

PHILADELPHIA LAND BANK

BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Land Bank was held on Thursday, July 9, 2015 commencing at 3:45 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 3:45 p.m.

ROLL CALL

The following members of the Board of Directors reported present: Majeedah Rashid, Chair; Paul L. Badger, Jr., Vice Chair; Anjali Chainani; Nora Lichtash; Angel Rodriguez; Jennifer Rodriguez; Courtney Voss and Herbert Wetzel.

The following members of the Board of Directors were not present: Christian Dunbar; Jennifer Kates; and Deborah McColloch.

The following staff members were present: Michael Koonce, John Carpenter, Nicholas Scafidi, Esquire, Victoria Welch and Paul Chrystie.

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

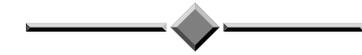
A quorum of directors was present and the meeting, having been duly convened, was ready to proceed with business.



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.

No attendee responded to Ms. Rashid's invitation to comment.



Agenda Item 3
Approval of Board Minutes

Ms. Rashid called for a motion to approve the minutes of the Board meeting of June 11, 2015.

Upon motion made and duly seconded, the minutes of June 11, 2015 were approved as presented.



Agenda Item 4
Updates

Ms. Rashid then asked staff for an update of Land Bank activities.

Mr. Koonce provided a brief report on the status of negotiations between PHDC and its union members.

Mr. Carpenter also reported that staff is developing a protocol for selecting properties for acquisition through the tax foreclosure sale process. This pilot program is being coordinated with the City's Revenue and Law Departments and with the Sheriff's Office. We expect to provide more detail on this at the August Board meeting.



Agenda Item 5
Selection of Audit Firm

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

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

The Board asked if the renewal option would be subject to further Board approval. Staff responded that the Executive Director would be able to exercise that right.

Board Action

Ms. Rashid called for a motion to approve the selection of BDO USA, LLP to audit the Land Bank.

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

RESOLUTION NO. 2015 - 19

RESOLUTION SELECTING BDO USA, LLP AS AUDITORS FOR THE PHILADELPHIA LAND BANK

WHEREAS, the Philadelphia Land Bank intends to engage an audit firm to provide the professional services necessary to conduct a financial audit for its fiscal year ending June 30, 2015, including preparation of Financial and Compliance Reports and related auditing services;

WHEREAS, the Land Bank issued a competitive Request For Proposals (RFP) from Independent Public Accountants to perform these services for fiscal years 2015, 2016 and 2017;

WHEREAS, Land Bank staff and its Finance Committee have reviewed and evaluated all responses and have determined that BDO USA, LLP meets all selection criteria, has submitted the most favorable proposal and has the experience and qualifications to perform the services stated in the RFP; and

WHEREAS, Land Bank staff and the Finance Committee have recommended that BDO USA, LLP be awarded this contract.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Land Bank that:

1. The Land Bank may enter into a professional services contract with BDO USA, LLP to provide audit services to the Land Bank for an initial term of one year with the Land Bank's option to renew the contract for two additional one-year periods.
2. The initial term of the contract shall be for maximum compensation, including out-of-pocket expenses, of Twenty-Seven Thousand Five Hundred Dollars (\$27,500).
3. The first option term of the contract, if exercised, shall be for maximum compensation, including out-of-pocket expenses, of Twenty-Five Thousand Five Hundred Dollars (\$25,500) and the second option term of the contract, if exercised, shall be for maximum compensation, including out-of-pocket expenses, of Twenty-Five Thousand Five Hundred Dollars (\$25,500).

FURTHER AUTHORIZING, the preparation, execution, and delivery of all contracts necessary to carry out the foregoing in form and substance acceptable to the Executive Director and General Counsel.



Agenda Item 6
Memorandum of Understanding
Philadelphia Redevelopment Authority

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

Ms. Rodriguez stated that she will abstain from voting on this item.

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

The Board asked for clarification of the provision related to acquisition of property through tax foreclosure, specifically whether those properties would be conveyed to PRA after being acquired by the Land Bank. Mr. Koonce responded that PRA expects to make these requests to complete an assemblage for development and, therefore, the Land Bank would convey the properties to the PRA for disposition.

Board Action

Ms. Rashid called for a motion to approve the Amended and Restated Memorandum of Understanding with the Philadelphia Redevelopment Authority.

