

March 25, 2011

The Board Meeting of the Philadelphia Housing Authority Board of Commissioner for March 2011 was held on Friday, March 25, 2011, 4:00 pm, at the Philadelphia Housing Authority, Multipurpose Room, 12 S. 23<sup>rd</sup> Street, Philadelphia, Pennsylvania.

Present: Estelle Richman, Board of Commissioner  
Michael P. Kelly, Administrative Receiver  
Helen M. Ferris, General Counsel

The Board of Commissioner, Estelle Richman introduced herself and stated this was her first PHA Board meeting then proceeded by giving a brief summary of her background. She opened the meeting for comments. Comments were given by Ms. Martin. With that she asked for remarks from the Administrative Receiver, Mr. Michael P. Kelly who advised the Commissioner that PHA was fulfilling its requirements of the Cooperative Government Agreement, a public plan echoing our Boards commitment to transparency and accountability. Mr. Kelly reminded the audience that at 2 pm, PHA would be celebrating the demolition of Norris Apartments high rise at 2037 N. 11<sup>th</sup> Street and the revitalization of that neighborhood. He informed everyone of PHA's new website and stated there will be a brief presentation about the website as well as PHA's independent auditor, Isdaner & Company. Thereafter he affirmed that all IREM classes for PHA Landlords have been suspended and lastly that PHA is working with HUD to provide unredacted legal invoices from 2005 to present on closed matters. With that he opened the meeting up with PHA's 2010 Independent Audit and, handed the meeting over to Mr. Ristraino, Isdaner & Company. Ms. Richman accepted the audit for the record.

Mr. Kelly acknowledged the audience of the accountability segment and introduced the transparency portion, a brief presentation of PHA's new website, presented by Nichole Tillman, General Manager Communications and Faisal Hassan, General Manager ISM.

With that, Commissioner Richman, presided over the remaining agenda.

Let me certify that this was  
approved by the Board on 4/28/11  
By: Helen Ferris  
ATTORNEY FOR PHA

Commissioner Richman moved for the adoption of the following minutes.

**RESOLUTION NO. 11442**

**RESOLUTION APPROVING MINUTES OF THE SPECIAL BOARD OF COMMISSIONERS MEETING  
HELD ON FEBRUARY 4, 2011**

**BE IT RESOLVED**, that the minutes of the Board Meeting of the Philadelphia Housing Authority Meeting held on February 4, 2011 copies of which have already been provided, be the same are hereby ratified, confirmed and approved.

Commissioner Richman thereupon declared the Minutes unanimously adopted.

Commissioner Richman moved for the adoption of the following Resolution.

**RESOLUTION NO. 11443**

**RESOLUTION AUTHORIZING THE ADMINISTRATIVE RECEIVER, OR HIS DESIGNEE, TO CONCLUDE AND TO EXECUTE A CONTRACT WITH APPLIED REAL ESTATE ANALYSIS, INC, VALUE RESEARCH GROUP, LLC, FORTUNA & DIFLUMERI REALTY APPRAISAL, LTD. HIGGINS & WELCH REAL ESTATE, INC, FOR REAL ESTATE AND RELATED SERVICES (SOLICITATION NO. P-004015) (To be Assigned Contract No. P-004064)**

**WHEREAS**, The Philadelphia Housing Authority (PHA) identified a need for real estate and related services; and

**WHEREAS**, Solicitation No. P-004015 was developed according to established procedures and was advertised in the Philadelphia Inquirer and several community newspapers; and

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

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

**Applied Real Estate Analysis, Inc.  
Value Research Group, LLC  
Fortuna & Diflumeri Realty Appraisal, Ltd  
Higgins & Welch Real Estate, Inc**

**WHEREAS**, the proposals were reviewed and evaluated by the Review Committee and Legal Counsel and the supporting documents were reviewed by the Contracting Officer; and

**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 one or more of Applied Real Estate Analysis, Inc, Value Research Group, LLC, Fortuna & Diflumeri Realty Appraisal, Ltd., Higgins & Welch Real Estate, 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 in an amount not to exceed **EIGHTY FIVE THOUSAND DOLLARS (\$85,000.00); for Base Years 1 & 2; FORTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$42,500.00) for Option Year 1; FORTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$42,500.00) for Option Year 2; FORTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$42,500.00) for Option Year 3; for a total contract amount not to exceed TWO HUNDRED TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$212,500.00) to Applied Real Estate Analysis, Inc. for market analysis services, and; ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$125,000.00) for Base Years 1 & 2; SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$62,500.00) for Option Year 1; SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$62,500.00) for Option Year 2; SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$62,500.00) for Option Year 3; for a total contract amount not to exceed THREE HUNDRED TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$312,500.00) to Value Research Group, LLC. for market analysis and appraisal services; and ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$125,000.00) for Base Years 1 & 2; SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$62,500.00) for Option Year 1; SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$62,500.00) for Option Year 2; SIXTY-TWO THOUSAND FIVE HUNDRED**

**DOLLARS (\$62,500.00) for Option Year 3; for a total contract amount not to exceed THREE HUNDRED TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$312,500.00) to Fortuna & Difflumeri Realty Appraisal, Ltd. for market analysis and appraisal services; and ONE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$165,000.00) for Base Years 1 & 2; EIGHTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$82,500.00) for Option Year 1; EIGHTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$82,500.00) for Option Year 2; EIGHTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$82,500.00) for Option Year 3; for a total contract amount not to exceed FOUR HUNDRED TWELVE THOUSAND FIVE HUNDRED DOLLARS (\$412,500.00) to Higgins & Welch Real Estate, Inc. for broker, inspection, market analysis and appraisal services; and**

**BE IT RESOLVED**, by and for The Philadelphia Housing Authority, that the Administrative Receiver, or his designee, is hereby authorized to conclude and to execute a contract with Applied Real Estate Analysis, Inc, Value Research Group, LLC, Fortuna & Difflumeri Realty Appraisal, Ltd., Higgins & Welch Real Estate, Inc, for the provision of Real Estate and Related Services.

