



PHILADELPHIA HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING MINUTES
Thursday, October 20, 2016, 3 p.m., at 12 S. 23rd St., Philadelphia, PA 19103

The regular meeting of the Philadelphia Housing Authority ("PHA") Board of Commissioners was brought to order at approximately 3:10 p.m. by the Chair, Lynette Brown-Sow. In addition to the Chair, Vice-Chair Wetzel and Commissioners Callahan, Camarda, Danzy, and Purnell were in attendance, as well as President & CEO Kelvin A. Jeremiah ("CEO Jeremiah") and Acting General Counsel, Laurence M. Redican.

The Chair began the meeting by asking for a moment of silence in preparation for the work to be done, then again welcomed and introduced Commissioner Purnell, for his second meeting as a sitting Commissioner.

CEO Jeremiah reviewed the Board meeting procedure for public comment before making the following announcements: 1) Governor Wolf has authorized two million dollars in RACP funding for PHA's Sharwood/Blumberg supermarket and future headquarters, thanks to efforts from a number of PHA departments to secure this funding; 2) the annual Senior Thanksgiving Luncheon will be held at Abbotsford Homes on Saturday, November 19th from 12pm -3pm and all Commissioners are invited; 3) Ms. Renee Busbee was recognized in this month's resident highlight for having recently completed the Human Services job training program externship with the Asociación Puertorriqueños en Marcha for Everyone and then being hired at the William Penn School District as a Support Services Aid. She was given a congratulatory round of applause in absentia.

Barbara Moore, PHA's Sustainability Coordinator, then presented the 4th Annual Sustainability Report, a copy of which is attached as Appendix 1 (without the cover sheet). She also noted that the figure at the end, indicating the total savings and grants, should have been approximately four hundred thousand dollars (\$400,000) higher, totalling total seven hundred eleven thousand six hundred fifty dollars (\$711,650).

The Chair inquired whether there were any corrections or amendments to the minutes of the Board Meeting of September 15, 2016. Hearing none, the minutes were accepted as submitted.

Five resolutions were presented and unanimously approved, by those participating in the voting.

Resolution 11892, attached in Appendix 2, was presented by Dave Walsh, Executive Vice-President of Supply Chain Management ("EVP-SCM"), to authorize PHA to contract for environmental engineering support services with the following six companies: Sci-Tek Consultants, Inc.; Duffield Associates, Inc.; STV, Inc.; Urban Engineers, Inc.; Kleinfelder, Inc.; and REACT Environmental Professional Services Group, Inc., with the total aggregate amount to be expended under the contracts not to exceed three million dollars (\$3,000,000.00). Board Vice-Chair Wetzel, as Chair of the Policy & Planning Committee that reviewed the resolution, moved for its approval. Following a second, he stated that the committee recommended approval and appreciated that there is a need for environmental reviews. There being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

Resolution 11893, attached in Appendix 2, was presented by Dave Walsh, EVP-SCM, to authorize PHA to contract with Turf Construction Company, Inc. for stormwater maintenance services at eighteen (18) sites, with a total amount to be expended under the contract not to exceed two million three hundred seventy-three thousand two hundred thirty-one dollars (\$2,373,231.00). Commissioner Callahan, as the Chair of the Finance Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Commissioner Callahan commented that the committee had met to review the resolution. There being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

Prior to any presentation or discussion regarding **Resolution 11894**, attached in Appendix 2, Commissioners Camarda and Pumell recused themselves from all discussion and voting, with Commissioner Camarda stating that she is on the Board of Nueva Esperanza and Commissioner Purnell stating that he is the Deputy Director for Housing and Community Development for the City of Philadelphia, which is partially funding this development. Both Commissioners left the room for the duration of the consideration of this resolution.

Erik Soliván, Senior Vice President – Office of Policy, Research and Enterprise Planning, then presented the resolution to authorize PHA to loan the limited partnership owner of Roberto Clemente Homes an amount not to exceed one million two hundred thousand dollars (\$1,200,000.00) for its planned mixed-use and adaptive reuse project in North Philadelphia, sponsored by Nueva Esperanza. Board Vice-Chair Wetzel, as Chair of the Policy & Planning Committee that reviewed the resolution (without the participation of Commissioner Camarda, who is a member of that committee) moved for its approval. After the motion was seconded, he stated that the committee recommended approval and that the development was much needed in the neighborhood. Following discussion and there being no public comment, for which an opportunity was provided, the motion was unanimously approved.

