June 27, 2012

A Board Meeting of the Philadelphia Housing was held on June 15, 2012, 10:00 am, at the Philadelphia Housing Authority 12 S. 23rd Street, Philadelphia, Pennsylvania.

Present: Karen Newton Cole, Board of Commissioner
Michael P. Kelly, Administrative Receiver
Laurence M. Redican, Deputy General Counsel

The Board of Commissioner called the meeting to order, and asked the Administrative Receiver/Executive Receiver, Mr. Michael P. Kelly for remarks. Mr. Kelly announced that he had submitted his letter of resignation to Commissioner Karen Newton Cole two weeks ago and that today, June 15, 2012, would be his last day as Administrative Receiver/Executive Director of the Philadelphia Housing Authority. Commissioner Newton Cole announced that she was accepting Mr. Kelly's resignation and that she was appointing Mr. Kelvin Jeremiah as interim Executive Director effective on June 16, 2012. Commissioner Newton Cole also announced that Ms. Janea Jordon would assume Mr. Jeremiah's position and serve as acting Director of Audit and Compliance. Commissioner Newton Cole then announced that she was stepping down as PHA Commissioner and that Ms. Estelle Richman would return and replace her as Commissioner of the Philadelphia Housing Authority. Commissioner Newton Cole turned the meeting back over to Mr. Kelly. Mr. Kelly then announced that PHA would soon be kicking off a new Quality of Life and Safety Task Force. He also announced a Father's Day event at Wilson Park and that PHA had conducted a very successful Homeownership Fair that 250 people had attended.

The next order of business was the approval of the minutes. Commissioner Karen Newton Cole moved for the adoption of the April 26, 2012 minutes. With that Mr. Kelly presided over the remaining agenda.

I hereby certify that this was
APPROVED BY THE BOARD ON June 27 2012
Barbara Adams, General Counsel
ATTORNEY FOR PHA

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

RESOLUTION NO. 11531

RESOLUTION APPROVING MINUTES OF THE BOARD OF COMMISSIONER MEETING HELD ON APRIL 26, 2012

BE IT RESOLVED, that the minutes of the Board Meeting of the Philadelphia Housing Authority Meetings held on April 26, 2012, 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.

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

RESOLUTION NO. 11532

RESOLUTION IDENTIFYING MATTERS THAT REQUIRE APPROVAL BY THE BOARD OF COMMISSIONER(S) PRIOR TO IMPLEMENTATION

WHEREAS, the role of the Board of Commissioner(s) of a well-governed organization is to formulate key corporate policies and strategic goals, to authorize major transactions, to supervise management and to ensure that the corporation is making good use of its assets; and

WHEREAS, PHA seeks to adopt a resolution approving a Board Approval Policy in the form attached (the "Policy"), which provides for additional Board oversight of the key PHA policies and strategic goals and to promote the good use of PHA's assets; and

WHEREAS, the Board of Commissioner(s) is adopting the Policy to ensure that the Board has an opportunity to consider and vote upon all key corporate policies and strategic decisions that pertain to planning, financing, construction, budgeting, operation and administration of PHA, its developments and its affiliates and the commitment of PHA funds;

NOW THEREFORE BE IT RESOLVED, that the Board of Commissioner of PHA hereby approves the Policy.

BE IT FURTHER RESOLVED, that the Board of Commissioner Approval Policy shall become effective immediately.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

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

RESOLUTION NO. 11533

RESOLUTION RATIFYING AND REPEALING CERTAIN ACTIONS TAKEN BY THE ADMINISTRATIVE BOARD

WHEREAS, the Philadelphia Housing Authority ("PHA") has undertaken the review of the fifty-three (53) decisions adopted by the PHA Administrative Board, which was created to implement certain PHA Board approved policy, but which no longer exists; and

WHEREAS, upon review, it has been determined that certain decisions of the Administrative Board that are currently in effect should have been presented to the PHA Board of Commissioners for approval; and

WHEREAS, other decisions of the Administrative Board are no longer needed or are being superseded by the new Employee Handbook;

