

December 20, 2011

The Board Meeting of the Philadelphia Housing Authority Board of Commissioner for October was held on Tuesday, December 20, 2011, 4:00 pm, at Gladys B. Jacobs, 1100 Fairmount Avenue Philadelphia, Pennsylvania.

Present: Karen Newton Cole, Board of Commissioner  
Michael P. Kelly, Administrative Receiver  
Barbara Adams, General Counsel

The Board of Commissioner, Karen Newton Cole called the meeting to order. With that she asked for remarks from the Administrative Receiver/Executive Director, Mr. Michael P. Kelly. Mr. Kelly presented a brief update/overview on the Recovery Plan. Whereas Mr. Kelly stated there were four (4) resolutions for approval.

The next order of business was the approval of the minutes. Commissioner Karen Newton Cole moved for the adoption of the October 27, 2011 minutes, and Mr. Kelly presided over the remaining agenda.

Commissioner Karen Newton Cole moved for the adoption of the following minutes.

**RESOLUTION NO. 11488**

**RESOLUTION APPROVING MINUTES OF THE BOARD OF COMMISSIONER MEETING HELD ON  
OCTOBER 27, 2011.**

**BE IT RESOLVED**, that the minutes of the Board Meeting of the Philadelphia Housing Authority Meetings held on October 27, 2011, copies of which have already been provided, be the same are hereby ratified, confirmed and approved.

Commissioner Karen Newton Cole thereupon declared the Minutes unanimously adopted.

I hereby certify that this was  
APPROVED BY THE BOARD ON 12/20/11  
Barbara Williams, General Counsel  
ATTORNEY FOR PHA

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 1 - *TABLED***

**RESOLUTION APPROVING AMENDMENTS AND REVISIONS TO THE PHILADELPHIA HOUSING AUTHORITY'S PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY POLICIES ("ACOP") AND TO THE PUBLIC HOUSING LEASE TO INCORPORATE HUD REGULATORY REQUIREMENTS, ALLOWABLE PHA DISCRETIONARY POLICIES AND APPROVED MOVING TO WORK INITIATIVES; AND FURTHER AUTHORIZING THE ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR, OR HIS DESIGNEE, TO IMPLEMENT THE AMENDED AND REVISED POLICIES DESCRIBED IN THE ACOP AND PROVISIONS DESCRIBED IN THE LEASE**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") is required to establish and implement Admissions and Continued Occupancy Policies ("ACOP) applicable to the Public Housing program; and

**WHEREAS**, PHA is required to establish and implement a Public Housing Lease; and,

**WHEREAS**, PHA is required to periodically update and revise the ACOP and Lease to reflect applicable HUD requirements and regulations and allowable PHA discretionary policies; and,

**WHEREAS**, the PHA is required to update the attachments to the Lease to reflect current information and policies; and,

**WHEREAS**, PHA is required to periodically update and revise the ACOP and Lease to reflect approved policies pursuant to the Moving To Work ("MTW") program; and,

**WHEREAS**, PHA has provided opportunities for public review and comment on the ACOP and Lease including an annual public comment period and public hearings and has addressed comments;

**NOW THEREFORE, BE IT RESOLVED**, that the PHA Board of Commissioners hereby approves the amended and revised Public Housing Admissions and Continued Occupancy Policies and the amended and revised Public Housing Lease;

**BE IT FURTHER RESOLVED**, that the PHA Board of Commissioners hereby authorizes the Administrative Receiver/Executive Director or his designee to take all actions necessary to implement the amended and revised Public Housing Admissions and Continued Occupancy Policies and the amended and revised Public Housing Lease.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

Commissioner Karen Newton Cole moved for the adoption of the following resolution.

**RESOLUTION NO. 11489**

**RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY (“PHA”) TO ENTER INTO AN AGREEMENT WITH THE NEW YORK CITY HOUSING AUTHORITY (NYCHA) FOR SETTLEMENT OF ANY AND ALL CLAIMS ARISING UNDER PHA’S AGREEMENT WITH NYCHA RELATING TO MICHAEL P. KELLY AND HIS PROVISION OF SERVICES AS THE THEN INTERIM EXECUTIVE DIRECTOR OF THE PHA**

**WHEREAS**, the Board of Commissioners (“Board”) of the Philadelphia Housing Authority (“Authority”) is the governing body of the Authority and is charged with the oversight of the Authority; and

**WHEREAS**, Resolution No. 11418 was adopted on November 18, 2010 by the Board (the “Adopted Resolution”) authorizing the activities set forth in the Adopted resolution and restated herein by reference; and

