



PHILADELPHIA HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING MINUTES
Thursday, June 21, 2018, 3 p.m., at 1800 S. 32nd St., Philadelphia, PA 19145

The regularly-scheduled meeting of the Philadelphia Housing Authority (“PHA”) Board of Commissioners was brought to order at approximately 3:15 p.m. by the Chair, Lynette Brown-Sow. In addition to the Chair, Vice-Chair Wetzel and Commissioners Camarda and Eiding were in attendance, with Commissioner Callahan participating by telephone. President & CEO Kelvin A. Jeremiah (“CEO Jeremiah”) and General Counsel Laurence M. Redican were present in person.

The Chair began the meeting by asking for a moment of silence in preparation for the work to be done, after which CEO Jeremiah reviewed the Board meeting procedure for public comment and noted that the usual announcements and awards done at the beginning of the meeting will be done after the resolutions this month, for reasons related to Commissioners’ schedules.

The Chair inquired whether there were any corrections or amendments to the minutes of the Board Meeting of May 17, 2018. Hearing none, the minutes were accepted as submitted.

Five resolutions were presented and unanimously approved.

Resolution 12002, attached in Appendix 1, was presented by Dave Walsh, Executive Vice President of Supply Chain Management (“EVP-SCM”), to authorize PHA to contract with BDO PHA Finance, LLC for Financial Training Services, with the total amount to be expended under the contract not to exceed one hundred fifteen thousand dollars (\$115,000.00). Commissioner Camarda, as a member of the Finance Committee that reviewed the resolution, moved for its approval. After the motion was seconded, there being no discussion or public comment, for which an opportunity was provided (as it was for all the resolutions), the motion was unanimously approved.

Resolution 12003, attached in Appendix 1, was presented by Dave Walsh, EVP-SCM, to authorize PHA to amend PHA’s task order with Shoemaker/Synterra, as entered into with existing modifications, to have the task order not-to-exceed amount be increased by ninety-one thousand ninety-one dollars (\$91,091.00). Commissioner Camarda, as a member of the Finance Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Commissioner Camarda said that the committee recommended approval of the resolution. There being no further discussion or public comment, the motion was unanimously approved.

Resolution No. 12004, attached in Appendix 1, was presented by Nicholas Dema, Executive Vice President – Planning and Development, to authorize PHA to undertake a number of actions to implement Phase III of the North Central Philadelphia Transformation Plan, under the Choice Neighborhoods Implementation Grant, including PHA’s providing a loan in an amount not to exceed eight million dollars (\$8,000,000.00). Vice-Chair Wetzel, as Chair of the Policy and Planning Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Vice-Chair Wetzel stated that the committee had met to review the resolution, recommended its approval, and was excited about the Phase III development, including the community center. There being no further discussion or public comment, the motion was unanimously approved.

Resolution No. 12005, attached in Appendix 1, was presented by Annie Cheng, Chief of Staff, for approval of the submission of the Moving to Work Annual Report for Fiscal Year 2018 to the U.S. Department of Housing and Urban Development (“HUD”). Vice-Chair Wetzel, as Chair of the Policy and Planning Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Vice-Chair Wetzel stated that the committee had met to review the resolution, discussed its highlights, and recommended approval. There being no further discussion or public comment, the motion was unanimously approved.

Resolution No. 12006, attached in Appendix 1, was presented by Laurence M. Redican, General Counsel, to authorize PHA to negotiate and finalize any and all documents necessary for PHA or its wholly-owned affiliate to acquire the 99.99% limited partnership interest in Suffolk Manor Apartments and Cambridge Plaza, including paying specified transaction costs of five thousand dollars (\$5,000.00). Vice-Chair Wetzel, as Chair of the Policy and Planning Committee that reviewed the resolution, moved for its approval. After the motion was seconded, Vice-Chair Wetzel stated that the committee had met to review the resolution, was pleased that PHA will be taking over the properties, and recommended approval. There being no further discussion or public comment (although there was some applause!), the motion was unanimously approved.

That concluding the resolutions, CEO Jeremiah announced that: 1) the July meeting will be at the John F. Street Center; 2) the Vaux Building, which is owned by PHA, was selected by HUD Secretary Carson as an EnVision Center demonstration site; and 3) PHA’s Annual Section 3 report, which is filed with HUD, showed that PHA has exceeded the goals in every category.