Commissioners Camarda and Purnell then rejoined the Board and participated in the rest of the meeting.

Resolution 11895, attached in Appendix 2, was presented by Michael Johns, Senior Executive Vice President – Capital Projects and Development, to authorize PHA to negotiate, conclude and execute a final development agreement and ground lease with Alterra Property Group and Rheel Capital Management, for the Development of 2012 -2016 Chestnut Street. Board Vice-Chair Wetzel, as Chair of the Policy & Planning Committee that reviewed the resolution, moved for its approval. Following a second, he stated that the committee recommended approval. After discussion, including a question from Ms. Nellie Reynolds about the availability of parking, the motion was unanimously approved.

Resolution 11896, attached in Appendix 2, was presented by Celeste Fields, Executive Vice President / Chief Financial Officer (“CFO”) – Finance and Leased Housing, to authorize PHA to finance the development and construction of its new office building, in the Sharswood/Blumberg neighborhood, through the issuance by PHA of one or more series of tax-exempt or taxable bonds in an aggregate principal amount not to exceed thirty-four million dollars (\$34,000,000.00). Commissioner Callahan, as the Chair of the Finance Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Commissioner Callahan commented that the committee had met to review the resolution, had made sure that all committee members were briefed and in agreement, due to the amount and scope of the project, and that the committee unanimously recommended its approval. Renderings of the proposed headquarters were then shown and, there being no further discussion or public comment, for which an opportunity was provided, the motion was unanimously approved.

The public comment period began at approximately 3:35 p.m. and a sign-up sheet indicating the names of those who spoke, as well as their topics, is attached as Appendix 3. No one signed up for comment on individual resolutions.

The Chair adjourned the meeting at approximately 4:10 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Laurence M. Redican". The signature is fluid and cursive, with a long horizontal stroke at the end.

Laurence M. Redican
Acting General Counsel
Philadelphia Housing Authority

APPENDIX 1

Philadelphia Housing Authority

Fourth Sustainability Report

August 2015- August 2016

This is the fourth Sustainability Accomplishment Report issued by the Philadelphia Housing Authority (PHA) since August 24, 2012, when it adopted its Sustainability Policy. In keeping with PHA's strategic plan priorities and its position as the fourth largest public housing authority in the nation, PHA is dedicated to being a leader in public housing sustainability. Since adopting the Sustainability Policy, PHA's focus has been to develop a Green Action Plan, pursuant to its undertakings as a HUD-accredited green housing authority, and initiate the implementation plan. PHA is guided by two major initiatives in its sustainability planning: 1) the Sustainable Performance Institute/SPI- Green Action Plan, underpinned by measurable objectives set to be achieved within 5 years, and 2) PHA's commitment as a partner with The Better Buildings Challenge (BBC) for Multi-family housing. This report will provide a summary of PHA's performance from August 2015 through August 2016.

In the past year PHA has been involved in ongoing initiatives to address sustainability and energy efficiency and has called upon residents, staff and leadership to play an active role to engage in pioneering these initiatives. A primary focus has been building the capacity of staff and resident leadership by having a consultant, provided through a HUD technical assistance grant, train each group in the areas of: energy procurement, energy performance contracts, and energy efficiency. This training enhanced the decision-making capacity on all levels to make better sustainable choices and also achieve the green action items in PHA's strategic plan. PHA residents, as well as resident leadership, also received training in energy efficiency.

In order to make smarter decisions regarding energy efficiency and procurement, PHA needed to begin "benchmarking," by collecting energy usage data in its data management system. PHA hired a vendor to survey more than 7,761 units, including all the conventional and senior sites. With the assistance and support of PHA's Development and Operations Departments PHA was able to collect data from every utility meter and determine whether the meter was used for residential or common spaces, relating to gas, electric and water services. This data collection process was arduous, but the information was invaluable to the energy procurement process and will be more critical in PHA's implementation of its Energy Performance Contract (EPC).

