



**PHILADELPHIA HOUSING AUTHORITY BOARD OF COMMISSIONERS
MEETING MINUTES**

**Thursday, September 21, 2023
3 p.m. at 2013 Ridge Ave., Philadelphia, PA 19121**

The regularly scheduled meeting of the Philadelphia Housing Authority (“PHA”) Board of Commissioners was brought to order by the Chair, Lynette Brown-Sow, at approximately 3:12 p.m. The meeting participants included the Chair, Vice-Chair Wetzal, and Commissioners Callahan, Camarda, Coney, Mayo, Purnell, and Shahid, as well as the President & CEO (“CEO”), Kelvin Jeremiah, and the General Counsel and Board Secretary, Laurence M. Redican. Commissioner Wise did not participate.

The Chair stated that an Executive Session had taken place just before the meeting, for matters relating to litigation, and then did a roll call to establish that a quorum was present, which it was. Thereafter, the CEO reviewed the commenting procedures and made the following announcements:

- 1) Last week, PHA collaborated with Aetna, a CVS Health Company to host a 3-day OneSight Vision Clinic at PHA headquarters for residents, which accommodated over four hundred (400) people and provided them with free glasses.
- 2) PHA hosted the Harrisburg Housing Authority at PHA Headquarters for a round table discussion on Choice Neighborhood grants (“CNI”) and Commissioner Coney & Donna Richardson were thanked for their participation.
- 3) PHA continues to be a model for other Housing Authority agencies across the country, as it has now received six (6) CNI grants, with three (3) planning and three (3) implementation grants, which is a record for any public housing authority in the U.S. Further, for the implementation grants alone, PHA has received over one hundred ten million dollars (\$110,000,000) and the transformation to be achieved in Sharswood, N. Central, and Bartram Gardens, will be phenomenal.

The Chair asked whether there were any changes to the minutes of the July 20, 2023 Board meeting. As there were none, the minutes were approved.

Representatives of both Axon (body and dash camera upgrades) and Sound Thinking, formerly known as ShotSpotter, (electronic outdoor gunshot detection system and alerts) then gave brief presentations on the technologies that both companies are bringing to PHA. Their technologies are part of PHA’s re-envisioning of public safety and the role of its police force from a traditional policing model to a public-safety and community policing model.

The Chair noted the significance of the positive changes being implemented and also mentioned that PHA has installed a history wall in the lobby, encouraging people to view it.

Eight (8) resolutions were presented and unanimously approved, following the opportunity for discussion and public comment.

Resolution No. 12301, attached in Appendix 1, was introduced by Celeste Fields, Senior Executive Vice President / Chief Administrative & Financial Officer, for the Board to adopt the comprehensive annual financial report and the associated financial statement for the period of April 1, 2022 through March 31, 2023. The materials were prepared by RSM US LLP and Daniel Bonnette, the lead partner for the RSM audit team, presented a PPT (attached as Appendix 2) for the resolution. Commissioner Purnell, as Chair of the Audit Committee, moved for adoption of the resolution. Following a second, he noted that the Audit Committee had reviewed the materials and recommended approval. He further noted that the quality of the work done by PHA also, the quality of work done by RSM, was truly impressive, as was the fact that again, there were no findings of significant or material weaknesses and, as Dan Bonnette summarized, PHA had “all A’s on the report card!” After the opportunity for public comment (as was available for all the resolutions), and there being none, the motion was unanimously approved, by roll call.

Resolution No. 12302, attached in Appendix 1, was presented by Dave Walsh, Executive Vice President – Supply Chain Management (“EVP-SCM”), to authorize PHA to contract with Ainsworth, Inc. for preventive maintenance services for building automation systems for various sites. The contract performance period is a two (2) year base period with three (3) one-year option periods and the total aggregate amount to be expended under the contract, including the exercise of any options, is not to exceed two million six hundred thousand dollars (\$2,600,000.00). Commissioner Callahan, Chair of the Finance Committee that reviewed the resolution prior to its being presented to the Board, moved for its adoption. After the motion was seconded and Commissioner Callahan noted that the committee promoted adoption of the resolution, the motion was unanimously approved, by roll call.

Resolution No. 12303, attached in Appendix 1, was presented by Dave Walsh, EVP-SCM, to authorize PHA to issue an amendment to task order 4857D-1 with A.P. Construction/Synterra a Joint Venture for the PHA Warehouse and Logistics Center in a total amendment amount not to exceed two million one hundred twenty-five thousand forty-seven dollars (\$2,125,047.00). Commissioner Callahan, as Chair of the Finance Committee that reviewed the resolution, moved for its approval. After a second and there being no discussion, the motion was unanimously approved, by roll call.