CEO Jeremiah then recognized Royce Herbert for the Resident Spotlight, in absentia. Ms. Herbert was unable to attend, as she is working, having completed the Certified Nursing Assistant Program, and now being employed at Neshaminy Manor in Warrington, PA. She received a round of applause for her accomplishments.

The Employee of the Month certificate and check were presented to Samba Coulibaly, after an introduction by Faisal Hassan, Executive Vice President of Information Systems Management (“ISM”), for Mr. Coulibaly’s achievements in the ISM department, where he began as an intern a number of years ago. He received congratulatory applause, as well.

Also recognized were two new PHAPD recruits (including one PHA resident), Officers Robinson and Fitzgerald, who were introduced by the Deputy Chief of PHA Police, Antoinette Eberhardt.

The public comment period began at approximately 3:30 p.m. and Appendix 2 lists the speakers and the subjects of their comments.

Following the public comment period, Vice-Chair Wetzel announced that the City Council had approved the Mayoral appointment of Sam Staten and Belinda Ann Mayo as PHA Commissioners (it having been announced at the June Board meeting that Commissioner Eiding would be resigning and there being one other vacancy). The meeting was then adjourned at approximately 4 p.m.

Respectfully submitted,



Laurence M. Redican
General Counsel
Philadelphia Housing Authority

APPENDIX 1

THE PHILADELPHIA HOUSING AUTHORITY
MEETING OF THE BOARD OF COMMISSIONERS
1800 S. 32nd St.
PHILADELPHIA, PA 19145
THURSDAY, JUNE 21, 2018, 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 May 17, 2018, as distributed.

D. **New Business**

1. **RESOLUTION AUTHORIZING A CONTRACT WITH BDO PHA FINANCE, LLC FOR FINANCIAL TRAINING SERVICES**

Dave Walsh

2. **RESOLUTION AUTHORIZING A TASK ORDER AMENDMENT WITH SHOEMAKER/SYNTERRA, A JOINT VENTURE, FOR NORTH CENTRAL PHASE II DEVELOPMENT – INFRASTRUCTURE AND NEW CONSTRUCTION OF 89 LEED CERTIFIED, RENTAL ASSISTANCE DEMONSTRATION UNITS**

Dave Walsh

3. **RESOLUTION AUTHORIZING CERTAIN ACTIONS REGARDING THE NORTH CENTRAL CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT PHASE III DEVELOPMENT**

Nicholas Dema

4. **RESOLUTION APPROVING THE PHILADELPHIA HOUSING AUTHORITY'S ANNUAL MOVING TO WORK REPORT FOR FISCAL YEAR 2018 FOR SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND CERTIFYING THAT THE THREE STATUTORY REQUIREMENTS HAVE BEEN MET**

Annie Cheng

5. **RESOLUTION AUTHORIZING ACQUISITION OF THE PARTNERSHIP INTERESTS OF THE LIMITED PARTNER INVESTOR IN SUFFOLK MANOR APARTMENTS, L.P. AND CAMBRIDGE PLAZA L.P.**

Larry Redican

E. **Public Comment Period**

RESOLUTION NO. 12002

RESOLUTION AUTHORIZING A CONTRACT WITH BDO PHA FINANCE, LLC FOR FINANCIAL TRAINING SERVICES

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for financial training services for its Finance Department employees 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 and approval for presentation to the Board after additional review processes, including Board committee and resident leadership review, it is recommended that a contract be awarded to BDO PHA Finance, LLC. (the "PHA" in the company name refers to "Public Housing Authorities"); 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 in accordance with the contract terms at any time during the course of this contract; and

WHEREAS, it is recommended that the amount to be expended under this contract shall not exceed one hundred fifteen thousand dollars (\$115,000.00) with a two-year base period and three (3) one-year option periods, as follows:

- 1) The not-to-exceed amount for the two-year base period is forty-six thousand dollars (\$46,000.00);
- 2) The not-to exceed amount for the first one-year option period is twenty-three thousand dollars (\$23,000.00);
- 3) The not-to exceed amount for the second one-year option period is twenty-three thousand dollars (\$23,000.00); and
- 4) The not-to exceed amount for the third one-year option period is twenty-three thousand dollars (\$23,000.00);

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 BDO PHA Finance, LLC for a total amount not to exceed one hundred fifteen thousand dollars (\$115,000.00), subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contract, including determining whether the options available under the contract shall be exercised.