NOW THEREFORE, BE IT RESOLVED, that the PHA Board of Commissioner hereby ratifies the following Administrative Board actions to be effective as of the dates set forth below:

- March 29, 2007 - amendment of Section 5.4 of the PHA Executive Health Protection Plan
- December 20, 2007 - approval and ratification of the Voluntary Short Term Disability Program, the Voluntary Supplemental Life Insurance Program and the 457 Plan
- January 30, 2008 - suspension of the implementation and adoption of PHA's Wellness Program under the Exec-U-Care Health Insurance Program
- December 23, 2008 - approval of a resolution authorizing PHA to make discretionary contributions to the DB and DC Plans
- December 17, 2008 - revision and restatement of the 457 Deferred Compensation Plan
- March 20, 2009 - approval of Amendment No. 3 to the Executive Health Protection Plan
- January 26, 2010 - amendment and restatement of the Retirement Income Plan to maintain tax qualified status
- January 26, 2010 - amendment and restatement of the Defined Contribution Plan to maintain tax qualified status
- January 26, 2010 - approval of a resolution authorizing certain PHA Executive Management Employees to participate in both the Retirement Income Plan and the Defined Contribution Plan
- January 26, 2010 - approval of a resolution permitting all eligible Retirement Income participants to purchase additional service credit under the Retirement Income Plan

NOW THEREFORE, BE IT RESOLVED, that the PHA Board of Commissioner hereby repeals the following Administrative Board actions effective immediately:

- March 4, 2008 - approval of Compensatory Time Policy affecting exempt employees in the N11-N24 pay ranges
- July 29, 2009 – repeal of Dependent Care Program

NOW THEREFORE, BE IT RESOLVED, that the PHA Board of Commissioner hereby repeals the following Administrative Board actions effective September 18, 2008:

- September 18, 2008 - creation and adoption of the Post Employment Health Protection Plan
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- September 18, 2008 - approval of a policy that requires employees who are on an approved leave, but also in no-pay status, to reimburse PHA for the healthcare premiums paid by the Authority

BE IT FURTHER RESOLVED, that the PHA Board of Commissioner hereby authorizes the Administrative Receiver/Executive Director or his duly-authorized designee to take all actions necessary to implement the policies at issue.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

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

RESOLUTION NO. 11534

RESOLUTION ADOPTING AND APPROVING THE NEW EMPLOYEE HANDBOOK

WHEREAS, The Philadelphia Housing Authority (PHA) Human Resources Department has drafted a new Employee Handbook; and

WHEREAS, the Employee Handbook sets forth the policies, practices, and operational procedures of the employees of PHA;

WHEREAS, the adoption of policy for PHA requires Board approval; and

WHEREAS, operational procedures consistent with such policy can be adopted by the management staff of PHA.

NOW THEREFORE, BE IT RESOLVED, that the PHA Board of Commissioner hereby approves and adopts the Employee Handbook dated as of May 31, 2012 as the policy of PHA and hereby authorizes the Administrative Receiver/Executive Director or his designee to promulgate any operational procedures or supporting processes needed to implement the Employee Handbook, as well as adopt or approve any future operational changes to practices, procedures, or processes developed by the Human Resources Department that do not result in a material change to the policy set forth in the Employee Handbook;

BE IT FURTHER RESOLVED, that this Resolution shall be effective on July 16, 2012 and supersedes any prior resolution on this matter.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