**WHEREAS**, the Adopted Resolution authorized the Board to enter into an Agreement (the “Agreement”) with the New York City Housing Authority for the provision of services as Interim Executive Director by Michael P. Kelly (“Kelly”), the then General Manager of NYCHA; and

**WHEREAS**, Under Paragraph 13 of the Agreement, PHA agreed, in part, that it would not offer Kelly the Executive Director position or an equivalent position; and in the event of breach of Paragraph 13, PHA agreed that NYCHA would be entitled to liquidated damages in the amount of \$300,000.00; and

**WHEREAS**, On August 4, 2011, the Board, pursuant to Resolution No. 11475, selected Kelly to fill the position of Executive Director on a permanent basis; and

**WHEREAS**, the Philadelphia Housing Authority desires to resolve any and all claims by NYCHA arising under the Agreement; and

**WHEREAS**, NYCHA has agreed to settle any and all claims it may have under the Agreement, for the sum of One Hundred and Fifty Thousand Dollars (\$150,000.00), which is inclusive of the cost of hiring an executive search firm to fill the position formerly held by Kelly at NYCHA; and

**NOW THEREFORE, BE IT RESOLVED**, by and for the Philadelphia Housing Authority, that the Contracting Officer is hereby authorized to (1) execute the Agreement dated November 10, 2011 by and between the Philadelphia Housing Authority and the New York City Housing Authority; and (2) take all actions in accordance with the resolution set forth herein to effectuate the payment by the Philadelphia Housing Authority to the New York City Housing Authority.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

**RESOLUTION NO. 11490**

**RESOLUTION AUTHORIZING THE ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR, OR HIS AUTHORIZED DESIGNEE TO CONCLUDE AND TO EXECUTE CONTRACT MODIFICATIONS WITH TAG ASSOCIATES FOR CONTRACT NO's 004063, 004062, 004061**

**WHEREAS**, The Philadelphia Housing Authority (PHA) identified a need for consulting services to assess the accounting, financial and technical support status of PHA's Affiliate Entities; Development and Construction Department and Financial and Budget Status

**WHEREAS**, the Board of Commissioner authorized PHA's Interim Executive Director and/or his designee to enter into contracts with Tag Associates via resolution nos. 11437, 114438, 11439;

**WHEREAS**, TAG Associates performed work consistent with contracts No. 004063, 004062, 004061;

**WHEREAS**, the work billed or expected to be billed will exceed the initial contracted amounts;

**WHEREAS**, it is recommended that the following contracts be modified Contract No. 004062 in the amount of **ONE HUNDRED SIXTY-THOUSAND DOLLARS (\$160,000.00)** (2) Contract No. 0004063 in the amount of **FIFTY THOUSAND DOLLARS (\$50,000.00)** (3) Contract No. 004061 in the amount of **FIFTY THOUSAND DOLLARS (\$50,000.00)**;

**WHEREAS**, the Board of Commissioner approved a modification to Contract No. 0004063 in the amount of **FIFTY THOUSAND DOLLARS (\$50,000.00)** and to Contract No. 004061 in the amount of **FIFTY THOUSAND DOLLARS (\$50,000.00)** and disapproved a modification to Contract No. 004062 in the amount of **ONE HUNDRED SIXTY-THOUSAND DOLLARS (\$160,000.00)**;

**NOW, THEREFORE BE IT RESOLVED**, by and for The Philadelphia Housing Authority, that (1) the Administrative Receiver/Executive Director, the Contracting Officer and all other appropriate personnel of PHA are authorized to take all actions necessary to implement this resolution in accordance with the terms and the "WHEREAS" clauses above (2) these modifications are subject to the availability of funds before a contracts shall exist; (3) no modification shall exist until signed by the Administrative Receiver, or his designee; and (4) if PHA and TAG Associates have not mutually agreed on the terms of the modifications within 45 days following the next regularly scheduled Board meeting, then this resolution shall be void and the Authority of the Administrative Receiver/Executive Director hereunder with respect shall cease but all other authority pursuant to this resolution shall continue.