I hereby certify that this was
APPROVED BY THE BOARD ON 6/21/18
Thomas de Rodian
ATTORNEY FOR PHA

RESOLUTION NO. 12003

RESOLUTION AUTHORIZING A TASK ORDER AMENDMENT WITH SHOEMAKER/SYNTERRA, A JOINT VENTURE, FOR NORTH CENTRAL PHASE II DEVELOPMENT – INFRASTRUCTURE AND NEW CONSTRUCTION OF 89 LEED CERTIFIED, RENTAL ASSISTANCE DEMONSTRATION UNITS

WHEREAS, the Philadelphia Housing Authority (“PHA”), under a competitive process, awarded a task order to Shoemaker/Synterra, a Joint Venture (“Shoemaker”), pursuant to Resolution No. 11841, approved by the Board of Commissioners on March 17, 2016, for construction management services for North Central Phase II Development – Infrastructure and New Construction of 89 LEED Certified, Rental Assistance Demonstration (“RAD”) Units; and

WHEREAS, the task order awarded by PHA to Shoemaker on April 1, 2016 (contract number 004338-E, task order 004338-E-002) for a not-to-exceed amount of twenty-nine million, five hundred fifteen thousand eight hundred six dollars (\$29,515,806.00); and

WHEREAS, there have been a number of modifications to the original task order, with current modifications totaling nine hundred ninety-five thousand five hundred four dollars (\$995,504.00); and

WHEREAS, pursuant to CPP#10, a modification to a task order 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 additional scope of work changes, including site repairs, PHA has a further need to modify the task order, in a not-to-exceed amount of ninety-one thousand ninety-one dollars (\$91,091.00), which would make the total of all the task orders modifications be one million eighty-six thousand five hundred ninety-five dollars (\$1,086,595.00), requiring Board approval due to being over the CPP#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 ninety-one thousand ninety-one dollars (\$91,091.00), for a not-to-exceed task order amount of thirty million six hundred two thousand two hundred three dollars (\$30,602,203.00), from the current amount (original task order and existing modifications) of thirty million five hundred eleven thousand three hundred ten dollars (\$30,511,310.00);

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the President & CEO and/or his authorized designee(s) to amend PHA’s task order with Shoemaker/Synterra, a Joint Venture, as entered into with existing modifications, to have the task order not-to-exceed amount be increased to thirty million six hundred two thousand two hundred three dollars (\$30,602,203.00), as set forth above and subject to the availability of funds therefor.



I hereby certify that this was
APPROVED BY THE BOARD ON 6/21/18
Amber M. Redican
ATTORNEY FOR PHA

RESOLUTION NO. 12004

RESOLUTION AUTHORIZING CERTAIN ACTIONS REGARDING THE NORTH CENTRAL CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT PHASE III DEVELOPMENT

WHEREAS, in July, 2014, the U.S. Department of Housing and Urban Development (“HUD”) awarded the City of Philadelphia and the Philadelphia Housing Authority (“PHA”) a thirty million dollar (\$30,000,000.00) Choice Neighborhoods Implementation Grant (“Choice Grant”) to implement the North Central Philadelphia Transformation Plan (“Transformation Plan”); and

WHEREAS, the Transformation Plan involves the demolition of Norris Apartments and development of two hundred sixty-seven (267) new rental units, of which one hundred forty-seven (147) will be replacement units for existing Norris Apartment residents (“Replacement Units”) and thirty (30) homeownership units, as well as the revitalization of the surrounding target area; and

WHEREAS, the Replacement Units will be converted from public housing to project based vouchers under the Rental Assistance Demonstration Program (“RAD”); and

WHEREAS, the transformation plan will be developed over the following phases:

- Phase I: Development of 20 homeownership units
- Phase II: Development of 89 rental units
- Phase III: Development of 50 rental units
- Phase IV: Development of 10 homeownership units
- Phase V: Development of 128 rental units

WHEREAS, PHA, through its affiliate, will be the developer for the Phase III development, including demolition of a portion of the existing Norris Apartment site and new construction of fifty (50) rental units, with twenty-eight (28) being designated as Replacement Units along with a two story community center; and

WHEREAS, PHA was awarded a 9% Low Income Housing Tax Credits (“LIHTC”) allocation from the Pennsylvania Housing Finance Agency to assist in the financing of the Development; and

WHEREAS, in furtherance of the Development, PHA and/or its affiliates will be required to: 1) enter into a development services agreement with its affiliate, 2) create a limited partnership (“Partnership”) which will be the owner of the Development along with a housing development corporation to serve as the general partner of the Partnership, 3) enter into a long term ground lease with the Partnership, 4) secure construction and permanent financing from Wells Fargo Bank, and Choice Grant funding through the City, 5) provide a PHA loan in an amount not to exceed eight million dollars (\$8,000,000.00), 6) raise equity through the sale of the LIHTC’s, 7) provide customary financing and operating guaranties, and 8) obtain all necessary HUD and other funding approvals in connection with the demolition, construction, RAD conversion and operation of the Development;

BE IT RESOLVED, that the PHA Board of Commissioners hereby authorizes the President & CEO, or his designee(s), to provide a capital expenditure, as set forth above, in a not-to-exceed amount of eight million dollars (\$8,000,000.00), and to negotiate, execute and enter into all related contracts and documents necessary or appropriate to develop, finance, construct, and operate the Development, as further set forth above, and pursuant to Control Policy & Procedure #10, as amended.

I hereby certify that this was
APPROVED BY THE BOARD ON 6/21/18
Laurenza M. Redican
ATTORNEY FOR PHA

RESOLUTION NO. 12005

RESOLUTION APPROVING THE PHILADELPHIA HOUSING AUTHORITY'S ANNUAL MOVING TO WORK REPORT FOR FISCAL YEAR 2018 FOR SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND CERTIFYING THAT THE THREE STATUTORY REQUIREMENTS HAVE BEEN MET

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires the Philadelphia Housing Authority ("PHA"), as a participant in the Moving to Work Demonstration Program ("MTW"), to submit an Annual Report on the status of its programs, operations, and finances in a form specified and required by HUD; and

WHEREAS, under the MTW Agreement, HUD will assess PHA's performance on an annual basis by comparing, at the end of PHA's fiscal year, its goals as stated in its approved MTW Annual Plan, to its actual performance, as stated in its Annual Report; and

WHEREAS, PHA must include in the MTW Annual Report all required elements as described in the MTW Agreement; and,

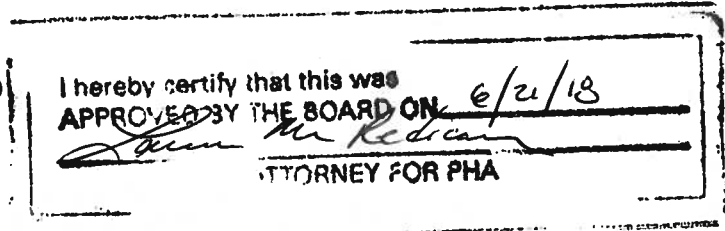
WHEREAS, Attachment B of the MTW Agreement, HUD Form 50900 Section VI (A), requires a certification in the Annual Report that PHA has met the three MTW statutory requirements of: 1) assuring that at least 75 percent of the families assisted by PHA are very low-income; 2) continuing to assist substantially the same total number of households as would have been assisted had PHA not participated in the MTW Demonstration; and 3) maintaining a comparable mix of households (by family size) served as would have been had PHA not participated in the MTW Demonstration; and,

WHEREAS, the Annual Report must be submitted ninety (90) days after the end of PHA's fiscal year; and

WHEREAS, PHA's fiscal year ended on March 31, 2018 and its Annual Report is due to HUD on or before June 30, 2018; and

WHEREAS, PHA has prepared its Annual MTW Report for Fiscal Year 2018, which is ready for timely submission to HUD and which contains all the required elements;

