

# PHILADELPHIA LAND BANK

## BOARD MEETING MINUTES

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A meeting of the Board of Directors of the Philadelphia Land Bank was held on Thursday, May 14, 2015 commencing at 3:30 p.m. in the offices of the Philadelphia Housing Development Corporation, being its regular meeting place, 17th Floor, 1234 Market Street, Philadelphia, Pennsylvania, pursuant to proper notices.

### **CALL TO ORDER**

Ms. Rashid called the meeting to order at 3:30 p.m.

### **ROLL CALL**

The following members of the Board of Directors reported present: Majeedah Rashid, Chair; Jennifer Kates, Secretary; Deborah McColloch, Treasurer; Anjali Chainani; Christian Dunbar; Nora Lichtash; Angel Rodriguez; Jennifer Rodriguez; and Herbert Wetzel (leaving at 3:55 p.m.).

The following members of the Board of Directors were not present: Paul L. Badger, Jr., Courtney Voss.

The following members of PHDC and OHCD staff were present: Michael Koonce, John Carpenter, Nicholas Scafidi, Esquire, Christi Jackson, Guy Thigpen, Beau Bradley, Victoria Welch and Paul Chrystie.

Public Attendees: The list of public attendees is attached to these minutes.

A quorum of directors was present and the meeting, having been duly convened, was ready to proceed with business.



### **Agenda Item 2** **Public Comment**

Ms. Rashid asked if any member of the public wished to comment upon any item on the Board's agenda.

Mr. Jihad Ali raised several questions.

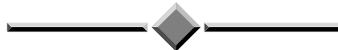
First, in connection with the PHDC Management Agreement, Mr. Ali asked whether CDBG funds will go to the Land Bank. Mr. Carpenter responded that the Agreement provides for

reimbursement to PHDC for all shared expenses and that no CDBG funds will be used to support the Land Bank.

Next, Mr. Ali asked why the Land Bank Board was delegating responsibility to PHDC. Mr. Carpenter explained that only routine operational administration of Land Bank activities will be handled directly by PHDC and that all management, policies, procedures and transactional decisions remain the sole responsibility of the Land Bank Board.

Mr. Ali then asked how the Land Bank Executive Director was selected. Mr. Koonce responded that he was selected by a vote of the Land Bank Board of Directors. Under the Management Agreement, the Land Bank Board retains full authority to accept or reject the appointment of its Executive Director.

Mr. Scott asked why the Board would delegate any responsibility to PHDC. The Board explained that PHDC employees, and not the PHDC Board, will function as Land Bank staff to support its daily operations while the Land Bank Board remains responsible for all policy and transactional decisions.



**Agenda Item 3**  
**Approval of Board Minutes**

Ms. Rashid called for a motion to approve the minutes of the Board meeting of April 9, 2015.

Upon motion made and duly seconded, the minutes of April 9, 2015 were approved as presented.



**Agenda Item 4**  
**Updates**

Ms. Rashid then asked Mr. Carpenter to present his update on Land Bank activities.

Mr. Carpenter reported that Bradley & Bradley, the insurance broker selected by the Board, is seeking proposals from underwriters to secure liability and related insurance policies for the Land Bank. Those proposals, when received, will be reviewed and a recommendation will be made to the Board for underwriter selection this summer.

We are preparing an initial list of properties to be transferred from the City and PRA to the Land Bank. That list will be shared with the Board when it is in final form.

The Land Bank website link should be launched today. Yesterday, staff met with several participating groups for their feedback and we will continue to accept comments and refine the

site. The website will allow interested parties to be on a “notification” list so that certain Land Bank information can be forwarded to them automatically.



**Agenda Item 5**  
**Information Items**

The Quarterly Financial Report was distributed for information purposes.



**Agenda Item 6**  
**Modification of Drexel Contract**

Ms. Rashid asked Mr. Carpenter to present this item.

Mr. Carpenter summarized the information stated in the Board Memorandum.

Mr. Carpenter was asked to explain the relationship between this Structure Hedonic Model and Land Price Index Model that is the subject of a related Board resolution. Mr. Carpenter responded that (1) the interns will support the research needed for both models; (2) Kevin Gillen will be consulting with Land Bank staff to develop the Structure Model, and (3) the land model will be applicable to approximately 90% of the Land Bank inventory while the Structure Model will cover the remaining 10% of inventory.

**Board Action**

Upon motion made and duly seconded, the resolution was approved by unanimous vote of the Board as follows:

**RESOLUTION NO. 2015 - 14**

**RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH  
DREXEL UNIVERSITY**

**WHEREAS**, on April 9, 2015, the Board adopted Resolution No. 2015-13 which authorized a Professional Services Contract with Drexel University in their Lindy Institute

for Urban Innovation for the purpose of providing student assistance and research for the transfer of property from the City land-holding agencies to the Land Bank (the “Initial Drexel Contract”);

**WHEREAS**, staff has recommended that the scope of work undertaken in the Initial Drexel Contract be: (1) expanded to permit the student-interns to perform geospatial research necessary to support certain land and structure pricing models which the Land Bank is developing; and (2) extended to allow for the professional services needed to provide guidance for development of a Structure Hedonic Model for pricing of vacant structures;

**WHEREAS**, this expanded scope of work was solicited in the Request for Proposals issued by the Land Bank; and

**WHEREAS**, the Board desires to rescind Resolution No. 2015-13 and to enact the following resolution.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Philadelphia Land Bank that authorization is hereby given for the Land Bank to enter into a professional services contract with Drexel University (“Drexel Contract”) to provide (i) undergraduate and graduate level students to assist in the review, analysis and preparation of land records for properties owned by Philadelphia Redevelopment Authority, the City of Philadelphia and Philadelphia Housing Development Corporation for transfer of properties to the Philadelphia Land Bank; (ii) research and analysis, as requested, to support development and enhancements to the Land Bank’s upfront land pricing model and the Land Bank’s Structure Hedonic Model; and (iii) the professional services necessary to develop the Structure Hedonic Model.

