

September 28, 2012

The Special Board Meeting of the Philadelphia Housing Authority Board of Commissioner for September was held on Friday, September 28, 2012, 2:00 pm, at the Philadelphia Housing Authority, 12 S. 23rd Street, Philadelphia, Pennsylvania.

Present: Estelle Richman, Board of Commissioner
Kelvin Jeremiah, Interim Executive Director/Interim Administrative Receiver
Laurence Redican, Esq., Deputy General Counsel

The Board of Commissioner, Ms. Estelle Richman, called the meeting to order and asked the Interim Executive Director/Interim Administrative Receiver, Mr. Kelvin Jeremiah, for remarks. Mr. Jeremiah made several announcements; PHA was recognized for excellence by the Pennsylvania Association of Housing and Redevelopment Authorities for Paschall Village, capturing the Bellamy Award for Housing. Mr. Jeremiah commended Michael Johns, Greg Hampson, Kyle Flood and others from their departments for their hard work.

Over the last week or so, PHA and the American Red Cross hosted over 16 preventive emergency workshops at senior sites in recognition of Emergency Preparedness Month, providing training to our most vulnerable residents and seniors. Whereas Commissioner Richman inquired if PHA was planning to do the same for families. Mr. Jeremiah replied that PHA will incorporate it as we move forward as well as provide emergency kits to our residents. PHA also celebrated Senior Week earlier this month, partnering with a citywide collaborative to honor seniors, promoting healthy aging and living in diversity. He thanked Dr. Samuel Little, his staff, Nichole Tillman and the communications team for their contributions.

PHA received a notice from HUD that eight (8) of the ten (10) deficiencies findings related to the HUD Audit of outside legal services were closed, one of the outstanding issues in the agency's recovery plan. PHA is working very closely with HUD to finalize the last two (2).

Mr. Jeremiah reminded the audience of the two opportunities to address the board for three minutes and of the sign-in procedure, in accordance with the Resolution adopted in January 2012. Mr. Jeremiah advised the Commissioner that PHA was presenting four (4) resolutions to be considered.

The next order of business was the approval of the minutes. Commissioner Estelle Richman moved for the adoption of the minutes for the August 24, 2012 board meeting.

Commissioner Estelle Richman moved for the adoption of the following minutes.

RESOLUTION NO. 11558

**RESOLUTION APPROVING MINUTES OF THE BOARD OF COMMISSIONER MEETING HELD ON
AUGUST 24, 2012**

BE IT RESOLVED, that the minutes of the Board Meeting of the Philadelphia Housing Authority held on August 24, 2012, copies of which have already been provided, be the same and are hereby ratified, confirmed and approved.

Commissioner Estelle Richman thereupon declared the Minutes unanimously adopted.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/28/12
Estelle Richman
ATTORNEY FOR PHA

Commissioner Estelle Richman moved for the adoption of the following resolution.

RESOLUTION NO. 11559

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY INTERIM EXECUTIVE DIRECTOR/INTERIM ADMINISTRATIVE RECEIVER TO ESTABLISH AND IMPLEMENT DEVELOPMENT POLICIES AND PRINCIPLES TO GUIDE EXTERNAL DEVELOPMENT VENTURES

WHEREAS, the Philadelphia Housing Authority seeks to continue and to expand its highly successful development and redevelopment efforts in order to increase and improve quality affordable housing opportunities for families and individuals in need of affordable housing; and

WHEREAS, it is PHA's intention to reach out to public, private, non-profit and publically-minded organizations to increase the production of housing opportunities, and to focus a portion of that effort to serve populations who have particular needs which can only be addressed through well-formed partnerships with organizations who possess particular abilities to serve these populations.

WHEREAS, in undertaking these initiatives, it is essential that there be an open and transparent set of goals and principles which are clear and are adopted in a public manner to ensure that PHA maximizes partnerships and develops new projects in a manner that clearly articulates its priorities.

NOW THEREFORE, the attached Development Policies and Principles are adopted as the policy of the Philadelphia Housing Authority to lay the groundwork for an aggressive effort to help PHA achieve its goals and to promote effective development and redevelopment activities which will increase affordable housing opportunities in the City of Philadelphia.

Commissioner Estelle Richman thereupon declared the Resolution unanimously adopted.

Commissioner Estelle Richman moved for the adoption of the following resolution.