**BE IT FURTHER RESOLVED**, that (1) the recommended contractors comply with all terms required by the solicitation; (2) the contracts are subject to approval by PHA's funding source before any contracts shall exist; (3) no contracts shall exist until signed by the Administrative Receiver or his designee; and (4) if PHA and the offerors have not mutually agreed on the terms of a contract within forty-five (45) days following the next regularly scheduled Board meeting, then this resolution shall be void and the authority of the Administrative Receiver to enter into these contracts shall cease.

Commissioner Richman thereupon declared the Resolution unanimously adopted.

Commissioner Richman moved for the adoption of the following Resolution.

**RESOLUTION NO. 11443**

**RESOLUTION AUTHORIZING THE ADMINISTRATIVE RECEIVER TO TRANSFER DELINQUENT TENANT ACCOUNTS RECEIVABLE BALANCES FOR TENANTS WHO HAVE VACATED PHA PROPERTY TO THE PHA COLLECTION SYSTEM**

**WHEREAS**, the Philadelphia Housing Authority (PHA) determined that there is a need to write-off Tenant Accounts Receivable (TARS) balances in the amount of one million seventeen thousand seven hundred sixty two dollars sixteen cents (\$1,017,762.16) for tenants that have vacated PHA property; and

**WHEREAS**, pursuant to HUD Publication 7510.1, it is sound accounting policy to write-off TARS balances for vacated tenants; and

**WHEREAS**, PHA will make every effort to collect these TARS; and

**WHEREAS**, HUD Publication 7510.1 requires the approval of the Board of Commissioner for write-offs of TARS balances; and

**WHEREAS**, the TARS balances will be maintained by PHA in its accounting records for future collection where possible.

**BE IT RESOLVED**, by and for the Philadelphia Housing Authority, that the Administrative Receiver is hereby authorized to write-off Tenant Accounts Receivable balances in the amount of one million seventeen thousand seven hundred sixty two dollars sixteen cents (\$1,017,762.16) for tenants who have vacated PHA property.

Commissioner Richman thereupon declared the Minutes unanimously adopted.

Commissioner Richman moved for the adoption of the following Resolution.

**RESOLUTION NO. 11445**

**RESOLUTION DESIGNATING THE GENERAL COUNSEL AS ETHICS OFFICER AND RATIFYING PRIOR RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY INTERIM EXECUTIVE DIRECTOR, NOW SERVING AS PHA'S ADMINISTRATIVE RECEIVER TO ESTABLISH AND IMPLEMENT COMPREHENSIVE ETHICS POLICIES AND PROCEDURES WHICH REQUIRE THE HIGHEST STANDARD OF ETHICAL CONDUCT BY PHA SENIOR MANAGEMENT AND EMPLOYEES, APPOINT AN ETHICS OFFICER, AND PROVIDE TRAINING TO PHA STAFF ON SUCH POLICIES AND PROCEDURES**

**WHEREAS**, the Philadelphia Housing Authority ("PHA") is committed to ensuring the effective and efficient use of public funds solely for their lawful and intended purposes consistent with its mission to serve the housing needs of low-income residents of Philadelphia; and

**WHEREAS**, PHA is committed to ensuring that at all agency activities and employee actions are conducted in the public interest, in an open and transparent manner, and in conformance with all applicable federal, state and local ethics laws and regulations; and

**WHEREAS**, all PHA employees, including the Interim Executive Director and senior management staff, have the responsibility of ensuring the public has complete confidence in the integrity and activities of the Philadelphia Housing Authority; and

**WHEREAS**, by Board Resolution No. 11429 dated January 28, 2011, the Board of Commissioner resolution authorizing the Interim Executive Director to establish and implement comprehensive ethics policies and procedures applicable to every PHA employee that conform to all applicable federal, state and local statutes and regulations including the Annual Contributions Contracts; to establish the position of Ethics Officer, who will be responsible for implementation and enforcement of the Ethics Policies; and directed that all employees are to be trained on the Ethics Policies; and

**WHEREAS**, the Board of Commissioner wishes to designate the General Counsel of PHA to be the Ethics Officer.

**BE IT, THEREFORE, RESOLVED** that the Board of Commissioner hereby:

1. Ratifies Board Resolution No. 11429 dated January 28, 2011, authorizing the Interim Executive Director to establish and implement comprehensive ethics policies and procedures applicable to every PHA employee that conform to all applicable federal, state and local statutes and regulations including the Annual Contributions Contracts; to establish the position of Ethics Officer, who will be responsible for implementation and enforcement of the Ethics Policies; and directed that all employees are to be trained on the Ethics Policies; and,
2. Designates the General Counsel of PHA as the Ethics Officer.

Commissioner Richman thereupon declared the Minutes unanimously adopted.

The resolutions were adopted. With that Commissioner Richman, opened the meeting for public comments. Comments were given by Melvin Johnakin, and an unidentified audience member. With no other public comments being heard Commissioner Richman adjourned the meeting (Copies of the actual transcript will be provided upon written request).