Resolution No. 12304, attached in Appendix 1, was presented by Greg Hampson, Sr. Exec. Vice-President of the Capital Projects Division (“SEVP-CPD”) for authorization to PHA for the closing of nine (9) third party developments through the Faircloth-to-RAD conversion process: (1) Abigail Pankey Apartments (Brown Street Apartments), (2) Apartments at 40th Street, (3) Beech Senior Apartments, (4) Clearfield Apartments, (5) Good Shepherd, (6) Liberty53: Estelle B. Richman Place, (7) Opportunities Apartments, (8) Ruth Street Civic House, and (9) Compassion Senior, to include closing them as ACC and closing conversions to RAD post-completion. As this resolution had been reviewed by the Policy & Planning Committee prior to presentation to the Board, its Chair, Board Vice-Chair Wetzel, moved for its adoption. Following a second and discussion, it was unanimously approved, by roll call.

Resolution No. 12305, attached in Appendix 1, was presented by Dave Walsh, EVP-SCM, to approve an award of twenty (20) project based vouchers under the U.S. Department of Housing and Urban Development (“HUD”) Veterans Affairs Supportive Housing (“VASH”) program, with ten (10) each) to both Odin Properties LLC (Lovell Apartments) and The Michaels Development Company (3031 N 21st St Seniors. Commissioner Wetzel, as Chair of the Policy & Planning Committee that reviewed the resolution, moved for its approval. Following a second and discussion, the motion was unanimously approved, by roll call.

Resolution No. 12306, attached in Appendix 1, was presented by Andrew Kenis, Managing Deputy General Counsel, to authorize PHA to conclude a policy of insurance for Workers’ Compensation and Employer’s Liability Insurance coverage with Liberty Mutual Insurance Company, for claims administration, loss control services, and account management, for a not-to-exceed amount of fourteen

million four hundred forty-two thousand dollars (\$14,442,000.00), for the policy period from October 15, 2023 to October 15, 2024. This resolution had been reviewed by the Finance Committee and its Chair, Commissioner Callahan, moved for its adoption. After a second and there being no discussion, the motion was approved, by roll call.

Resolution No. 12307, attached in Appendix 1, was presented by Greg Hampson, SEVP-CPD, to authorize PHA to negotiate and finalize an additional loan to Mosaic Partners, in the amount of \$4.3M under substantially the same terms and conditions as contained in the original loan, to finalize the Sharswood/Blumberg mixed-use retail center by the PHA headquarters. The Chair of the Policy and Planning Committee, Board Vice-Chair Wetzel, moved for adoption. After a second and discussion relating to the significance of completing this important project, the motion was unanimously approved, by roll call.

Resolution No. 12308, attached in Appendix 1, was presented by Greg Hampson, SEVP – CPD, for approval of PHA’s August 2023 grant submission to the Pennsylvania Department of Community and Economic Development (“DCED”) for five hundred thousand dollars (\$500,000) in Keystone Communities Program funding for the Fairhill Redevelopment, as DCED had requested a specific resolution setting forth the Board’s approval for the grant submission. Policy and Planning reviewed this resolution and Committee Chair Wetzel moved for its adoption. Following a second and discussion, the motion was unanimously approved, by roll call.

No one signed up for the public comment period.

The Chair announced that the next Board meeting is scheduled for October 19, 2023.

Following a seconded motion from Commissioner Callahan to adjourn, the meeting was adjourned at approximately 4:15 p.m.

Respectfully submitted,



Laurence M. Redican
General Counsel
Philadelphia Housing Authority

APPENDIX 1

**THE PHILADELPHIA HOUSING AUTHORITY
MEETING OF THE BOARD OF COMMISSIONERS
2013 RIDGE AVE.
PHILADELPHIA, PA 19121
THURSDAY, SEPTEMBER 21, 2023 at 3 p.m.
AGENDA**

- A. Call to Order** – Lynette Brown-Sow, Board Chair
- B. Remarks** – Kelvin A. Jeremiah, President & CEO
- C. Approval of the Minutes** of the Board Meeting held July 20, 2023 as distributed
- D. New Business**
- 1. RESOLUTION ADOPTING THE COMPREHENSIVE ANNUAL FINANCIAL AND COMPLIANCE REPORT OF THE PHILADELPHIA HOUSING AUTHORITY FOR THE FISCAL YEAR ENDING MARCH 31, 2023**

Celeste Fields
 - 2. RESOLUTION AUTHORIZING A CONTRACT WITH AINSWORTH INC. FOR PREVENTIVE MAINTENANCE FOR BUILDING AUTOMATION SYSTEMS**

Dave Walsh
 - 3. RESOLUTION AUTHORIZING A TASK ORDER AMENDMENT WITH A.P. CONSTRUCTION/ SYNTERRA A JOINT VENTURE FOR THE PHILADELPHIA HOUSING AUTHORITY WAREHOUSE AND LOGISTICS CENTER**

Dave Walsh
 - 4. RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO OBTAIN APPROVAL FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO PROVIDE OPERATING SUBSIDY TO NINE DEVELOPMENTS AND CONVERT THE DEVELOPMENTS TO PROJECT BASED VOUCHERS UNDER THE RENTAL ASSISTANCE DEMONSTRATION PROGRAM AND CLOSE THE TRANSACTIONS**