**FURTHER RESOLVING:**

1. Resolution No. 2015-13 adopted April 9, 2015 is hereby rescinded.
2. The Drexel Contract, revised as stated herein, shall provide for an initial maximum compensation, including out-of-pocket expenses, in an amount not to exceed Forty Thousand Dollars (\$40,000) with a termination date of June 30, 2015.
3. The Land Bank shall have the option to extend the Drexel Contract in its sole discretion for an amount not to exceed, including out-of-pocket expenses, an additional Seventy Thousand Dollars (\$70,000) with a termination date of December 31, 2015.
4. The Executive Director is authorized to prepare, execute and deliver a contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Land Bank.



**Agenda Item 7**  
**PHDC Management Agreement**

Ms. Rashid asked Mr. Carpenter to present this item.

Mr. Carpenter summarized the information stated in the Board Memorandum.

For the public's benefit, Ms. Kates reiterated certain salient points of the Agreement, including the retention by the Land Bank Board of all management decisions, the approval of the Executive Director by a majority of the Land Bank Board, and the Land Bank's ownership and control over all land Bank records.

**Board Action**

Ms. Rashid called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved by unanimous vote of the Board as follows:

**RESOLUTION NO. 2015 - 15**

**RESOLUTION APPROVING A MANAGEMENT CONTRACT BETWEEN THE PHILADELPHIA LAND BANK AND PHILADELPHIA HOUSING DEVELOPMENT CORPORATION**

**WHEREAS**, the by-laws of the Philadelphia Land Bank allow the Land Bank to engage through a management agreement an executive director, counsel and legal staff, technical experts and other individuals to serve as the staff for the Land Bank;

**WHEREAS**, the Philadelphia Housing Development Corporation ("PHDC") has the personnel, the resources and the expertise and experience to fully support all work to be undertaken by the Land Bank;

**WHEREAS**, the Land Bank and PHDC have prepared a Management Contract which will specify the operational and administrative responsibilities and duties of PHDC with respect to the Land Bank; and

**WHEREAS**, the Board has considered the Management Contract and finds that its adoption to be in the best interests of the Land Bank.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Philadelphia Land Bank that the Executive Director of the Land Bank may enter into the Management Contract with PHDC in form and substance acceptable to the Executive

Director consistent with the terms and conditions stated in the Executive Summary presented to the Board.

  
**Agenda Item 8**  
**Selection of Pricing Model**

Ms. Rashid asked Mr. Carpenter to present this item.

Mr. Carpenter summarized the information stated in the Board Memorandum.

In response to the Board's questions, staff explained that the Meyers' proposal includes a one-time cost of \$5,000 for four quarterly updates of the index.

Ms. Kates asked that the model specifically consider the physical condition of the structure being valued as the cost of demolition or the cost of rehabilitation will affect the ultimate market value of that property.

**Board Action**

Ms. Rashid called for a motion on the resolution. Upon motion made and duly seconded, the resolution was approved by unanimous vote of the Board as follows:

**RESOLUTION NO. 2015 - 16**

**RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH MEYERS RESEARCH**

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Philadelphia Land Bank that authorization is hereby given for the Land Bank to enter into a professional services contract with Meyers Research ("Meyers Contract") to develop enhanced land pricing models to support the Land Bank's upfront land pricing.

**FURTHER RESOLVING:**

5. The Executive Director is authorized to prepare, execute and deliver a contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Land Bank, but shall include:
  - a) Approximately 40 locally and temporally stabilized land pricing models;
  - b) Four semi-annual price updates; and
  - c) Quarterly updates of the land pricing index.

6. The Contract shall provide for maximum compensation, including out-of-pocket expenses, in an amount not to exceed Sixty-Five Thousand Dollars (\$65,000).



### **NEW BUSINESS**

Ms. Rashid recognized Mr. Ali who wished to make further public comment. Mr. Ali expressed his opinion that the public should be permitted to raise questions during the Board's deliberation of agenda items, and should not be restricted to expressing their concerns only before the agenda is presented to the Board. Ms. Rashid stated that the public is given ample time to voice their questions and comments and that Mr. Ali may speak with her at the conclusion of the meeting.

### **ADJOURNMENT**

There being no further business to come before the Board, Ms. Rashid declared the meeting adjourned at 4:03 p.m.

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SECRETARY TO THE BOARD

PHILADELPHIA LAND BANK

Board of Directors

Thursday, May 14, 2015

3:30pm

GUEST SIGN-IN SHEET

	<u>NAME</u>	<u>E-MAIL ADDRESS</u>	<u>COMPANY</u>
1)	CS Scott CS Scott	CSbell CSbell@aol.com	Southwest Data Service
2)	JIHAD ALI	JIHAD@JIHADALI.COM	SWPOS
3)	Chris Yorkes		PHDC
4)	Kea Steff	ksteff@upenn.edu	URBAN SPATIAL ANALYSIS
5)	Andrea Imreedy Saah	andrea.saah@phila.gov	PLB
6)	Ray / HB	senator.hottel@gmail.com	SPR / DISTRICT 1 SA
7)	FBN		
8)			
9)			
10)			
11)			