RESOLUTION NO. 11560

RESOLUTION AUTHORIZING THE INTERIM EXECUTIVE DIRECTOR/INTERIM ADMINISTRATIVE RECEIVER OR HIS DULY AUTHORIZED DESIGNEE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (“MOU”) WITH THE CITY OF PHILADELPHIA TO REIMBURSE THE CITY FOR CERTAIN WORK PERFORMED ON BEHALF OF THE PHILADELPHIA HOUSING AUTHORITY

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

WHEREAS, the City performed certain services on behalf of PHA including, but not limited to, demolition of unsafe structures and the repair of adjoining walls; and

WHEREAS, based on the PHA’s failure to reimburse the City, the City assessed nearly two thousand PHA-owned properties with certain liens and water charges (collectively referred to as the “Delinquencies”); and

WHEREAS, the City has assessed Delinquencies, including penalties and interest charges, against the PHA Properties totaling almost \$10,000,000.00 as of December 7, 2011; and

WHEREAS, PHA has agreed to reimburse the City the reasonable cost of the work performed by the City; and

WHEREAS, PHA will reimburse the City for this work in an amount not to exceed \$6,225,303 (the “Reimbursement”); and

WHEREAS, the City has agreed to accept the Reimbursement as full payment for all amounts owed and has agreed to work with PHA to prevent the accumulation of future delinquencies.

NOW THEREFORE, BE IT RESOLVED, that the Philadelphia Housing Authority’s Board of Commissioner hereby authorizes the Interim Executive Director/Interim Administrative Receiver or his duly authorized designee to conclude and to execute an interagency MOU with the City in accordance with the terms and conditions set forth in this resolution and to reimburse the City for work it performed in an amount not to exceed \$6,225,303.

Commissioner Estelle Richman thereupon declared the Resolution unanimously adopted.

Commissioner Estelle Richman moved for the adoption of the following resolution.

RESOLUTION NO. 11561

RESOLUTION AUTHORIZING THE PHA INTERIM EXECUTIVE DIRECTOR OR HIS DULY AUTHORIZED DESIGNEE TO NEGOTIATE, EXECUTE AND IMPLEMENT AMENDMENTS TO REGULATORY AND OPERATING AGREEMENTS FOR ELEVEN ALTERNATIVELY MANAGED SITES, TO SET NEW BASE OPERATING SUBSIDY AND TO ESTABLISH A UNIFORM FORMULA FOR ANNUAL ADJUSTMENT OF OPERATING SUBSIDY

WHEREAS, the Philadelphia Housing Authority (PHA) provides operating subsidies under Amendments to PHA's Annual Contributions Contract ("ACC Amendments"), for eleven "alternatively-managed sites" or "AMEs," which are privately-owned public housing properties subject to standard HUD Regulatory and Operating Agreements ("R&O Agreements"), and to all other applicable public housing requirements; and

WHEREAS, the private owners of the AMEs ("Owners") have presented evidence that the current operating subsidy amounts paid by the PHA under the R&O Agreements are insufficient to permit the Owners to operate the AMEs in compliance with the R&O Agreements, the ACC Amendments and other applicable public housing requirements; and

WHEREAS, PHA desires to establish new standards and procedures for reporting and other obligations with respect to the AMEs; and

WHEREAS, the eleven R&O Agreements include different and ambiguous formulas for calculation of the operating subsidies; and

WHEREAS, PHA desires to clarify and standardize the method of calculation of operating subsidies for the AMEs, and establish a new base operating subsidy to take effect in 2012 that will enable the Owners to improve the standards of operations and compliance for the AMEs; and

WHEREAS, the PHA desires to condition the change in operating subsidy upon improved performance by the Owners in operations, reporting and other requirements with respect to the AMEs.

NOW, THEREFORE, BE IT RESOLVED, by and for the Philadelphia Housing Authority, that the Interim Executive Director/Interim Administrative Receiver or his duly authorized designee is hereby authorized to negotiate, execute and implement amendments to Regulatory and Operating Agreements with the Owners of each of the AMEs; and

BE IT FURTHER RESOLVED, that such amendments will:

- (a) Confirm a single clarified formula for calculating the monthly operating subsidy for all AMEs, which will cap the subsidy for each AME site at the lower of (i) the agreed 2012 base subsidy amount adjusted on January 1, 2013 and annually on each January 1st thereafter, based on the HUD inflation factor, or (ii) the amount by which projected expenses for the AME site exceed projected income for that site;
- (b) Confirm the new 2012 base subsidy for each AME that will take effect upon signing of the amendment agreement, in the following amounts:

NAME OF AME SITE	2012 BASE PER UNIT PER MONTH OPERATING SUBSIDY
1. Eight Diamonds	\$326.86
2. Falls Ridge	\$318.58
3. Spring Garden	\$333.73
4. Spring Garden II	\$282.42
5. St. Anthony	\$333.73
6. Angela Court	\$318.58
7. Angela Court II	\$297.87
8. Courtyard	\$344.49
9. MLK I	\$326.86
10. MLK III	\$318.58
11. Neumann North	\$310.51