Greg Hampson
 - 5. RESOLUTION AUTHORIZING APPROVAL OF THE AWARD OF TWO (2) U.S. HOUSING AND URBAN DEVELOPMENT - VETERANS AFFAIRS SUPPORTIVE HOUSING PROJECT BASED VOUCHER PROPOSALS TOTALING TWENTY (20) PROJECT BASED VOUCHERS**

Bret Holden

6. RESOLUTION AUTHORIZING A CONTRACT WITH LIBERTY MUTUAL INSURANCE COMPANY FOR WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE COVERAGE

Andrew Kenis

7. RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO MAKE AN ADDITIONAL LOAN IN CONNECTION WITH A MIXED-USE RETAIL DEVELOPMENT IN THE SHARSWOOD/BLUMBERG NEIGHBORHOOD

Greg Hampson

8. RESOLUTION AUTHORIZING THE SUBMISSION OF A FIVE HUNDRED THOUSAND DOLLAR GRANT APPLICATION TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT FOR KEYSTONE COMMUNITIES PROGRAM FUNDS FOR THE FAIRHILL REDEVELOPMENT

Greg Hampson

RESOLUTION NO. 12301

**RESOLUTION ADOPTING THE COMPREHENSIVE ANNUAL FINANCIAL AND COMPLIANCE
REPORT OF THE PHILADELPHIA HOUSING AUTHORITY FOR THE FISCAL YEAR ENDING
MARCH 31, 2023**

WHEREAS, the law of the Commonwealth of Pennsylvania requires that all general-purpose local governments and component units publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles ("GAAP") and audited in accordance with Generally Accepted Auditing Standards ("GAAS") by a firm of certified public accountants; and

WHEREAS, the Philadelphia Housing Authority ("PHA") contracted with RSM US LLP (hereafter "RSM"), to conduct the required audit of PHA's financial statements, business-type activities, blended component units, and each PHA major fund, for the fiscal year that ended March 31, 2023, pursuant to applicable procedures, which RSM has done; and

WHEREAS, the PHA Audit Committee has met with RSM, the PHA President & CEO, PHA's Chief Financial Officer, and PHA's Office of Audit and Compliance, after the completion of PHA's audit, to review and discuss the audit report and the associated audit results; and

WHEREAS, the PHA Audit Committee has recommended acceptance of the comprehensive annual financial and compliance report, as prepared by RSM, and the associated financial statement, as prepared by PHA management, for the period of April 1, 2022, through March 31, 2023, dated September 1, 2023, as reviewed by RSM, PHA management and the Audit Committee, and as distributed and presented to PHA's Board of Commissioners;

BE IT RESOLVED, that PHA's Board of Commissioners hereby adopts and approves the comprehensive annual financial and compliance report, dated September 1, 2023, and the associated financial statements for the period of April 1, 2022, through March 31, 2023.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023
Ann M. Ledier
ATTORNEY FOR PHA

RESOLUTION NO. 12302

RESOLUTION AUTHORIZING A CONTRACT WITH AINSWORTH INC. FOR PREVENTIVE MAINTENANCE FOR BUILDING AUTOMATION SYSTEMS

WHEREAS, the Philadelphia Housing Authority ("PHA") has a need for continuous preventive maintenance and emergency services for building automation systems at various sites and has selected a proposed company to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

WHEREAS, the original equipment and propriety software was installed by Delta Connect in June of 2009 and is now owned by Ainsworth Inc., for provision of the needed services; and

WHEREAS, upon review, it was determined that because of the technical and proprietary nature of the equipment and software, Ainsworth Inc. is the only company capable of servicing the equipment in a significantly cost-effective and timely manner; and

WHEREAS, based on this unique capability, a Noncompetitive Procurement through the Sole Source exception in Controlled Policy & Procedure #10, is appropriate for this contract; and

WHEREAS, work is to be assigned to the awardee at the discretion of the Contracting Officer based on need, performance and other legitimate business factors, and may be altered within the terms of the contract at any time during the course of this contract at the discretion of the contracting officer; and

WHEREAS it is recommended that the amount to be expended under this contract shall not exceed two million six hundred thousand dollars (\$2,600,000.00) with a two (2) year base period and three (3) one-year option periods, as follows:

- 1) The not-to-exceed amount for the two-year year base period is one million forty thousand dollars (\$1,040,000.00); and
- 2) The aggregate not-to-exceed amount for each of the three (3) one-year option periods is five hundred twenty thousand dollars (\$520,000.00);

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to conclude and execute a contract with Ainsworth, Inc. for a total amount not to exceed two million six hundred thousand dollars (\$2,600,000.00), subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to said contract.