During the reporting period, with approval from the Board of Commissioners, PHA awarded a contract for a very comprehensive EPC, after extensive review, reference checks, and negotiations. By May of 2016, PHA entered into a contract with Johnson Controls, Inc. as the energy services company. As part of that contract, in addition to the normal Investment Grade Energy Audit, PHA scoped three additional assessments to be performed: a Green Physical Needs Assessment, Healthy Homes Assessment and a Resiliency Assessment. The implementation of these scopes of work will allow PHA to deliver life-enhancing and sustainable benefits to residents and staff, while taking its commitment of Sustainability to the next level by becoming more innovative. The EPC assessment reports are to be delivered for the entire portfolio by the first quarter of 2017. This initiative has created excitement throughout the agency, knowing there are opportunities for job creation, training, professional development, energy efficiency on a comprehensive level, healthier living environments for our residents, and financial savings to invest into future capital improvements.

Also, in March of 2016 the Philadelphia Energy Authority announced a new initiative for the City of Philadelphia, a Ten Year Neighborhood Program designed to grow jobs, strengthen communities, cut energy bills, and reduce the carbon

footprint, recognizing that "PHA would be one of the largest and one of the only programs to take climate resiliency into account".

Other accomplishments between August 2015 and August 2016 include:

1) **Capital Projects**



Queen Lane Apartments – this is a 55-unit project consisting of units from one to three bedrooms in a mix of townhouses, multi-unit apartment buildings, and a triplex building. The project was completed in March of 2016 and meets the Enterprise Green Communities, Energy Star and LEED standards.



Blumberg Phase 1 – this is a 57-unit project consisting of units from one to four bedrooms in a mix of townhouses. The project completion date is December of 2016 and the project will meet the Enterprise Green Communities standards.



Gordon Apartments – this is a 21-unit project with newly-built townhouses. The project was completed in September 2015, consisting of two and three bedroom units. This project meets the Energy Star standards.



Oakdale Apartments – this is a 12-unit new construction project consisting of eight townhouses and two duplex units, with one and two bedroom units. The project was completed in June of 2015 and is Energy Star Certified.

2)  **Energy Procurement**

In a new initiative to provide budget certainty and avoid the volatility of energy supply prices, PHA began to competitively procure natural gas and electricity directly from the supplier in 2015. Over the course of a few months, an Energy Procurement team was formed to accomplish this task. This undertaking coincided with a period of historically low energy prices, affording PHA an opportunity to purchase its future energy supply at very low prices. With the assistance of two energy advisors, Mondre Energy, Inc. and Tradition Energy, PHA secured electricity at a fixed price until February 2019, and natural gas at various limit buys until October 2018. The electricity was purchased at \$0.05463 / kWh, and natural gas at an average of \$2.924 / DTH, for those respective periods. The primary goal, of having budget certainty for such upcoming energy expenses, was achieved and estimates for utility expenditures were provided to PHA's Finance department, for budgeting, to assist in financial planning through most of FY19.

In addition, PHA has outperformed the utility company benchmarks (PGW and PECO) by over \$400,000 to date, which is direct cost avoidance versus a direct purchase through the utility.

3)  **Energy Conservation**

PHA partnered with PECO to retrofit all 1980 units of the Philadelphia Asset Property Management Corporation (PAPMC) with aerators and new energy efficient shower heads and to replace interior light bulbs with CFL. This program is being financed by Pennsylvania's ACT 129 program. This project started in September of 2015 and was completed in May of 2016.

4) **Resident and Staff Engagement**

- PHA resident leadership participated in multiple capacity-building training sessions for information related to the benefits, and process of an Energy Performance Service Contract.

- PHA continued to engage residents in the partnership with the Philadelphia Horticultural Society and initiated a tree planting program with residents of the Richard Allen LP and Blackwell Homes to plant 52 trees. These services were at no cost to PHA.



- PHA continued to team up with GRID magazine and distributed more than 4000 *Sustainability* magazines to residents and staff.
- PHA hosted the second Energy Conservation Day in May of 2016 with more than 100 residents in attendance.



5) **Recycling**

Last year, in-house, we recycled approximately 97 tons of scrap metal, corrugated boxes, electronic equipment, pallets, car batteries and non-ferrous metals generating revenue of **\$10,507**.

Our recycling efforts have also produced a container/dumpster saving of **\$34,643** with a combined revenue/savings of **\$45,150**.



6) **Job Creation**

Johnson Controls, under its EPC contract, hired fourteen (14) Green Ambassadors, including four youth staff members. All of these part-time positions were filled by PHA residents and, to date, one resident has been promoted to a Green Technician position.