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

RESOLUTION NO. 115435

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY IN CONNECTION WITH THE QUEEN LANE APARTMENTS DEVELOPMENT TO (1) CREATE A PENNSYLVANIA NONPROFIT CORPORATE AFFILIATE HOUSING DEVELOPMENT CORPORATION, TO SERVE AS THE GENERAL PARTNER OF A TO-BE-FORMED LIMITED PARTNERSHIP; (2) CREATE A PENNSYLVANIA LIMITED PARTNERSHIP, WHICH WILL OWN AND OPERATE THE LIMITED PARTNERSHIP SITE OF THE QUEEN LANE APARTMENTS DEVELOPMENT; (3) NEGOTIATE AND EXECUTE A LONG TERM GROUND LEASE SUBJECT TO U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") DISPOSITION APPROVAL; (4) NEGOTIATE, CONCLUDE, EXECUTE AND IMPLEMENT EVIDENTIARIES AND ANCILLARY DOCUMENTS; (5) SUBMIT EVIDENTIARIES TO HUD; (6) SECURE, EXECUTE AND ADMINISTER ANY APPLICABLE GRANT AGREEMENTS OR CONTRACTS WITH HUD, THE COMMONWEALTH OF PENNSYLVANIA AND/OR OTHER FEDERAL, STATE AND LOCAL FUNDING AGENCIES FOR RECEIPT OF FUNDS TO BE USED FOR THE QUEEN LANE APARTMENTS DEVELOPMENT; (7) PERFORM ALL ACTIVITIES NECESSARY OR DESIRABLE TO OBTAIN APPROVAL FROM HUD AND OTHER ENTITIES IN CONNECTION WITH SUCH ACTIVITIES; AND (8) TAKE ALL ACTIONS NECESSARY TO CONSUMMATE AND CONCLUDE THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION

WHEREAS, a portion of the current Queen Lane Apartments Development, consisting of a 16-story high-rise containing 120 residential rental units is proposed to be demolished to develop 55 newly constructed public housing, low-income housing tax credit rental units and a management office on the site of the high-rise and an adjacent parcel of land acquired by the Philadelphia Housing Authority ("PHA") for the development (the "Development"); and

WHEREAS, in furtherance of the Development, on December 20, 2011, PHA submitted an application to the Pennsylvania Housing Finance Agency ("PHFA") for an allocation of 4% Low Income Housing Tax Credits ("Tax Credits"), which Tax Credits are expected to generate tax credit equity from the sale of limited partnership interests benefitted by such Tax Credits to a third party equity investor to provide a portion of the financing for and otherwise support the implementation of the Development; and

WHEREAS, in order to take advantage of the Tax Credits, PHA will create a Pennsylvania nonprofit Housing Development Corporation ("HDC") which will be an affiliate of PHA, to serve as the general partner (the "General Partner") of a to-be-formed Pennsylvania limited partnership which will own the Development; and

WHEREAS, PHA will form a limited partnership (the "Affiliated Partnership") in order to take advantage of the equity available through the sale of the limited partnership interests benefitted by Tax Credits to an equity investor; and

WHEREAS, subject to United States Department of Housing and Urban Development ("HUD") approval, PHA will enter into a long term ground lease (the "Ground Lease") with the Affiliated Partnership in connection with the PHA parcel(s) on which the Development will be built and operated; and

WHEREAS, the Development will be owned and operated by the Affiliated Partnership, comprised of the HDC, and a separate limited partner equity investor, Wells Fargo Bank or an affiliate thereof (the "Equity Investor"); and

WHEREAS, the total costs of the Development are currently anticipated to be approximately $32,539,143, which is expected to be funded from a combination of proceeds from the sale of the limited partnership interests benefitted by Tax Credits, bond proceeds, and a loan from PHA to the Affiliated Partnership; and

WHEREAS, PHA will lend the Affiliated Partnership an amount sufficient to fund the development and construction of the Development, which amount may include a bridge loan (collectively the "PHA Loan"); and

WHEREAS, the Affiliated Partnership will enter into a development services agreement with the Philadelphia Housing Authority Development Corporation ("PHADC") to develop the Development; and

WHEREAS, pursuant to 24 CFR Part 941, PHA must submit a rental term sheet ("Rental Term Sheet") with respect to the Development, and certain evidentiary documents as well as certain documents ancillary thereto (the "Evidentiaries") to HUD for approval.