I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023
James M. Redic
ATTORNEY FOR PHA

RESOLUTION NO. 12303

**RESOLUTION AUTHORIZING A TASK ORDER AMENDMENT WITH A.P. CONSTRUCTION/
SYNTERRA A JOINT VENTURE FOR THE PHILADELPHIA HOUSING AUTHORITY WAREHOUSE
AND LOGISTICS CENTER**

WHEREAS, the Philadelphia Housing Authority ("PHA") under a competitive process, awarded a task order to A.P. Construction/ Synterra a Joint Venture ("A.P."), pursuant to Resolution No. 12133, approved by the Board of Commissioners on January 21, 2021, for construction management services for the PHA Warehouse and Logistics Center; and

WHEREAS, the task order awarded by PHA to A.P. on February 11, 2021 for a Guaranteed Maximum Amount ("GMP") of fourteen million eight hundred forty five thousand five hundred dollars (\$14,845,500.00); and

WHEREAS, there have been two modifications to the original task order, with the current not-to-exceed amount (original contract and existing modifications) being fifteen million one hundred twenty-four thousand nine hundred fifty-three dollars (\$15,124,953.00); and

WHEREAS, pursuant to Controlled Policy & Procedure ("CPP") #10, a modification to a contract must go before the Board for pre-approval when the modification will be in excess of one million dollars (\$1,000,000.00), regardless of percentage of contract value, or when the modification will exceed twenty percent (20%) of the contract value (or one hundred thousand dollars (\$100,000.00), whichever is greater); and

WHEREAS, due to increased construction costs, that were not anticipated at the time of award of the project, and due to market conditions as a result of COVID-19 effects in the construction industry, office relocations, and electrical additions, PHA has a further need to modify the contract in a not-to-exceed amount of two million one hundred twenty five thousand forty seven dollars (\$2,125,047.00), requiring Board approval due to being over the CCP#10 one million dollar (\$1,000,000.00) modification threshold; and

WHEREAS, in order to proceed with the work as required, Board authorization is sought for an increase of two million one hundred twenty five thousand forty seven dollars (\$2,125,047.00), for a revised GMP task order amount of seventeen million two hundred fifty thousand dollars (\$17,250,000.00), from the current amount (original contract and existing modifications) of fifteen million one hundred twenty four thousand nine hundred fifty three dollars (\$15,124,953.00);

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO, or his authorized designee to amend PHA's task order with A.P. Construction/ Synterra a Joint Venture, as entered into with existing modifications, to have the contract GMP amount be increased to seventeen million two hundred fifty thousand dollars (\$17,250,000.00), as set forth above and subject to the availability of funds therefor.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023

Abhinav M. Kedia
ATTORNEY FOR PHA

RESOLUTION NO. 12304

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO OBTAIN APPROVAL FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO PROVIDE OPERATING SUBSIDY TO NINE DEVELOPMENTS AND CONVERT THE DEVELOPMENTS TO PROJECT BASED VOUCHERS UNDER THE RENTAL ASSISTANCE DEMONSTRATION PROGRAM AND CLOSE THE TRANSACTIONS

WHEREAS, the U.S. Department of Housing and Urban Development's ("HUD") Rental Assistance Demonstration ("RAD") authorizes public housing agencies to leverage their existing public housing Faircloth authority to create new federally assisted housing through the RAD program; and

WHEREAS, pursuant to this authorization, the Philadelphia Housing Authority ("PHA") may elect to support new third party developments with RAD subsidies; and

WHEREAS, the RAD program platform is generally more advantageous to a development as the operating subsidy will be in the form of a project based voucher, which allows the development owner to increase cash flow in order to enhance services and/or leverage debt; and

WHEREAS, PHA desires to increase the number of affordable housing units in the City of Philadelphia through public-private partnerships; and

WHEREAS, in order to facilitate the development of affordable units by third party developers, in 2021 and 2022, PHA issued Requests for Proposals for Faircloth-to-RAD ("FTR") to award subsidy to developments that typically then apply for an award of four or nine percent low-income housing tax credits ("LIHTC") from the Pennsylvania Housing Finance Agency ("PHFA") in order to obtain the funding necessary to make the development financially viable; and

WHEREAS, Compassion Senior ("Compassion Senior") received an allocation of 9% LIHTCs from PHFA in 2021 and received a FTR subsidy award in 2022; and

WHEREAS, Beech Senior ("Beech Senior") was awarded an FTR subsidy in 2022 and is applying to PHFA for an allocation of 4% LIHTCs; and

WHEREAS, the following seven (7) developments were awarded FTR subsidies in 2022 and received an allocation of 9% LIHTCs from PHFA in 2022: (1) Abigail Pankey Apartments (aka Brown Street Apartments), (2) Apartments at 40th Street Place, (3) Clearfield Apartments, (4) Good Shepherd (5) Liberty53: Estelle B. Richman Place (6) Opportunities Apartments, and (7) Ruth Street Civic House (collectively, these seven (7) developments are hereinafter referred to as the "2022 9% LIHTC Developments"); and