7) **Vehicles**

PHA purchased 22 fuel efficient vehicles, with MPG ratings 30% better than those of the vehicles that were replaced.

8) **Sustainable – Grants and Savings**

- HUD technical assistance training dollars - **\$15,000**
- Recycling program - **\$45,150**
- Philadelphia Water Department - **\$232,500** committed for a Green Street project to be used to implement a Green Street Design within the Blumberg project. This is a collaborative effort of PHA and the City of Philadelphia Water Department.
- PHS – tree planting - **\$19,000**

**TOTAL GRANTS AND
RECYCLING PROGRAM SAVINGS: \$311,650**

APPENDIX 2

THE PHILADELPHIA HOUSING AUTHORITY
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
12 S. 23rd St.
PHILADELPHIA, PA 19103
THURSDAY, OCTOBER 20, 2016, at 3 p.m.
AGENDA

- A. **Call to Order** Lynette Brown-Sow, Chair of the Board of Commissioners
- B. **Remarks** Kelvin A. Jeremiah, President & CEO
- C. **Approval of Minutes** of the Board Meeting held September 15, 2016, as distributed.
- D. **Presentation of Fourth Annual Sustainability Report**
- E. **New Business**
1. **RESOLUTION AUTHORIZING ENVIRONMENTAL ENGINEERING SUPPORT SERVICES CONTRACTS WITH SCI-TEK CONSULTANTS, INC.; DUFFIELD ASSOCIATES, INC.; STV, INC.; URBAN ENGINEERS, INC.; KLEINFELDER, INC.; AND REACT ENVIRONMENTAL PROFESSIONAL SERVICES GROUP, INC.**
(Dave Walsh)
 2. **RESOLUTION AUTHORIZING A CONTRACT WITH TURF CONSTRUCTION COMPANY, INC. FOR STORMWATER MAINTENANCE SERVICES AT EIGHTEEN (18) SITES**
(Dave Walsh)
 3. **RESOLUTION AUTHORIZING A LOAN TO ROBERTO CLEMENTE HOMES, L.P. IN AN AMOUNT NOT TO EXCEED 1.2 MILLION DOLLARS FOR THE ROBERTO CLEMENTE HOMES AFFORDABLE HOUSING PROJECT**
(Erik Soliván)
 4. **RESOLUTION TO NEGOTIATE, CONCLUDE AND EXECUTE A DEVELOPMENT AGREEMENT AND GROUND LEASE WITH ALTERRA PROPERTY GROUP AND RHEAL CAPITAL MANAGEMENT FOR THE DEVELOPMENT OF 2012 - 2016 CHESTNUT STREET, PHILADELPHIA**
(Michael Johns)
 5. **RESOLUTION AUTHORIZING BOND FINANCING NOT TO EXCEED 34 MILLION DOLLARS FOR THE SHARSWOOD/BLUMBERG OFFICE BUILDING AND AUTHORIZING ALL OTHER ASSOCIATED ANCILLARY TASKS IN CONNECTION WITH THE BOND FINANCING**
(Celeste Fields)
- F. **Public Comment Period**

RESOLUTION NO. 11892

**RESOLUTION AUTHORIZING ENVIRONMENTAL ENGINEERING SUPPORT SERVICES
CONTRACTS WITH SCI-TEK CONSULTANTS, INC.; DUFFIELD ASSOCIATES, INC.; STV, INC.;
URBAN ENGINEERS, INC.; KLEINFELDER, INC.; AND REACT ENVIRONMENTAL
PROFESSIONAL SERVICES GROUP, INC.**

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for environmental engineering support services and a Request for Proposal was developed for the selection of companies to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

WHEREAS, the Request for Proposal was posted on PHA's website, advertised via local publications and chambers of commerce, mailed to qualified entities on PHA's Outreach List, and distributed to those who responded to the invitation; and

WHEREAS, the proposals were reviewed and evaluated by an evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

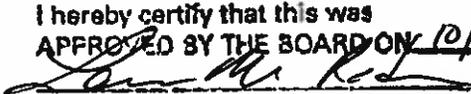
WHEREAS, based upon the consensus evaluation, it is recommended that contracts be awarded to the following six (6) companies: Sci-Tek Consultants, Inc.; Duffield Associates, Inc.; STV, Inc.; Urban Engineers, Inc.; Kleinfelder, Inc.; and REACT Environmental Professional Services Group, Inc.; and

