



PHA BOARD of COMMISSIONERS MEETING MINUTES

Thursday, October 17, 2013, 3 p.m., at 12 S. 23rd St., Philadelphia, PA 19103

The regular meeting of the Board of Commissioners was brought to order at approximately 3:00 p.m. by the Chair, Lynette M. Brown-Sow, with Commissioners Diaz, Callahan, Camarda, Jackson, Markman, Tate and Wetzel in attendance, as well as President & CEO Kelvin A. Jeremiah ("CEO Jeremiah") and Board Secretary and General Counsel, Barbara Adams. The Chair stated that the Board met at 2:30 p.m., before this meeting, in executive session to discuss litigation matters with PHA counsel, as well as matters made confidential by law. She also then explained the motion procedure that has been consistently used by this Board and is consistent with Robert's Rules of Order and the Board's By-Laws, to clarify that a vote on a resolution always only comes after a motion and a second and any discussion.

The Board members then introduced themselves, in response to a request from the public to do so, due to the number of new resident attendees at the meeting.

CEO Jeremiah then announced that: 1) the federal government shutdown, while just ended, did affect some of PHA's development plans and PHA hopes to receive certain approvals from HUD and move forward again with Queens Row and Queen Lane; 2) PHA has received a "Most Improved PHA" Award from the Housing Authority Insurance Group; 3) Supply Chain Management Department is hosting a Doing Business with PHA event; and 4) PHA has launched its online Section 3 Job Bank for residents, where all of the Section 3 job and training opportunities from PHA suppliers will be posted (www.pha.phila.gov).

In addition, it was noted that the situation regarding the election for Resident Commissioners is still on hold, as had been announced last month at the Board meeting, since the Mayor, the City Council President and PHA must come to an agreement before it can proceed.

The Chair then inquired whether there were any corrections to the minutes of the Board meeting of September 19, 2013, and hearing none, declared the minutes approved as submitted.

Six resolutions were presented, all of which were unanimously approved.

Resolution 11648, attached in Appendix 1, was presented by Heather McCreary, Executive Vice President – Supply Chain, to authorize PHA to increase the contract amount for heavy vehicle and repair services with Mardinly Industrial Power, LLC ("Mardinly"), in an amount not to exceed two hundred forty-three thousand two hundred dollars (\$243,200.00). Executive Vice President McCreary also noted that, while under no obligation to do so under the requirements of Section 3, Mardinly has committed to training and providing an employment opportunity to one resident. She also explained in what instances hiring requirements exist under Section 3 and a handout was available at the meeting regarding those requirements (attached as

Appendix 2). Following a motion to approve by Commissioner Callahan, a second and discussion, including public comment, the resolution was unanimously approved.

Resolution 11649, attached in Appendix 1, was to authorize PHA to enter into a Memorandum of Understanding (“MOU”) with Philadelphia Works, Inc. (“PWI”), for job training and placement services, in an amount not to exceed one million dollars (\$1,000,000.00) over a maximum two-year period. Chair Brown-Sow noted that she is on the Board of Cheyney University of Pennsylvania, which may have a relationship with PHA and/or PWI under the MOU, and therefore recused herself from participation in discussion or vote on this resolution, so as to avoid any possible conflict of interest. She left the room and Vice-Chair Diaz presided over the meeting for this resolution.

Erik Soliván, Executive Vice President of Community Operations and Resident Development “CORD”), presented the resolution and noted that the President & CEO of PWI, Mark Edwards, was at the meeting. Following a motion to approve by Commissioner Wetzel, a second and discussion, including public comment, the resolution was unanimously approved, by all Commissioners then present, which did not include Chair Brown-Sow.

The Chair then returned to the room and presided over the remainder of the meeting.