WHEREAS, for Compassion Senior, the PHA Board approved a RAD Significant Amendment to the 2023 MTW Annual Plan, which was approved by HUD on June 28, 2022; and

WHEREAS, for Beech Senior and the 2022 9% LIHTC Developments, the PHA Board approved a RAD Significant Amendment to the 2024 MTW Annual Plan, which was submitted to HUD on June 26, 2023, and is awaiting HUD approval;

BE IT RESOLVED, that the PHA President & CEO or his authorized designee is hereby authorized to take the following actions for Compassion Senior, Beech Senior, and the seven (7) 2022 9% LIHTC Developments noted above, with all nine (9), collectively, hereinafter referred to hereafter as the

“Developments”:

1. Initial mixed-finance closings, to: a) submit certain evidentiaries relating to the approval of the operating subsidy award to HUD for approval, including a Mixed-Finance Amendment to the Consolidated Annual Contributions Contract, a Declaration of Trust/Restrictive Covenants, a Regulatory and Operating Agreement and such other ancillary documents as may be required to close the Mixed Finance Operating Subsidy component of the Developments (collectively referred to herein as the "ACC Closing Documents"); b) negotiate, finalize, execute, deliver and perform the obligations under such ACC Closing Documents once finalized and approved by HUD; c) obtain or facilitate all other government approvals; and d) take all actions as necessary or desirable to effectuate this resolution and provide the operating subsidy to the Developments; and

2. RAD conversions, to: a) submit certain RAD closing documents to HUD for approval in connection with the RAD conversion of the public housing units in the Developments, including, but not limited to, the RAD Conversion Commitment, the Housing Assistance Payment Contract, the Use Agreement and such other documents as necessary or desirable to facilitate the closing of the RAD transaction (“RAD Closing Documents”); b) negotiate, finalize and execute, deliver and perform the obligations under such RAD Closing Documents once finalized and approved by HUD; c) obtain or facilitate all required government approvals under the RAD program; and d) take all actions as necessary or desirable to effectuate this resolution and provide the project based voucher payments to the Developments.

I hereby certify that this was
APPROVED BY THE BOARD ON 8/21/2023
James M. Redica
ATTORNEY FOR PHA

RESOLUTION NO. 12305

RESOLUTION AUTHORIZING APPROVAL OF THE AWARD OF TWO (2) U.S. HOUSING AND URBAN DEVELOPMENT - VETERANS AFFAIRS SUPPORTIVE HOUSING PROJECT BASED VOUCHER PROPOSALS TOTALING TWENTY (20) PROJECT BASED VOUCHERS

WHEREAS, the Philadelphia Housing Authority (“PHA”) operates a Project Based Voucher (“PBV”) Program where PHA project bases housing choice vouchers and enters into Housing Assistance Payments (“HAP”) contracts with agencies and property owners throughout Philadelphia to provide rental assistance to eligible low-income households; and

WHEREAS, the HAP Contracts are issued in response to a Request for Proposal (“RFP”), are generally twenty (20) years in length, and preserve affordable housing in various Philadelphia neighborhoods on a long term basis; and

WHEREAS, PHA’s Project Based Voucher portfolio currently consists of two thousand five hundred sixty-nine (2,569) units at one hundred thirty-three (133) developments in Philadelphia; and

WHEREAS, tenants in PHA’s PBV program generally pay 30% of their monthly income towards rent and utilities and PHA pays the remainder of the rent directly to the owner; and

WHEREAS, in June 2023, The Corporal Michael J. Crescenz VA Medical Center requested that forty (20) of their allotted PHA vouchers for U.S. Department of Housing and Urban Development (“HUD”) Veterans Affairs Supportive Housing (“VASH”) Tenant based vouchers be made available for Project Based, in an effort to expand housing resources for their HUD-VASH Veterans; and

WHEREAS, the HUD-VASH program combines HUD’s Housing Choice Voucher (“HCV”) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (“VA”); and

WHEREAS, HUD’s Housing Opportunity Through Modernization Act of 2016 (“HOTMA”) notice and PHA’s Admin Plan 22.6.6 Project-Based Assistance allow PHA to project-base HUD VASH vouchers without HUD approval, which allowed PHA and our local VA to partner for extend a Request for Proposals; and

WHEREAS, the proposals were reviewed and evaluated by an evaluation committee, which included a representative from the VA, and the supporting documents were reviewed by the Contracting Officer; and, based upon the consensus evaluation it is recommended that twenty (20) project based vouchers be awarded to the following two entities, subject to PHA’s requirements set forth in the RFP, to provide much needed long term affordable housing options for HUD VASH Veterans in the City of Philadelphia:

- 1) Odin Properties LLC (Lovell Apartments) 10 PBV’s
- 2) The Michaels Development Company (3031 N 21st St Seniors) 10 PBV’s

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to award twenty (20) HUD VASH project-based vouchers, as set forth above, to and take all necessary and appropriate actions related to the award of the vouchers.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023
Quinn M. Redican
ATTORNEY FOR PHA