BE IT RESOLVED, that the PHA Board of Commissioners hereby approves PHA's Annual Report for the MTW Demonstration Program for Fiscal Year 2018 (period ending March 31, 2018), as distributed to the Board, for submission to HUD, and certifies that the report reflects that PHA has met the three MTW statutory requirements of: 1) ensuring that at least 75 percent of the households assisted by PHA are very low-income families; 2) continuing to assist substantially the same total number of households as would have been assisted had PHA not participated in the MTW Demonstration; and 3) maintaining a comparable mix of households (by family size) served as would have been served had PHA not participated in the MTW Demonstration; and authorizes the President & CEO and/or his designee(s) to undertake all necessary actions including, but not limited to, responding to HUD comments and requests for additional information, in order to secure HUD approval for the MTW Annual Report.



RESOLUTION NO. 12006

RESOLUTION AUTHORIZING ACQUISITION OF THE PARTNERSHIP INTERESTS OF THE LIMITED PARTNER INVESTOR IN SUFFOLK MANOR APARTMENTS, L.P. AND CAMBRIDGE PLAZA L.P.

WHEREAS, Suffolk Manor Apartments L.P. and Cambridge Plaza L.P. (collectively the "Partnerships") were each partially financed by low-income housing tax credits ("LIHTC"), with investment affiliates of John Hancock Realty Advisors, Inc. (the "Tax Credit Investor"), contributing equity to the Partnerships in exchange for a 99.99% limited partnership interest in each Partner for a minimum of fifteen (15) years (the "Compliance Period"); and

WHEREAS, a wholly-owned affiliate of the Philadelphia Housing Authority ("PHA"), is the general partner of each Tax Credit Partnership, and owns a .01% interest therein; and

WHEREAS the Tax Credit Investor had agreed in the transaction documents to sell its 99.99% limited partner interest (the "Partnership Interests") in each of the Partnerships to PHA, or its designee, at the end of the Compliance Period, which period ended on December 31, 2017; and

WHEREAS, PHA now wishes to acquire the Tax Credit Investor's Partnership Interests in each of the Tax Credit Partnerships pursuant to the terms set forth in the Preliminary Term Sheets, each dated April 25, 2018, provided by the Tax Credit Investor; and

WHEREAS, pursuant to the terms of the Preliminary Term Sheet for each of the Tax Credit Partnerships, the Partnership Interests therein shall be purchased by PHA or its affiliate for one dollar (\$1.00) and PHA shall be responsible for the Tax Credit Investor's transaction costs of five thousand dollars (\$5,000.00) and any other costs of transferring the Partnership Interests, including accounting fees, recording fees and any due diligence costs related to the acquisition of the Partnership Interests (collectively the "Transaction Costs");

BE IT RESOLVED, that the Board of Commissioners hereby authorizes the PHA President & CEO and/or his authorized designee to negotiate and finalize any and all documents necessary for PHA or its wholly-owned affiliate to acquire the Partnership Interests in the Tax Credit Partnerships (the "Documents") and pay the Transaction Costs, as set forth above, including obtaining any necessary third-party approvals, and to execute, deliver and perform the obligations under such Documents once finalized.

I hereby certify that this was
APPROVED BY THE BOARD ON 6/21/18
[Signature]
ATTORNEY FOR PHA

APPENDIX 2

JUNE 2018 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: James J. Bristow

Maintenance Issue? Yes ___ No ___ Other (topic): Voucher

Name: Terrence Peters
Trine Schwall

Maintenance Issue? Yes ___ No Other (topic): cosponsors union / JPC, LLC
Philly Seal

Name: JASON WONG

Maintenance Issue? Yes ___ No Other (topic): Purchase vacant 1st.
610 N. 11TH ST

Name: Prince Schwall

Maintenance Issue? Yes ___ No Other (topic): Philly Seal

Name: TRINE SMITH

Maintenance Issue? Yes ___ No Other (topic): PHA Inspections
Repeated Breach of

Name: J. Bernatch

Maintenance Issue? Yes ___ No ___ Other (topic): Healthy Safety / FAMI
Guidelines in
IMPENDING DANG
ING
the usual