Resolution 11650, attached in Appendix 1, was presented by Erik Soliván, CORD Executive Vice President, to approve submission by PHA to the Department of Housing and Urban Development (“HUD”) of the Third Amendment to PHA’s Moving to Work (“MTW”) Agreement, allowing Replacement Housing Factor Funds to be included in PHA’s MTW Block Grant. Following a motion to approve by Commissioner Callahan, a second and discussion, including public comment, the resolution was unanimously approved.

Resolution 11651, attached in Appendix 1, was presented by Erik Soliván, CORD Executive Vice President, to approve submission by PHA to HUD of an amendment to PHA’s MTW Plan for fiscal year 2014, to include a modification related to an evaluation of the feasibility of housing unit conversions under HUD’s Rental Assistance Demonstration Program and a Flexible Subsidy Initiative. Following a motion to approve by Commissioner Markman, a second and discussion, including public comment, the resolution was unanimously approved.

Resolution 11652, attached in Appendix 1, was presented by Erik Soliván, CORD Executive Vice President, to approve PHA’s Second Chance Housing Choice Voucher Program and providing ten (10) tenant-based vouchers to participants in the program. Judges Timothy Rice (Magisterial Judge in the Federal District Court - Eastern District of Pennsylvania) and Felipe Restrepo (District Court Judge, Federal District Court - Eastern District of Pennsylvania), who lead the support programs for ex-offenders that are the underpinnings of the PHA pilot program, were also in attendance and answered questions. Following a motion to approve by Commissioner Camarda, a second and discussion, including public comment, the resolution was unanimously approved.

Resolution 11653, attached in Appendix 1, was presented by Andrea Bowman, Corporate Secretary, to formally recognize and approve the establishment of the following Board

committees: By-Laws, Resident Services, Finance, Policy and Planning, Executive, and any *ad hoc* committees that may be deemed necessary and appropriate by the Chair of the Board, and to authorize the Chair of the Board to appoint members to said committees. The resolution noted that the Audit Committee exists by separate resolution. Following a motion to approve by Commissioner Camarda, a second and discussion, including public comment, the resolution was unanimously approved.

The public comment period was then held, beginning at approximately 4:30 p.m., which primarily consisted of residents voicing concerns about maintenance and security issues and the behavior of other residents. Opportunities were provided for residents to fill out maintenance service orders prior to and during the meeting.

The meeting was adjourned by Chair Brown-Sow at approximately 6:25 p.m.

Respectfully submitted,



Barbara Adams
Secretary
Philadelphia Housing Authority

APPENDIX I

RESOLUTION NO. 11648

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO INCREASE THE CONTRACT AMOUNT FOR HEAVY VEHICLE AND EQUIPMENT REPAIR SERVICES WITH MARDINLY INDUSTRIAL POWER, LLC

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for heavy vehicle and equipment repair services; and

WHEREAS, PHA has a cooperative agreement contract, Contract #13-0124, via City of Philadelphia Contract #13-0229, with Mardinly Industrial Power, LLC, for the provision of heavy vehicle and equipment repair services, in the amount of ninety thousand dollars, (\$90,000.00); and

WHEREAS, PHA has a critical need for additional heavy vehicle and equipment repair services, which are within the scope of the original contract, in quantities and costs exceeding the original contract; and

WHEREAS, the total amount for the contract is not to exceed two hundred forty-three thousand two hundred dollars (\$243,200.00);

NOW THEREFORE BE IT RESOLVED, that PHA's President & CEO or his authorized designee is hereby authorized to conclude and execute a contract modification with Mardinly Industrial Power, LLC for the provision of heavy vehicle and equipment repair services in the amount of two hundred forty-three thousand two hundred dollars (\$243,200.00), subject to the availability of funds therefor, and to take all necessary actions relating to such contract.

I hereby certify that this was

APPROVED BY THE BOARD ON 10/17/13

Barbara Adams, General Counsel

ATTORNEY FOR PHA

RESOLUTION NO. 11649

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH PHILADELPHIA WORKS, INC.

