption. Each year thereafter, the Agency multiplies the frozen consumption by utility rates that are in effect at the time of budget submission. The Agency is held harmless for any changes in utility prices (resulting in year-end adjustments for actual utility rates) but takes the risk/reward for any change in consumption. Any reduction in utility rates that result from administrative actions taken by the Agency will be shared equally with HUD in accordance with regulations in effect upon execution of this amendment.
3. The "**Add-ons**" paragraph of Section 1.A. is replaced as follows:
  - **Add-ons.** Transition funding for demolished units, long term vacant unit funding for deprogrammed units shall not be fixed in the base year but will be treated as add-ons each subsequent year. Transition funding add-on shall not be allowed for a reduction in units converting to RAD. Add-ons fixed in the base year shall be reduced by the RAD proration factor each year. Additionally, if the PHA fixes a Family Self Sufficiency (FSS) add-on in the base year, the Agency must continue to maintain an equivalent level of effort throughout the demonstration for FSS-type activities.
4. Section 1.B., titled "**Unit Months Available (UMAs)**" is replaced as follows:  
UMAs cannot exceed those UMAs established on the Performance Funding System (PFS) worksheet for the initial year of the demonstration. UMAs will be reduced by the number of units converted under the RAD Notice. The Agency may draw down additional UMAs up to the number of units under ACC as of August 21, 1996, provided that the Agency did not receive Section 8 replacement housing for these units, or that these units have not converted to RAD; and, provided that the Agency remains accountable for serving substantially this number of households.
5. Section 1.D. is replaced as follows:

For any units demolished during the term of this agreement, except for those units demolished in connection with a RAD conversion, the Agency will have the following options:

- Retain the UMAs by serving the same number of eligible families and not receive transitional funding or Section 8 replacement housing;
- Apply for Section 8 replacement housing. Once received, the Agency will no longer be eligible for transitional funding and will reduce its UMAs; or
- Receive transitional funding, but not Section 8 funding. The UMAs will then be reduced as the transitional funding becomes effective.

**6. Section 1.G. is added as follows:**

In the event that all of the Agency's public housing units are converted under RAD or otherwise removed from inventory (e.g. removed via Section 18), operating subsidy will cease to be provided under this Attachment beginning with the first Calendar Year (CY) after RAD conversion of the final public housing unit.

**7. Section 4.b of Attachment A is amended by replacing the language under the heading "Second and Subsequent Years of MTW Participation" with the following:**

a. Multiply the total MTW renewal funding eligibility established in the previous year (excluding reserves) by the annual inflation factor established for the calculation of renewal of Section 8 contracts, and subject to the applicable proration factor percentage, to arrive at the current year's inflation-adjusted Section 8 MTW funding. In each subsequent year, the renewal inflation factors will be applied to the prior year's per unit funding eligibility prior to proration, adjusted by the applicable pro-ration factor for that subsequent year. In addition, any vouchers received as part of a RAD conversion shall be added to the Section 8 ACC via funding of \$1 for the remainder of the CY in which they are awarded. HUD will issue a new increment of voucher funding in the first full Calendar Year following a RAD conversion. These amounts will be renewed in subsequent years based on the per unit funding of the increment award, adjusted via the renewal inflation factor and the applicable proration factor percentage.

b. Administrative fees for RAD vouchers will be earned per each year's posted administrative fee rates and RAD vouchers under lease each month. Fees for RAD vouchers will be prorated at the same level that applies to all non-MTW agencies.

**8. The following language is added to the end of Section 4:**

**RAD Conversion to PBV—Voucher utilization**

MTW funds used to establish initial RAD PBV rents pursuant to Notice PIH-2012-32 (HA), REV-1 shall be considered obligated voucher funding for the purposes of counting towards the agency's voucher utilization percentage.

IN WITNESS WHEREOF, the parties have caused this Amendment to Attachment A to be executed by their duly authorized representatives.

PHILADELPHIA HOUSING AUTHORITY

By: \_\_\_\_\_

Name: Kelvin Jeremiah, President and CEO

Date: \_\_\_\_\_

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By: \_\_\_\_\_

Name: Nani Coloretti, Deputy Secretary

Date: \_\_\_\_\_

# **APPENDIX 3**

# SEPTEMBER, 2015 SIGN-UP SHEET FOR THE GENERAL PUBLIC COMMENT PERIOD AT THE END OF THE BOARD MEETING (3 minutes per person)



Please **PRINT** your name and generally identify your topic:

1. Name: Julia Harris

Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): complaint tenant ✓

*Monitor Hours*

2. Name: ~~Belvin~~ ~~Renee~~ Johnson

Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): \_\_\_\_\_

3. Name: Julia D Williams

Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): displacement of residents

4. Name: Ward

Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): ward ✓

*mkk*

5. Name: Curtis Wood

Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): RAD / opening comm ✓

6. Name: L. Hamble

Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): Blumberg + Board ✓

*contract*

# SEPTEMBER, 2015 SIGN-UP SHEET FOR THE GENERAL PUBLIC COMMENT PERIOD AT THE END OF THE BOARD MEETING (3 minutes per person)



Please **PRINT** your name and generally identify your topic:

1. Name: Craig Brinkley ✓  
Maintenance Issue? Yes \_\_\_ No  Other (topic): RAD
  
2. Name: ~~Matthew F. Baker~~  
Maintenance Issue? Yes \_\_\_ No  Other (topic): ~~RAD~~
  
3. Name: Kera Miller ✓  
Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): RAD
  
4. Name: Patricia Thomas  
Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): RAD ✓
  
5. Name: Yvonne Dams ✓  
Maintenance Issue? Yes \_\_\_ No  Other (topic): RAD
  
6. Name: Michael A. Littlejohn ✓  
Maintenance Issue? Yes \_\_\_ No \_\_\_ Other (topic): UNCOMMON

SEPTEMBER 2015 SIGN-UP SHEET FOR SPECIFIC RESOLUTIONS – cont'd

- Reso. #1: Adoption of the Annual Report of the Audit Committee
- Reso. #2: Credit & Background check services
- Reso. #3: Tree Removal Services
- Reso. #4: Electricity & Natural Gas purchase
- Reso. #5: Property Management Services
- Reso. #6: Workers' Compensation and Employer's Liability Insurance
- Reso. #7: MOU for Pre-Apprenticeship Program for Blumberg residents
- Reso. #8: Settlement of litigation
- Reso. #9: Amendment of the MTW agreement for RAD

Please PRINT your name & check the number of the resolution on which you wish to speak:

Name: Jackie Medow Reso. #1 2 3 4 5 6 7 8 9

Name: L. Terrible Reso. #1 2 3 4  5 6 7 8 9

Name: L. Terrible Reso. #1 2 3 4 5 6  7 8 9

Name: ~~Jackie Medow~~ Reso. #1 2 3 4 5 6 7 8 9

Name: (Mrs Brinkley) Reso. #1 2 3 4 5 6 7 8 9

Name: J Mc Dowell Reso. #1 2  3 4 5 6 7 8 9

Name: Reso. #1 2 3 4 5 6 7 8 9

Name: Reso. #1 2 3 4 5 6 7 8 9