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

RESOLUTION NO. 2015-20

RESOLUTION AUTHORIZING AN AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE PHILADELPHIA REDEVELOPMENT AUTHORITY AND THE PHILADELPHIA LAND BANK

WHEREAS, the Philadelphia Redevelopment Authority and the Philadelphia Land Bank entered into a Memorandum of Understanding for Fiscal Year 2015 (i) through which the Redevelopment Authority will provide staffing and funding support to the Land Bank; (ii) to provide for the transfer of title to certain properties owned by the Redevelopment Authority to the Land Bank; and (iii) to arrange for transfer of management and maintenance of certain software operational systems now controlled by the Redevelopment Authority;

WHEREAS, the parties wish to extend the agreements and conditions of the Memorandum of Understanding through Fiscal Year 2016, amended and updated as necessary for change in circumstances; and

WHEREAS, the Board has considered the Amended and Restated Memorandum of Understanding 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 an Amended and Restated Memorandum of Understanding with the Philadelphia Redevelopment Authority in form and substance acceptable to the Executive Director and General Counsel consistent with the terms and conditions stated in the Executive Summary presented to the Board.



Agenda Item 7

Ethics Policy: Public Disclosure and Disqualification for Conflict Issues

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

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

The Board and counsel discussed generally a Board Member's obligation when he/she is also a member of a Board that transacts business with the Land Bank. While each situation must be analyzed based on its specific facts, the general inquiries center on whether there is an adverse interest and whether the Board Member is acting in a representative capacity. We will raise this question during the upcoming Ethics training.

RESOLUTION NO. 2015 - 21

**RESOLUTION ADOPTING A PUBLIC DISCLOSURE AND
DISQUALIFICATION PROCEDURE FOR CONFLICT ISSUES
FOR PHILADELPHIA LAND BANK**

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Land Bank that the Public Disclosure and Disqualification Procedure for Conflict Issues attached hereto as an Exhibit to this Resolution is hereby adopted.

Agenda Item 8

Property Maintenance Agreement with Pennsylvania Horticultural Society

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

Mr. Carpenter summarized the information stated in the Board Memorandum and further explained that this cost would come from funds allocated for this purpose in the approved FY 16 budget.

The Board asked if staff explored alternatives to the PHS arrangement and Mr. Carpenter stated that CLIP is a possibility, but would not provide the same level of service, or the Land Bank could issue its own RFP. However, either option would delay the start of this work, which would create potential liability exposure and the properties would need even more maintenance if left unattended.

Board Action

Ms. Rashid called for a motion to approve the funding of property maintenance services with Philadelphia Horticultural Services through the Office of Housing and Community Development.

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

RESOLUTION NO. 2015 - 22

RESOLUTION AUTHORIZING EXPENDITURE OF FUNDS FOR PROPERTY MAINTENANCE SERVICES WITH PHILADELPHIA HORTICULTURAL SOCIETY THROUGH THE OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, the Philadelphia Land Bank Fiscal Year 2016 Operating Budget provides for property maintenance expenses in an amount of Three Hundred Fifty Thousand Dollars (\$350,000) (“Property Maintenance Expense”);

WHEREAS, the Office of Housing and Community Development (“OHCD”) has contracted with the Philadelphia Horticultural Society (“PHS”) to provide on-going maintenance of City-owned properties, as well as providing similar necessary services on adjacent properties;

WHEREAS, the Land Bank will be acquiring from the Philadelphia Housing Development Corporation (“PHDC”) several hundred properties which the Land Bank will be required to clean and maintain;

WHEREAS, the Land Bank has determined that its participation in the contractual relationship between OHCD and PHS is the most efficient and cost effective manner of maintaining properties which the Land Bank will acquire; and

WHEREAS, the Land Bank desires to allocate a portion of the Property Maintenance Expense toward funding of the OHCD-PHS contract so that PHS may include in its maintenance services certain properties to be acquired by the Land Bank.

NOW THEREFORE, BE IT RESOLVED by the Philadelphia Land Bank that:

The Land Bank may enter into an agreement with the Office of Housing and Community Development (“OHCD”) to provide that:

1. The Land Bank will transfer an amount no greater than One Hundred Sixty Thousand Dollars (\$160,000) to OHCD.

2. OHCD will include in its contract with the Philadelphia Horticultural Society (“PHS”) the obligation to perform maintenance services on approximately 350 properties to be identified by the Land Bank to the same extent and on the same terms as PHS performs such services for OHCD.
3. These maintenance services will be performed for the period beginning July 1, 2015 and ending June 30, 2016.

ADJOURNMENT

There being no further business to come before the Board, Ms. Rashid declared the meeting adjourned at 4:14 p.m.

SECRETARY TO THE BOARD

PHILADELPHIA LAND BANK

Board of Directors

Thursday, July 9, 2015

3:30pm

GUEST SIGN-IN SHEET

NAME

E-MAIL ADDRESS

COMPANY

1) Winnie Branton

2) Jeremy Gradwohl

3) Andrea Saah

4) Allison Weiss

5)

6)

7)

8)

9)

10)

11)

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