NOW THEREFORE BE IT RESOLVED, that the Philadelphia Housing Authority Board of Commissioner hereby authorizes the Administrative Receiver/Executive Director, or his duly-authorized designee to create an HDC affiliate of PHA to serve as the General Partner of the Affiliated Partnership; and

BE IT FURTHER RESOLVED, that the Administrative Receiver/Executive Director is authorized to create the Affiliated Partnership, which will develop, own and operate the Development; and

BE IT FURTHER RESOLVED, that subject to HUD approval of a disposition application, the Administrative Receiver/Executive Director is authorized to negotiate and execute the Ground Lease between PHA and the Affiliated Partnership; and

BE IT FURTHER RESOLVED, that the Administrative Receiver/Executive Director is hereby authorized to submit to HUD a Rental Term Sheet and, as applicable, negotiate, conclude, execute and implement the Evidentiaries, and such other documents ancillary thereto or necessary for purposes of developing, funding, constructing and operating each phase of the Development, and to take all steps necessary to secure HUD's approval of these Evidentiaries and secure the necessary funding for the Development; and

BE IT FURTHER RESOLVED, that the Administrative Receiver/Executive Director is hereby authorized to take all steps necessary to secure HUD, PHFA and other entity approvals of the documents referenced herein, including all financing documents, for the Development; and

BE IT FURTHER RESOLVED, that the Administrative Receiver/Executive Director is authorized to apply for and execute any applicable contracts with appropriate funding agencies for funding of the Development and to administer said contracts in accordance with their terms in connection with the applicable funding programs; and

BE IT FURTHER RESOLVED, that the Administrative Receiver/Executive Director, on behalf of PHA, is authorized to negotiate, execute and deliver loan documents evidencing the PHA Loan;

BE IT FURTHER RESOLVED, that the Administrative Receiver/Executive Director, on behalf of PHA, is authorized to take all actions necessary to consummate and conclude the Development;

BE IT FURTHER RESOLVED, all actions taken heretofore by the PHA, through its authorized designee, with respect to the matters set forth in these resolutions are hereby approved and ratified.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

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

RESOLUTION NO. 11536

RESOLUTION AUTHORIZING THE PHA ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR OR HIS AUTHORIZED DESIGNEE TO CONCLUDE AND TO EXECUTE A CONTRACT FOR THE PROVISION OF BOILER REPAIR AND PREVENTIVE MAINTENANCE SERVICES WITH LOR-MAR MECHANICAL SERVICES, INC. (SOLICITATION NO. P-004146)

WHEREAS, The Philadelphia Housing Authority (PHA) has identified a need for boiler repair and preventive maintenance services; and

WHEREAS, Solicitation No. P-004146 was developed according to established procedures and all applicable laws regarding public contracts and was advertised in the Philadelphia Inquirer and several community newspapers; and

WHEREAS, the Request for Proposals pursuant to Solicitation No. P-04146 was mailed to the appropriate companies on PHA Bidders' List, and distributed to those who responded to the invitation through the publications; and

WHEREAS, the following four (4) offerors responded to the solicitation by submitting a proposal as follows:

Lor-Mar Mechanical Services, Inc.
Costa Rihl, Inc.
General Asphalt Paving
Damson, Inc.

WHEREAS, the proposals were reviewed and evaluated by the evaluation committee appointed for such purpose (the "Evaluation Committee") and the supporting documents were reviewed by the Contracting Officer; and

WHEREAS, based upon evaluation, it was recommended that a contract be awarded to Lor-Mar Mechanical Services, Inc.; and

WHEREAS, it is further recommended that the contract, if awarded, shall be for a two (2) year base period with three (3) one-year option periods to Lor-Mar Mechanical Services, Inc. in an amount not to exceed **ONE MILLION TWO HUNDRED SIXTY THOUSAND SEVEN HUNDRED NINETY-SIX DOLLARS ($1,260,796.00)** for the two (2) year base period; **SIX HUNDRED SEVENTY FIVE THOUSAND NINE HUNDRED TEN DOLLARS ($675,910.00)** for Option Period One; **SEVEN HUNDRED SIX THOUSAND ONE HUNDRED NINETY-ONE DOLLARS ($706,191.00)** for Option Period Two; **SEVEN HUNDRED THIRTY-SIX THOUSAND TWO HUNDRED SIXTY SIX DOLLARS ($736,266.00)** for Option Period Three; and