WHEREAS, the Philadelphia Housing Authority ("PHA") has reorganized its job training program to ensure high levels of job placement after the required training; and

WHEREAS, Philadelphia Works, Inc., ("PWI") is a state-designated workforce investment board, created under the Pennsylvania Workforce Development Act of Dec. 18, 2001, P.L. 949, No. 114; and

WHEREAS, PWI works directly with employers to identify workforce needs and then provides specific job training, as well as a subsidy to the employer to provide full-time jobs that meet the employer's specific needs; and

WHEREAS, PHA will purchase placements for PHA residents in PWI's job training programs that are meeting specific employer needs and have a high probability of job placement after training; and

WHEREAS, under the MOU, job placements would be purchased by PHA in an amount not to exceed one million dollars (\$1,000,000.00), total, over a maximum of two (2) years, with a base period of one (1) year and an option period of one (1) year;

NOW THEREFORE BE IT RESOLVED, that PHA's President & CEO or his authorized designee is hereby authorized to conclude and to execute an MOU with Philadelphia Works Inc., in substantially the form attached hereto, for an amount not to exceed one million dollars (\$1,000,000.00) over a period not to exceed two (2) years, for job training and job placement services, subject to the availability of funds therefor, and to take all necessary actions relating to such MOU, including determining whether the option available under the MOU shall be exercised.

I hereby certify that this was
APPROVED BY THE BOARD ON 10/17/13
Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11650

RESOLUTION APPROVING SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OF THE THIRD AMENDMENT TO THE PHILADELPHIA HOUSING AUTHORITY'S MOVING TO WORK AGREEMENT

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") administers the 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, pursuant to Philadelphia Housing Authority ("PHA") Board of Commissioners Resolution No. 10618, dated December 21, 2000, PHA submitted to HUD an MTW Application Plan and Agreement, which details strategies to improve the facilities, operations, management and opportunities for Public and Housing Choice Voucher (formerly, Section 8) residents; and

WHEREAS, pursuant to PHA Board Resolution No.10764, dated February 28, 2002, PHA executed the MTW Demonstration Agreement ("MTW Agreement") which expired on March 31, 2008; and

WHEREAS, pursuant to PHA Board Resolution No.11241, dated August 21, 2008, PHA entered into a ten-year Amended and Restated MTW Agreement with HUD, effective October 16, 2008, which was subsequently amended, effective as of March 25, 2010; and

WHEREAS, HUD has made available additional authority to PHA to allow Replacement Housing Factor Funds ("RHF") to be included in the MTW Block Grant, provided that PHA and HUD must first enter into an Amendment to the MTW Agreement ("Third Amendment"); and

WHEREAS, HUD has provided PHA with a standard format for the Third Amendment; and,

WHEREAS, PHA posted public notices regarding the proposed Third Amendment to the MTW Agreement; made it available to the public, residents and resident leadership; had a public comment period of approximately sixty (60) days; conducted a public hearing to allow for public review and comment; and had meetings with resident leadership regarding the Third Amendment;

NOW THEREFORE BE IT RESOLVED that the PHA Board of Commissioners does hereby approve the Third Amendment to the MTW Agreement between HUD and PHA, in substantially the form attached to this resolution, and authorizes PHA's President & CEO to execute and submit said amendment to HUD for approval and to undertake all actions necessary to obtain HUD approval and to implement said amendment, upon approval by HUD.

I hereby certify that this was
APPROVED BY THE BOARD ON 10/12/13
Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11651

RESOLUTION APPROVING SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OF AN AMENDMENT TO THE PHILADELPHIA HOUSING AUTHORITY'S MOVING TO WORK ANNUAL PLAN FOR FISCAL YEAR 2014

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") administers the 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, as a participant in the MTW Demonstration Program, PHA is required to develop MTW Annual Plans for each fiscal year during the term of the MTW Agreement, which Annual Plans outline the PHA budget and MTW activities in the format required under the MTW Agreement; and

WHEREAS, PHA is required to submit each Annual Plan and Plan Amendment for approval by its Board; and