RESOLUTION NO. 12306

RESOLUTION AUTHORIZING A CONTRACT WITH LIBERTY MUTUAL INSURANCE COMPANY FOR WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE COVERAGE

WHEREAS, the Philadelphia Housing Authority ("PHA") has a need to maintain workers' compensation and employer's liability insurance coverage; and

WHEREAS, the current workers' compensation insurance policy term is from October 15, 2022 to October 15, 2023, as approved by the Board on September 15, 2022 by Resolution No. 12235; and

WHEREAS, pursuant to Resolution No.11957, approved by the PHA Board on September 14, 2017, PHA entered into a contract with Conner Strong & Buckelew ("Conner") on November 29, 2017, for the provision of qualified, professional insurance and brokerage services; and

WHEREAS, at PHA's request, and in compliance with procurement regulations, Conner has solicited premium quotations from insurers in the market place; and

WHEREAS, two (2) insurers offered quotations: Liberty Mutual Insurance Company ("Liberty Mutual"), the incumbent, and Crum & Forster; one (1) insurer (Zurich) indicated that a quote would be subject to a five hundred thousand dollar (\$500,000.00) deductible; and one (1) insurer (Encova) declined to quote; and

WHEREAS, in consultation with Conner, PHA has reviewed the two (2) options and determined that of the two (2) proposals, the Liberty Mutual proposal provides the best workers' compensation and employer's liability insurance coverage option for PHA; and

WHEREAS, the "Total Expected Premium and Collateral" for Liberty Mutual is six million two hundred ninety-eight thousand eight hundred ninety-six dollars (\$6,298,181); and

WHEREAS, the "Maximum Premium" for Liberty Mutual insurance is fourteen million four hundred forty-two thousand dollars (\$14,442,000.00), which would reflect a "worst case scenario" of claims and expenses; and

WHEREAS, it is recommended that PHA contract with Liberty Mutual for workers' compensation coverage, for a maximum amount not to exceed fourteen million four hundred forty-two thousand dollars (\$14,442,000.00), for the policy period from October 15, 2023 to October 15, 2024 to pay premiums and cash collateral and to maintain an appropriate reserve to be used to pay deductible amounts on claims, as necessary during the policy period;

BE IT RESOLVED, that the Board of Commissioners hereby authorizes PHA's President & CEO and/or his authorized designee(s) to take all necessary actions to conclude and to execute a policy of insurance for PHA's workers' compensation and employer's liability insurance with Liberty Mutual for a not-to-exceed amount of fourteen million four hundred forty-two thousand dollars (\$14,442,000.00), for the policy period from October 15, 2023 to October 15, 2024, as set forth above and subject to availability of funds therefor.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023

Summa M. Leica
ATTORNEY FOR PHA

RESOLUTION NO. 12307

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO MAKE AN ADDITIONAL LOAN IN CONNECTION WITH A MIXED-USE RETAIL DEVELOPMENT IN THE SHARSWOOD/BLUMBERG NEIGHBORHOOD

WHEREAS, PHA and its commercial development partner, Mosaic Partners (“Developer”), have nearly completed the mixed-use retail center (“Retail Center”) on Ridge Ave by PHA’s headquarters; and

WHEREAS, the Retail Center, when fully completed, will include the following components:

- 1) ninety-eight (98) rental units, of which seventeen (17) will be designated for families at less than 80% or the Area Median Income, for which PHA will provide a Project Based Rental Contract; and
- 2) a parking garage that will contain approximately two hundred (200) parking spaces that will be dedicated for PHA’s use, with PHA initially leasing the garage from the Developer and, upon expiration of the lease, PHA will own the garage; and
- 3) forty-four thousand (44,000) square feet of retail space that will be located on the ground floor of the parking garage and two mixed-use residential buildings, with the retail tenants to include a Grocery Outlet supermarket, an Urgent Care facility, Santander Bank, and other retail tenants that will enhance services available to the community; and

WHEREAS, in addition, in furtherance of the Retail Center, and as authorized under Resolution No. 12089, approved by the Board of Commissioners on April 16, 2020, PHA entered into a long term ground lease with the Developer for the PHA rental unit properties, provided amortizing financing in an amount not to exceed twenty-five million dollars (\$25,000,000.00), and entered into a lease with the Developer for the parking garage; and

WHEREAS, over the past three years, the construction and lease up costs of the Retail Center have increased, due to a number of factors; and

WHEREAS, the Developer has asked PHA to make an additional loan of four million three hundred thousand dollars (\$4,300,000.00), under substantially the same terms and conditions as contained in the original loan;

BE IT RESOLVED, that the PHA Board of Commissioners hereby authorizes the President & CEO, or his designee(s), to provide an additional loan in a not-to-exceed amount of four million three hundred thousand dollars (\$4,300,000.00), and to negotiate, execute and enter into all related agreements, contracts and documents necessary to effectuate such loan under the substantially same terms and conditions as the first PHA loan, as set forth above, subject to the availability of funds therefor.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023
[Signature]
ATTORNEY FOR PHA