WHEREAS, it is further recommended that the contract, if awarded, shall also include an additional allowance for boiler repairs that may be exercised by the Administrative Receiver/Executive Director or his duly authorized designee in an amount not to exceed **THREE HUNDRED THOUSAND DOLLARS ($300,000.00)** for the two (2) year base period and **ONE HUNDRED FIFTY THOUSAND ($150,000.00)** for each Option Period, for a total contract amount not to exceed **FOUR MILLION ONE HUNDRED TWENTY-NINE THOUSAND ONE HUNDRED SIXTY-THREE DOLLARS ($4,129,163.00);** and

BE IT RESOLVED, by and for The Philadelphia Housing Authority, that, based on the recommendation of the Evaluation Committee, the Administrative Receiver/Executive Director, or his designee, is hereby authorized to negotiate, conclude and to execute a contract with Lor-Mar Mechanical Services, Inc.; and

BE IT FURTHER RESOLVED, that (1) the Administrative Receiver/Executive Director and all other appropriate personnel of PHA are authorized to take all actions necessary to implement this resolution in accordance with its terms and the "Whereas" clauses above; (2) the contract is subject to the availability of funds therefore; (3) no contract shall exist until signed by the Administrative Receiver/Executive Director, or his designee and; (4) if PHA and the offeror have not mutually agreed on the terms of a contract within ninety days (90) following the next regularly scheduled Board meeting, then this resolution shall be void and the authority of the Administrative Receiver/Executive Director shall cease.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.

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

RESOLUTION NO. 11537

RESOLUTION RATIFYING THE PHILADELPHIA HOUSING AUTHORITY AT THE INVITATION OF URBAN ATLANTIC TO SUBMIT AN APPLICATION TO THE CLINTON GLOBAL INITIATIVE TO MAKE A COMMITMENT TO ACTION FOR A PILOT PROGRAM TO REHABILITATE, RETROFIT, AND REOCCUPY A SIGNIFICANT NUMBER HOMES FOR USE AS AFFORDABLE HOUSING AND AUTHORIZES THE ADMINISTRATIVE RECEIVER/EXECUTIVE DIRECTOR, OR HIS DESIGNEE, TO TAKE ALL ACTIONS NECESSARY TO CONSUMMATE THE TRANSACTIONS CONTEMPLATED BY THE COMMITMENT TO ACTION

WHEREAS, the Philadelphia Housing Authority ("PHA") is committed to providing affordable housing opportunities for eligible low-income persons and households; and

WHEREAS, Urban Atlantic is developing a pilot program to work with local governments and community partners to rehabilitate, retrofit and reoccupy publicly-owned and foreclosed properties; and

WHEREAS, PHA is in the process of right-sizing its scattered cite portfolio of properties and has at least 200 excess properties; and

WHEREAS, PHA has been invited by Urban Atlantic to serve as the lead local government implementation partner for the pilot program, which will rehabilitate, retrofit, and reoccupy approximately 200 homes for use as affordable housing and return publicly-owned property to productive use as affordable housing; and

WHEREAS, the pilot program will also work with labor unions to put PHA residents and other apprentices and unemployed construction workers back to work rehabilitating the affordable housing stock made a part of the pilot; and

WHEREAS, Urban Atlantic and PHA have been invited to submit a request to the Clinton Global Initiative ("CGI") to have this pilot program featured as a 2012 CGI America Commitment to Action; and

WHEREAS, CGI supports the development of commitments by forging partnerships, facilitating cross-sector discussions, providing members with networking opportunities, and recognizing and showcasing members' work.

NOW THERFORE, BE IT RESOLVED, that the Philadelphia Housing Authority's Board of Commissioners hereby ratifies the Administrative Receiver/Executive Director, or his designee's submittal of a Commitment to Action at the invitation of Urban Atlantic to the Clinton Global Initiative and authorizes the Administrative Receiver/Executive Director, or his designee, to take all actions necessary to consummate the transactions contemplated by the Commitment to Action.

BE IT FURTHER RESOLVED, all actions taken heretofore by the PHA, through its authorized designee, with respect to the matters set forth in this resolution are hereby approved and ratified.

Commissioner Karen Newton Cole thereupon declared the Resolution unanimously adopted.