- (c) Confirm that PHA's payment of operating subsidy for each AME is conditioned upon (i) substantial compliance at all times by each AME Owner with the R&O Agreement, ACC Amendment and other applicable public housing requirements, and (ii) satisfactory implementation by each AME Owner of new reporting systems acceptable to PHA; and
- (d) Condition PHA's agreement upon the AME Owner's confirmation that PHA has complied with, and is not in breach of, the terms of the R&O Agreement and the ACC Amendment, and waiving and releasing any claims against PHA under the R&O Agreement and the ACC Amendment arising on or before the date of the amendment.

BE IT FURTHER RESOLVED, that (1) the Interim Executive Director/Interim Administrative Receiver and all other appropriate personnel of PHA are authorized to take all actions necessary to implement this resolution in accordance with the "Whereas" clauses above; and (2) no amendment shall exist until signed by the Interim Executive Director/Interim Administrative Receiver or his duly authorized designee.

Commissioner Estelle Richman thereupon declared the Resolution unanimously adopted.

Commissioner Estelle Richman moved for the adoption of the following resolution.

RESOLUTION NO. 11562

RESOLUTION AUTHORIZING THE INTERIM EXECUTIVE DIRECTOR/INTERIM ADMINISTRATIVE RECEIVER OR HIS AUTHORIZED DESIGNEE TO CONCLUDE AND TO EXECUTE A CONTRACT FOR BIOHAZARD CLEANUP AND TO DISPOSAL SERVICES (SOLICITATION NO. P-004155)

WHEREAS, the Philadelphia Housing Authority (PHA) has identified a need for biohazard cleanup and disposal services; and

WHEREAS, Solicitation No. P-004155 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 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, two (2) offerors responded to the solicitation by submitting a proposal as follows:

Andrew P. Yurchuck, LLC, doing business as Classic Cleaning/Bio-Clean of New Jersey
Emergi-Clean, 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 the evaluation, it was recommended that a contract be awarded to Andrew P. Yurchuck, LLC; and

WHEREAS, it is further recommended that the contract, if awarded, shall be for a two (2) year base period with three (3) additional one-year option periods in an amount not to exceed **ONE HUNDRED NINETY FOUR THOUSAND FIVE HUNDRED NINETY-FIVE DOLLARS (\$194,595.00)** for base year one (1); **TWO HUNDRED THOUSAND FOUR HUNDRED THIRTY-TWO DOLLARS AND EIGHTY-FIVE CENTS (\$200,432.85)** for base year two (2); **TWO HUNDRED SIX THOUSAND FOUR HUNDRED FORTY-SIX DOLLARS AND THIRTY-FIVE CENTS (\$206,446.35)** if PHA exercises option year one (1); **TWO HUNDRED TWELVE THOUSAND SIX HUNDRED THIRTY-NINE DOLLARS AND SEVENTY-FOUR CENTS (\$212,639.74)** if PHA exercises option year two (2); and **TWO HUNDRED NINETEEN THOUSAND EIGHTEEN DOLLARS AND NINETY-THREE CENTS (\$219,018.93)** if PHA exercises option year three (3) for a total contract amount not to exceed **ONE MILLION THIRTY-THREE THOUSAND ONE HUNDRED THIRTY-TWO DOLLARS AND EIGHTY-SEVEN CENTS (\$1,033,132.87)** to Andrew P. Yurchuck, LLC.

NOW THEREFORE, BE IT RESOLVED, by and for the Philadelphia Housing Authority, that, based on the recommendation of the Evaluation Committee, the Interim Executive Director/Interim Administrative Receiver is hereby authorized to conclude and to execute a contract with Andrew P. Yurchuck, LLC; and

BE IT FURTHER RESOLVED, that (1) the Interim Executive Director/Interim Administrative Receiver 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 Interim Executive Director/Interim Administrative Receiver 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 Interim Executive Director/Interim Administrative Receiver shall cease.

Commissioner Estelle Richman thereupon declared the Resolution unanimously adopted.

The resolutions were adopted. With that, Commissioner Estelle Richman opened the meeting for public comments. Comments were given by Prince Mohammad. Commissioner Richman stated for the record that there will be an Executive Session today and in the future, typically to discuss labor relations, employment matters, litigations, investigations and other things that are highly confidential. With no other public comments being heard, Commissioner Richman adjourned the meeting. (Copies of the actual transcript will be provided upon written request).