RESOLUTION NO. 12308

RESOLUTION AUTHORIZING THE SUBMISSION OF A FIVE HUNDRED THOUSAND DOLLAR GRANT APPLICATION TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT FOR KEYSTONE COMMUNITIES PROGRAM FUNDS FOR THE FAIRHILL REDEVELOPMENT

WHEREAS, the Philadelphia Housing Authority (“PHA”) needs supplemental funding for the demolition phase of its planned Fairhill Redevelopment initiative, for the revitalization of PHA’s Fairhill development along with developing surrounding properties in an area of Philadelphia located within the vicinity of West Cumberland Street to the north, West Susquehanna to the south, 11th Street to the West and 9th Street to the east to create affordable rental, homeownership and mixed-use development (the “Fairhill Redevelopment”); and

WHEREAS, the Pennsylvania Department of Community and Economic Development (“DCED”) has made funding available for development activities through its Keystone Communities Program (“Keystone”); and

WHEREAS, PHA prepared and submitted an application to DCED for Keystone funding for the Fairhill Redevelopment on August 31, 2023; and

WHEREAS, in September, subsequent to PHA’s submission of the grant in August of 2023, DCED communicated to PHA that it required a Board resolution that specifically: 1) authorizes the agency to apply for the grant, 2) names the program; and 3) specifies the dollar amount of the application; and

WHEREAS, this September 21, 2023 Board meeting is the earliest opportunity for PHA to request the DCED required resolution of the Board; and

WHEREAS, PHA wishes to have Board authorization by this resolution to apply to DCED for Keystone Communities Program funding in the amount of five hundred thousand dollars (\$500,000) for the Fairhill Redevelopment initiative;

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to apply for Keystone Communities Program funding, administered by DCED, in the amount of five hundred thousand dollars (\$500,000) for the Fairhill Redevelopment and to take all necessary and appropriate actions relating to said application and award.

I hereby certify that this was
APPROVED BY THE BOARD ON 9/21/2023
Lawrence M. Redice
ATTORNEY FOR PHA