WHEREAS, work is to be assigned to each of the six (6) awardees at the discretion of the Contracting Officer based on need, performance and other legitimate business factors, and may be altered at any time during the course of this contract; and

WHEREAS, it is recommended that the aggregate amount to be expended under the six (6) contracts, combined, shall not exceed three million dollars (\$3,000,000.00) with a one-year base period and two (2) one-year option periods, as follows:

- 1) The aggregate not-to-exceed amount for the one-year base period is one million dollars (\$1,000,000.00), per year; and
- 2) The aggregate not-to exceed amount for each year of the two (2) option years is one million dollars (\$1,000,000.00), per year;

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to conclude and execute contracts with Sci-Tek Consultants, Inc.; Duffield Associates, Inc.; STV, Inc.; Urban Engineers, Inc.; Kleinfelder, Inc.; and REACT Environmental Professional Services Group, Inc. for a total aggregate amount not to exceed three million dollars (\$3,000,000.00), subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contracts, including determining whether the options available under the contracts shall be exercised.

I hereby certify that this was
APPROVED BY THE BOARD ON 10/20/16

ATTORNEY FOR PHA

RESOLUTION NO. 11893

**RESOLUTION AUTHORIZING A CONTRACT WITH TURF CONSTRUCTION COMPANY, INC. FOR
STORMWATER MAINTENANCE SERVICES AT EIGHTEEN (18) SITES**

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for stormwater maintenance services and a Request for Proposal was developed for the selection of companies to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

WHEREAS, the Request for Proposal was posted on PHA's website, advertised via local publications and chambers of commerce, mailed to qualified entities on PHA's Outreach List, and distributed to those who responded to the invitation; and

WHEREAS, the proposals were reviewed and evaluated by an evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

WHEREAS, based upon the consensus evaluation, it is recommended that a contract be awarded to Turf Construction Company, Inc.; and

WHEREAS, it is recommended that the amount to be expended under the contract shall not exceed two million three hundred seventy-three thousand two hundred thirty-one dollars (\$2,373,231.00) with a one-year base period and four (4) one-year option periods, as follows:

- 1) The not-to-exceed amount for the one-year base period is four hundred forty-two thousand one hundred six dollars (\$442,106.00);
- 2) The not-to exceed amount for the first one-year option period is four hundred fifty four thousand eight hundred seventeen dollars (\$454,817.00);
- 3) The not-to exceed amount for the second one-year option period is four hundred seventy nine thousand eight hundred eighty-three dollars (\$479,883.00);
- 4) The not-to exceed amount for the third one-year option period is four hundred ninety two thousand two hundred fifty six dollars (\$492,256.00);
- 5) The not-to exceed amount for the fourth one-year option period is five hundred four thousand one hundred sixty-nine dollars (504,169.00);

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 Turf Construction Company, Inc., subject to the availability of funds therefor, as set forth above, in a total contract amount not to exceed two million three hundred seventy-three thousand two hundred thirty-one dollars (\$2,373,231.00), and to take all necessary actions relating to such contract.

I hereby certify that this was
APPROVED BY THE BOARD ON 10/20/16


ATTORNEY FOR PHA

RESOLUTION NO. 11894

**RESOLUTION AUTHORIZING A LOAN TO
ROBERTO CLEMENTE HOMES, L.P. IN AN AMOUNT NOT TO EXCEED 1.2 MILLION
DOLLARS FOR THE ROBERTO CLEMENTE HOMES AFFORDABLE HOUSING PROJECT**

WHEREAS, the Philadelphia Housing Authority ("PHA") desires to increase the number of affordable housing units in the City of Philadelphia and has identified a need to partner with private and nonprofit entities to develop new or preserve existing low-income housing through public-private partnerships; and

WHEREAS, on or about January 21, 2016, by Resolution No. 11827, the Board approved a transfer of assistance through the Rental Administration Demonstration ("RAD") program to the Roberto Clemente Homes affordable housing project ("Development"); and

WHEREAS, Nueva Esperanza is the sponsor and developer of the Development, which involves the renovation an existing vacant school building into 37 affordable housing units and 5,500 square feet of ground floor commercial retail space; and

WHEREAS, the Development, at closing, will be owned by Roberto Clemente Homes, L.P. and a wholly owned nonprofit entity of Nueva Esperanza will serve as the general partner of the limited partnership; and