WHEREAS, The Board approved the MTW Annual Plan for Fiscal Year 2014 on January 11, 2013 per resolution 11577; and,

WHEREAS, HUD approved the PHA MTW Annual Plan for Fiscal Year 2014 in May 2013; and,

WHEREAS, PHA proposes to amend the MTW Annual Plan for Fiscal Year 2014 to incorporate a modification related to evaluation of the feasibility of converting some public housing units to project based rental assistance under the HUD Rental Assistance Demonstration Program, and a further modification to establish a new MTW Activity referred to as the Flexible Subsidy Initiative; and,

WHEREAS, PHA posted public notices regarding the proposed amendment; made it available to the public, residents and resident leadership; had a public comment period of approximately sixty (60) days; conducted a public hearing to allow for public review and comment; and had meetings with resident leadership regarding the amendment;

NOW THEREFORE BE IT RESOLVED that the PHA Board of Commissioners does hereby approve the amendment to PHA's MTW Annual Plan for Fiscal Year 2014, in substantially the form attached to this resolution, and authorizes PHA's President & CEO to submit the amended Plan to HUD for approval and to undertake all actions necessary to obtain HUD approval and to implement said amendment, upon approval by HUD.

I hereby certify that this was

APPROVED BY THE BOARD ON 10/17/13

Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11652

RESOLUTION APPROVING THE PHILADELPHIA HOUSING AUTHORITY'S SECOND CHANCE HOUSING CHOICE VOUCHER PILOT PROGRAM AND PROVIDING TEN (10) TENANT-BASED VOUCHERS TO PARTICIPANTS IN THE PROGRAM

WHEREAS, in a letter from the U.S. Department of Housing and Urban Development ("HUD"), dated June 17, 2011, to the executive directors of public housing authorities, the Secretary of HUD urged public housing authorities to provide ex-offenders with a second chance to become productive members of society, in accordance with the Second Chance Act of 2007 (Pub. L. 110-199); and

WHEREAS, the Supervision to Aid Reentry (STAR) Program and the City of Philadelphia Mayor's Office of Re-Integration Services for Ex-offenders (RISE) work to provide multiple levels of support to ex-offenders at the family, social, and logistical level, to assist in preventing recidivism; and

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified an opportunity to meaningfully contribute to Second Chance initiatives by creating a Second Chance Housing Choice Voucher Pilot Program that will provide ten (10) tenant-based vouchers for ex-offender applicants who are in good standing as participants (current or previous) with STAR and RISE and who will sign an addendum to their application to allow PHA to monitor their program participation and communicate with their Probation Officer, if applicable; and

WHEREAS, upon admission to PHA's Second Chance Housing Choice Voucher Pilot Program, the successful applicant shall agree to participate and to report their participation in the vocational, educational, social or community service opportunities offered by PHA and/or RISE on a quarterly basis; and

WHEREAS, any Second Chance Housing Choice Voucher Pilot Program participant who violates his or her parole or probation, or who breaches their lease such that they are issued a lease termination and are evicted from the unit, shall be automatically terminated from the program;

NOW THEREFORE BE IT RESOLVED, that PHA's President & CEO or his authorized designee is hereby authorized to designate ten (10) tenant-based vouchers for participants in a Second Chance Housing Choice Voucher Pilot Program, and to take all necessary actions, including determining what additional procedures or actions are required to appropriately determine and administer the allocation and monitoring of said vouchers and the Program.