APPENDIX 2

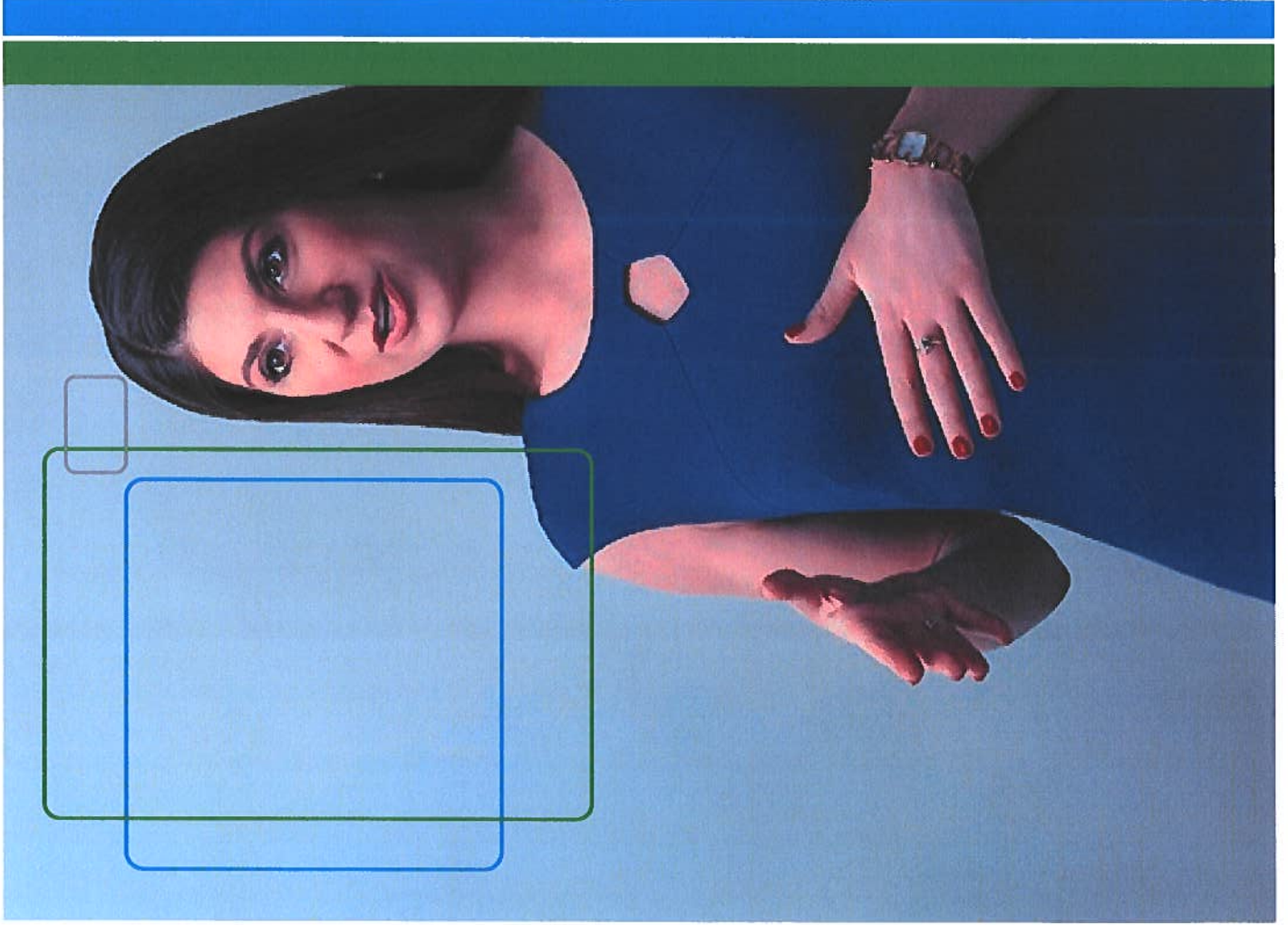


Philadelphia
Housing Authority
(PHA)

FY 2023 AUDIT RESULTS

Report to the Board of
Commissioners

September 21, 2023



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Summary

- Report covers PHA's fiscal year ended March 31, 2023
- Financial statements are management's responsibility
- Our audits were conducted in accordance with:
 - U.S. Generally Accepted Auditing Standards (GAAS)
 - GAO Government Auditing Standards (Yellow Book)
 - Single Audit Requirements (Uniform Guidance)

Report opinions

- Financial statement opinion is “Unmodified”
- Single Audit opinion on Major Programs are also “Unmodified”



Scope of services

RSM US LLP

- PHA primary government
- Single audit of federal funds
- Overall report and footnotes



Scope of services (continued)

Other Auditors for “Component Units”

- Philadelphia Housing Authority Development Corp. (PHADC)
- Philadelphia Asset and Property Management Corp. (PAPMC)
- Gordon Street, LLC
- Oakdale Street, LLC
- Philly Seeds, Incorporated
- PHA Plymouth Hall, LLC
- Suffolk Manor Apartments, L.P.
- Cambridge Plaza, L.P.
- Richard Allen Phase III L.P. and RA Phase 3 LLC
- Cambridge Plaza II, L.P. and CPLP 2 LLC
- Mt. Olivet, L.P. and Mt. Olivet SLP LLC
- Tasker I, L.P. and Tasker SLP LLC
- Mill Creek Phase I, L.P. and MCLP Phase I LLC
- Lucien Blackwell Homes Phase III, L.P. and LBHLP III LLC
- Cambridge Plaza III, L.P. and CPLP 3 LLC
- Limited Partnerships and Alternate Managed Units (46 in 2023)
- Employee Retirement Income Plan



Audit approach and procedures

- Financial reporting under GASB (Government Accounting Standards Board)
- Internal controls
- Compliance with HUD regulations and federal requirements
- General ledger completeness
- Journal entry testing
- Analytical procedures
- Independent confirmations of balances
- Interviews, review of processes, tests of transactions

Notes:

- Audit planning meeting was held with Audit Committee on June 20, 2023
- Audit results were discussed with Audit Committee on September 7, 2023



Key audit areas

- Cash and investments
- Receivables and revenues
- Capital assets
- Accounts payable and accrued expenses
- Debt
- Leases
- Contingencies
- Net position
- Contract and grant compliance
- Tenant revenues, operating subsidies, and capital subsidies
- Operating expenses
- Payroll
- Pension
- Housing assistance payments

Control deficiency definitions

Control deficiencies are evaluated individually and in aggregate as follows:

Type of deficiency	Likelihood	Potential impact	Reporting impact
Material weakness	Reasonable possibility	Material	Included in Single Audit report
Significant deficiency	Reasonable possibility	Merits attention by those charged with governance	Included in Single Audit report
Control deficiency	Remote possibility	Inconsequential	Audit Committee presentation only



Government Auditing Standards

- Significant deficiencies or material weaknesses
 - No findings identified
- Compliance with laws and regulations
 - No findings identified



Uniform guidance audit

- 2023 major programs
 - Moving to work demonstration program – ALN 14.881
 - \$473 million for 2023 (97% of Federal awards)
 - Low rent public housing
 - Section 8 Housing Choice Voucher
 - Capital fund
 - Choice Neighborhood Implementation – ALN 14.889
 - \$3.7 million for 2023



Uniform guidance audit (continued)

- **Internal control over compliance**
 - No significant deficiencies or material weaknesses identified
- **Major programs compliance**
 - Unmodified (clean) opinions
 - No findings identified



Other topics

- Component unit of City of Philadelphia
- Audit timeline
- PHA staff support during the audit
- Questions

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