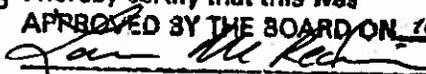
WHEREAS, the construction budget for the Development is approximately sixteen million three hundred sixty-three thousand four hundred sixty dollars (\$16,363,460.00), of which eleven million six hundred ninety-five thousand five hundred fifty-one dollars (\$11,695,551.00) will be generated from a 2015 award of nine percent low income housing tax credits ("LIHTCs") from the Pennsylvania Housing Finance Agency and additional funding will come from various public and private sources; and

WHEREAS, the school building has been vacant for over thirty (30) years and is need of extensive environmental remediation and as construction costs have risen significantly in Philadelphia and the Developer was forced to conduct several rounds of value engineering in order to attempt to bring project costs in line with available sources but still faces a budget shortfall; and

WHEREAS, the Development is in jeopardy of losing its LIHTC allocation if construction is not initiated in 2016;

WHEREAS, the budget shortfall is approximately one million two hundred thousand dollars (\$1,200,000), which PHA is able to provide as a loan to the Development and the City of Philadelphia has committed to similarly providing a loan in the amount of one million five hundred thousand dollars (\$1,500,000.00);

BE IT RESOLVED, that the PHA President & CEO, or his designee, is hereby authorized to negotiate the terms of a loan in an amount not to exceed one million two hundred thousand dollars (\$1,200,000.00) with Nueva Esperanza and execute all the required documents in order to secure the funds as lien against the Development and take all further action as necessary to complete the transaction.

I hereby certify that this was
APPROVED BY THE BOARD ON 10/20/16

ATTORNEY FOR PHA

RESOLUTION NO. 11895

RESOLUTION TO NEGOTIATE, CONCLUDE AND EXECUTE A DEVELOPMENT AGREEMENT AND GROUND LEASE WITH ALTERRA PROPERTY GROUP AND RHEAL CAPITAL MANAGEMENT FOR THE DEVELOPMENT OF 2012 - 2016 CHESTNUT STREET, PHILADELPHIA

WHEREAS, the Board of Commissioners at the June 16, 2016 Board Meeting by Resolution No.11873 authorized PHA to enter into a Pre-Development Agreement with Alterra Property Group ("Alterra") and to take all steps necessary to complete a plan for the optimum development of the site; and

WHEREAS, after discussions with Alterra, PHA seeks authorization to conclude negotiations with Alterra and Rheel Capital Management, or an affiliated entity or other such entity which may be created for this project (the "Developer") and, if successful, to enter into a ground lease ("Ground Lease"), development agreement ("Development Agreement"), and to the extent required, a Declaration of Restrictive Covenants (the "Transaction Documents"); and

WHEREAS, the ground lease between PHA and the Developer shall provide for a 99-year term and require the Developer to: 1) pay PHA at least one hundred thousand dollars (\$100,000.00) annually, and 2) construct an apartment building that shall include an affordable housing component (the "Development"); and

WHEREAS, the Development Agreement shall set forth that the Developer shall pay all costs to develop, construct and operate the Development and that the Development shall: 1) allow for 20% affordable housing as part of the total units created (which total is expected to start at approximately 200 dwelling units); 2) contain retail space; 3) include other amenities for the residents, which will be available for all residents of the Development; and

WHEREAS, the Development Agreement shall further set forth that in accordance with applicable regulations and law, the Development may be eligible to receive up to 40 project-based vouchers from PHA and shall comply with PHA's Section III and MWBE requirements during construction; and

WHEREAS, PHA may require certain consents or approvals of HUD or other state, local or federal agencies in connection with entering into the Transaction Documents and certain other activities relating to the construction of the Development;

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to enter into a Ground Lease and Development Agreement with Alterra and Rheel Capital or an affiliated entity or other such entity that may be created for this project to develop the site and to take all steps necessary to negotiate and conclude such documents in accordance with the provisions of this resolution, including to: 1) enter into, negotiate, conclude, execute, deliver and perform the Transaction Documents; 2) make and submit such applications and documentation as necessary to secure any required consents or approvals from HUD and/or other agencies or entities as necessary; and 3) and to take all necessary actions to carry out the provisions of this resolution; and

BE IT FURTHER RESOLVED that actions taken by the President and CEO of the PHA or his authorized designee, prior to the date hereof on behalf of the PHA, in connection with the Development and the transactions described herein are hereby approved and ratified.