**BE IT FURTHER RESOLVED**, that except as amended by this Resolution, PHA Resolution Nos. 11437, 114438, and 11439 shall remain in full force and effect.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

**RESOLUTION NO. 11491**

**RESOLUTION RATIFYING THE ENGAGEMENT LETTER WITH DRINKER BIDDLE & REATH AND THE ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR, OR HIS AUTHORIZED DESIGNEE, FOR THE PROVISION OF LEGAL SERVICES IN THE GREENE V. PHA, ET AL., NO. 11-MC-60 (E.D. PA); PHILADELPHIA HOUSING AUTHORITY v. CARL R. GREENE, NO. 11-2554 (E.D. PA) AND ALL RELATED MATTERS AND AUTHORIZING EXECUTION BY THE ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR OF ANY FURTHER CONTRACT HE MAY DETERMINE TO BE NECESSARY OR USEFUL TO SET FORTH THE TERMS OF THE ENGAGEMENT LETTER**

**WHEREAS**, On April 4, 2011 Carl R. Greene filed a Motion for a Temporary Restraining Order (the "TRO Motion") and a Preliminary Injunction in the United States District Court for the Eastern District of Pennsylvania, captioned *Greene v PHA et al.*, No. 11-MC-60, to enjoin PHA, Administrative Receiver/Executive Director Michael P. Kelly, and former PHA Board, Estelle Richman from producing invoices for legal services to HUD and its Office of Inspector General; and

**WHEREAS**, the initial hearing was held on the next evening April 5, 2011; and

**WHEREAS**, PHA and its Board deemed the procurement of legal services for the defense of *Greene v PHA et al.*, No. 11-MC-60 as necessary and meeting the standards of an emergency and/or a public exigency which would not permit the delay that would result from a competitive bid process as per 24 CFR §85.36(d)(4); and

**WHEREAS**, the Acting General Counsel informed HUD Regional Counsel of the need for outside counsel to represent PHA and the other defendants in the matter, since as of January 31, 2011 HUD Regional Counsel suspended concurrence to PHA's General Legal Services Contract pursuant to which PHA could access litigation legal services from outside counsel; and

**WHEREAS**, by email dated April 5, 2011 at 8:36 am, HUD Deputy Regional Counsel granted permission to PHA to utilize Drinker Biddle & Reath to provide legal services to PHA with respect to the TRO Motion; and

**WHEREAS**, PHA and its Board agreed that Drinker Biddle & Reath should be engaged to provide legal services to PHA and related officials with respect to the TRO Motion and related matters arising therefrom; and

**WHEREAS**, PHA accepted the terms of an Engagement Letter from Drinker Biddle & Reath on June 8, 2011 which details the provisions for which Drinker Biddle & Reath would provide legal services on behalf of PHA and its Board in the *Greene v. Philadelphia Housing Authority, et al.*, No. 11-MC-60 (E.D. PA) proceedings; *The Philadelphia Housing Authority v. Carl R. Greene*, No. 11-2554 (E.D. PA) and all related matters; and

**WHEREAS**, PHA estimates that the costs for the provision of legal services for the aforementioned lawsuits and related matters will not exceed Five Hundred Thousand Dollars; and

**WHEREAS**, this Board has determined to ratify the contract created by the acceptance of the Engagement Letter and in the event any further contract may be determined by the Administrative Receiver/Executive Director to be necessary or useful, to authorize him, or his authorized designee, to execute such contract, and with respect to any such contract and the Engagement Letter, to take all actions with respect thereto to consummate the transactions contemplated thereby;

**NOW THEREFORE, BE IT RESOLVED**, by and for The Philadelphia Housing Authority, this Board does hereby ratify the existing Engagement Letter with Drinker Biddle & Reath for the provision of legal services as described in the “WHEREAS” clauses above; and

**BE IT FURTHER RESOLVED**, that (1) the Administrative Receiver/Executive Director is authorized to determine whether and when any further contract may be necessary or useful to execute to set forth the terms of the Engagement Letter and this Resolution and if he makes such a determination, then the PHA Administrative Receiver/ Executive Director, or his authorized designee, is hereby authorized to conclude and execute a contract with Drinker Biddle & Reath for legal services as described in the “WHEREAS” clauses above; (2) the Administrative Receiver/Executive Director and all other appropriate personnel of PHA are authorized to take all actions necessary to conclude any such contract and consummate the transactions contemplated thereby and by the Engagement Letter.

The resolutions were adopted. With that Commissioner Karen Newton Cole, opened the meeting for public comments. Comments were given by Ms. Louis Hannible, Mr. Vernard Johnson, Mr. Muhammed, Mr. Ganiya Adekunle, Mr. Jimmy Williams, Mr. Albert Torres, Ms. Asia Coney. With no other public comments being heard Commissioner Karen Newton Cole adjourned the meeting (Copies of the actual transcript will be provided upon written request).