I hereby certify that this was

APPROVED BY THE BOARD ON 10/17/13

Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11653

RESOLUTION APPROVING THE ESTABLISHMENT OF THE FOLLOWING COMMITTEES OF THE BOARD OF COMMISSIONERS OF THE PHILADELPHIA HOUSING AUTHORITY: BY-LAWS, RESIDENT SERVICES, FINANCE, POLICY AND PLANNING, EXECUTIVE, AND ANY AD HOC COMMITTEES THAT MAY BE DEEMED NECESSARY AND APPROPRIATE

WHEREAS, Section 201 of the By-Laws of the Philadelphia Housing Authority ("PHA") provides that the powers of PHA shall be exercised by the Board of Commissioners ("Board"); and

WHEREAS, Section 7 (a) of the Pennsylvania Housing Authorities Law, as amended July 5, 2012, P.L.1093, No.130, provides for delegation of powers by PHA , subject to its supervision and control, as necessary to carry out the purposes of that law; and

WHEREAS, delegation to committees is a recognized best practice for effectiveness and efficiency in the operations of a board; and

WHEREAS, the Board has been operating with the following standing committees: Resident Services, Finance, Policy and Planning, and Executive, as well as the Audit Committee, as established by Resolution 11571, adopted on November 30, 2012; and

WHEREAS, the Board committees exist to research and review issues in specified areas, for the purpose of making recommendations to the Board, but such committees are not authorized to take any official action on behalf of the Board; and

WHEREAS, the Board deems it desirable to formally recognize the above-listed standing committees, as well as to provide for the creation of *ad hoc* committees, and to create a By-Laws Committee; and

WHEREAS, the By-Laws Committee is to review the current By-Laws and make recommendations to the full Board as to any changes to the current By-Laws, committee composition, appointment of members, structure, responsibilities and related areas, as may be deemed appropriate; and

WHEREAS, pending the creation of the By-Laws Committee and its recommendations, the Board considers the Chair to be the most appropriate person to appoint members to the above-listed committees, which membership may include non-Board members;

NOW, THEREFORE, BE IT RESOLVED that the Board formally recognizes and approves the establishment of the following Board committees, which committees shall have no authority to take any official action on behalf of PHA: By-Laws, Resident Services, Finance, Policy and Planning, Executive, and any *ad hoc* committees that may be deemed necessary and appropriate by the Chair of the Board, which committees shall be composed of less than a quorum of Board members but may include non-Board members, and the Board further authorizes the Chair of the Board to appoint members to said committees.

I hereby certify that this was
APPROVED BY THE BOARD ON 10/17/13
Barbara Adams, General Counsel
ATTORNEY FOR PHA

APPENDIX II



Philadelphia Housing Authority
Building Beyond Expectations

SECTION 3: ESSENTIAL FACTS

- **Section 3 only applies to suppliers of services** (such as painting, construction, architecture, and accounting) who contract with PHA. It does not apply to contracts for supplies (such as for office supplies, building materials, etc.).
- **No supplier is ever *required* to hire Section 3 residents** (PHA residents and certain low or very low income residents) **or contract with Section 3 businesses**, but only to do so “to the greatest extent feasible” and ***only if*** the contract with PHA requires the supplier to hire new employees (generally full-time) or to subcontract because of the contract. The same is true for subcontracting and subcontractors.
- **If Section 3 hiring is a possibility**, the supplier must, to the greatest extent feasible, have 30% of its new hires as Section 3 residents. If a supplier cannot or is highly unlikely to find qualified Section 3 residents, it may opt to provide other economic opportunities, such as scholarship contributions, training or a paid internship. This is also true for subcontracting situations with Section 3 businesses.
- For **construction projects where the supplier has to subcontract to perform the contract** (jobs are not created by the contract, but a subcontract is), the supplier is to subcontract out, to the greatest extent feasible, at least 10% of the total dollar amount of the contract to a Section 3 business concern (one that is 51% owned by a Section 3 resident or that has Section 3 residents as 30% of its permanent full time employees). The project may also have hiring possibilities for Section 3 residents, if jobs are created through the contract.
- For **non-construction projects where the supplier has to subcontract to perform the contract** (jobs are not created by the contract, but a subcontract is), the supplier is to subcontract out, to the greatest extent feasible, at least 3% of the total contract to a Section 3 business concern. The project may also have hiring possibilities for Section 3 residents, if jobs are created through the contract.