RESOLUTION NO. 11896

RESOLUTION AUTHORIZING BOND FINANCING NOT TO EXCEED 34 MILLION DOLLARS FOR THE SHARSWOOD/BLUMBERG OFFICE BUILDING AND AUTHORIZING ALL OTHER ASSOCIATED ANCILLARY TASKS IN CONNECTION WITH THE BOND FINANCING

WHEREAS, the Philadelphia Housing Authority (the "Authority" or "PHA") is a public body and a body corporate and politic created under and pursuant to the Pennsylvania Housing Authorities Law, Act No. 265 of the General Assembly of the Commonwealth, approved May 28, 1937 (P.L. 955), as amended and supplemented (the "Act"); and

WHEREAS, the Authority is authorized pursuant to the Act to issue for any of its corporate purposes bonds of such types as it may determine, including bonds on which debt service is payable from its revenues generally, including grants or contributions from Federal or State Government or any agency or instrumentality thereof; and

WHEREAS, the Authority desires to finance the development and construction of a new office building in the Sharswood/Blumberg neighborhood (the "Project Facilities") pursuant to a plan of finance, including equity and through the issuance by the Authority of one or more series of tax-exempt or taxable bonds in an aggregate principal amount not to exceed Thirty Four Million Dollars (\$34,000,000.00) (the "Bonds"); and

WHEREAS, the Bonds will be issued and secured pursuant to one or more trust indentures (collectively, the "Indenture") between the Authority and a bond trustee; and

WHEREAS, with the approval of the United States Department of Housing and Urban Development ("HUD"), the Indenture may provide that the Bonds will be secured by and payable from future operating fund allocations ("Operating Fund Allocations") appropriated by the United States Congress and allocated to PHA for public housing programs; and

WHEREAS, the proceeds of the Bonds will be loaned by the Authority to the Philadelphia Housing Authority Development Corporation ("PHADC" or the "Borrower") pursuant to one or more loan agreements (collectively, the "Loan Agreement") to pay the costs of a project consisting of: (i) the acquisition, construction, renovation, improvement, furnishing, and equipping of the Project Facilities and the land on which it is situate, (ii) the funding of capitalized interest on the Bonds, (iii) the funding of any required reserves, and (iv) the payment of costs of issuance of the Bonds (collectively, the "Project"); and

WHEREAS, the new office building will be owned by the Borrower and leased to the Authority, to be used by the Authority as its corporate headquarters, pursuant to one or more lease agreements (collectively, the "Lease Agreement") between PHADC, as landlord and PHA, as tenant; and

WHEREAS, PHA proposes to issue the Bonds with the approval of HUD, and PHA may assign its rights to receive future HUD Operating Fund Allocations, to the extent necessary, to the bond trustee to pay debt service on and to secure the Bonds; and

WHEREAS, PHA desires to sell the Bonds pursuant to one or more bond purchase contracts (collectively, the "Bond Purchase Contract") with PNC Capital Markets, on behalf of itself and as representative of the other underwriters, if any (the "Underwriter"); and

[Signature] 10/20/16

WHEREAS, in connection with the marketing of the Bonds, the Authority expects to prepare and deliver a preliminary official statement ("Preliminary Official Statement") and a final official statement ("Official Statement"); and

WHEREAS, the Authority desires to authorize and approve the taking of all action and the execution and delivery of all documents necessary to effectuate the transactions described in the preceding recitals and this Resolution;

BE IT RESOLVED, therefore, by PHA's Board of Commissioners that PHA hereby declares the Project to be desirable and an authorized undertaking of PHA and authorizes and directs its President & Chief Executive Officer ("CEO") to execute and deliver the Indenture, the Loan Agreement, the Lease Agreement, the Bond Purchase Contract, one or more continuing disclosure agreements, the Preliminary Official Statement, the Official Statement, and all other documents necessary to enable PHA to issue the Bonds and effectuate the other purposes of this Resolution (collectively, the "Financing Documents"); and

BE IT FURTHER RESOLVED, that the Board authorizes the President & CEO to negotiate, conclude and execute a final approval letter with HUD to evidence HUD's approval of the issuance of the Bonds ("HUD Approval Letter"); and

BE IT FURTHER RESOLVED, that the President & CEO is authorized to take all actions necessary to comply with the Tax Equity and Fiscal Responsibility Act ("TEFRA"), which requires, among other things, that the Bonds be approved by the Mayor after a public hearing following reasonable public notice; and

BE IT FURTHER RESOLVED, that the offer and sale of the Bonds to the Underwriter is hereby approved, provided, that the aggregate principal amount of the Bonds to be sold shall not exceed Thirty Four Million Dollars (\$34,000,000.00), the weighted average interest rate of the Bonds shall not exceed five percent (5%), the underwriter's compensation for selling the Bonds shall not exceed one percent (1%) of the face amount of the Bonds, and the final maturity of the Bonds shall not extend beyond December 1, 2046; and

BE IT FURTHER RESOLVED, that the President & CEO is hereby authorized and directed to execute, acknowledge and deliver and is hereby authorized and directed to affix and attest the corporate seal of PHA to all Financing Documents to which PHA is a party, each of which shall be in the forms as counsel to PHA may advise and PHA officers executing and delivering the same may approve, the approval of such officers to be conclusively evidenced by such execution and delivery; and

BE IT FURTHER RESOLVED, that pending issuance of the Bonds, the Borrower may finance the Project with other funds, a portion of which are expected to be reimbursed with the proceeds of the Bonds or other tax-exempt bonds, provided that (i) tax-exempt bonds shall not be used to reimburse any expenditure paid more than sixty (60) days prior to the present date; (ii) tax-exempt bonds shall not be issued more than eighteen (18) months after the later of (a) the date of the first expenditure to be reimbursed with the proceeds of the tax-exempt bonds, or (b) the date the Project is placed in service; and (iii) in no event may tax-exempt bonds be issued more than three (3) years after the date of the first expenditure to be reimbursed with the proceeds of the tax-exempt bonds; and provided further that the limitations of this paragraph shall not apply to qualified "preliminary expenditures" as permitted by Treasury Regulation § 1.150-2(f); and

BE IT FURTHER RESOLVED, that the distribution of the Preliminary Official Statement to be

made in connection with the public offering of the Bonds is hereby authorized and approved; and that a final Official Statement, is hereby authorized and directed to be prepared and distributed in connection with the sale of the Bonds; and the President and CEO is hereby authorized to execute a final Official Statement on behalf of PHA in substantially such form; and

BE IT FURTHER RESOLVED, that in accordance with the recommendation of the American Bankers Association Committee on Uniform Security Identification Procedures ("CUSIP"), a CUSIP number may be printed on each of the Bonds; and

BE IT FURTHER RESOLVED, that PHA's Board of Commissioners authorizes the President & CEO to negotiate, conclude and submit the Financing Documents to HUD for approval and to arrange for bond insurance; and

BE IT FURTHER RESOLVED, that subject to the prior written approval of HUD of the Financing Documents, to the extent required, the President & CEO is hereby authorized, empowered and directed to execute, acknowledge where necessary, attest and deliver and/or accept the Financing Documents, with such modifications as approved by the President & CEO; and

BE IT FURTHER RESOLVED, that the President & CEO is hereby authorized and directed to execute or approve the execution of such other documents and take or approve the taking of such other actions as are necessary or appropriate in connection with the consummation of the transactions contemplated hereby and by the Financing Documents; and

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately and that all prior resolutions or portions thereof inconsistent herewith are hereby repealed.

APPENDIX 3

OCTOBER 2016 SIGN-UP SHEET FOR THE GENERAL PUBLIC COMMENT PERIOD AT THE END OF THE BOARD MEETING (3 minutes per person)



Please **PRINT** your name and generally identify your topic:

Name: Karris Cantrell ✓
Maintenance Issue? Yes No Other (topic): _____

Name: ARTIMISE L. NOLAN ✓
Maintenance Issue? Yes No Other (topic): "Moving" ✓

Name: Bonita Yard
Maintenance Issue? Yes No Other (topic): Eviction #27.00

Name: Laurence Lindsay
Maintenance Issue? Yes No Other (topic): Housing 2005

Name: Minister Cynthia Ross
Maintenance Issue? Yes No Other (topic): Eviction

Tylisa
Name: Tylisa Williams
Maintenance Issue? Yes No Other (topic): Eviction

→ Jonathan Curreri - HCV Landlord