



1234 Market St., 17th Floor, Philadelphia PA 19107
philadelphialandbank.org

Board of Directors Meeting

September 8, 2016

3:30 p.m.

Agenda

1. Roll Call
2. Public Comment
3. Approval of Minutes for the Meeting of August 11, 2016
4. Update on Property Transfers
5. Authorization to Acquire Certain Properties at Tax Foreclosure Sale
6. Adjournment

This meeting is open to the public

PHILADELPHIA LAND BANK

BOARD MEETING MINUTES

A meeting of the Board of Directors of the Philadelphia Land Bank was held on Thursday, August 11, 2016 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 3:35 p.m.

Agenda Item 1 Roll Call

The following members of the Board of Directors reported present: Majeedah Rashid, Chair; Jennifer Kates, Secretary; Anjali Chainani, Christian Dunbar, Richard DeMarco, Frederick Purnell, Angel Rodriguez, Anna Shipp and Herbert Wetzel.

The following member of the Board of Directors was not present: Courtney Voss.

The following staff members were present: Tania Nikolic, Nicholas Scafidi, Esq., Christi Jackson, Beau Bradley, Guy Thigpen, Darren Williams, Victoria Welch and Paul Chrystie. Gregory Heller, Philadelphia Redevelopment Authority was also in attendance.

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.

Ms. Rashid recognized Mr. Victor Young who inquired about Land Bank properties that can be placed into the NGT program. He stated that he is interested in acquiring 1701-13 N. 55th Street for gardening and to support local residents' food needs and as training for local youngsters.

Agenda Item 3
Approval of Board Minutes

Ms. Rashid called for a motion to approve the minutes of the Board meeting of July 14, 2016. Upon motion made and duly seconded, the minutes were approved as presented.

Agenda Item 4
Updates

Board of Ethics Advisory Opinion

Mr. Scafidi stated that several months ago, in furtherance of the Land Bank Ordinance's directive that the Land Bank adhere to strict ethical conduct, the Board requested the City of Philadelphia Board of Ethics to advise on several ethics issues. The Board of Ethics has now issued a public advisory opinion detailing how various provisions of the City Ethics Code and Lobbying laws affect Philadelphia Land Bank Board members and staff. A copy of that Opinion was distributed and its major topics were discussed.

JMT Contract

Mr. Bradley reported that he met with the Technical Advisory team on the project status. The JMT group and Land Bank staff are identifying user groups; reviewing infrastructure condition in order to improve infrastructure; building the new web application which will provide easier access to the website. The Alpha website should be up in the next month or two.

Property Transfers

Mr. Thigpen reported that City Council has approved 2,200 for transfer and that 1,306 of those properties have moved into the Land Bank.

Ms. Kates stated that she would like to see monthly reports that include:

- Year to date acquisitions and dispositions, displayed according to the Strategic Plan use goals, and
- Acquisition requests submitted for consideration by, e.g., Council offices, community groups, the urban ag community, and the status for each request

Agenda Item 5
Approval of FY 17 Operating Budget

Ms. Nikolic presented the FY 17 Operating Budget, with a comparison to the FY 16 budget. The FY 17 Operating Budget was reviewed and analyzed by the Finance Committee and the Committee recommends approval.

Ms. Rashid called for a motion to approve the FY 17 Operating Budget. Upon motion made and duly seconded the Motion was approved as follows:

RESOLUTION NO. 2016 -13

RESOLUTION APPROVING PHILADELPHIA LAND BANK OPERATING BUDGET FOR FISCAL YEAR 2017

WHEREAS, the Board of Directors has been presented with the proposed budget for Fiscal Year 2017 which itemizes the categories and amounts of expenses required to fund operations of the Philadelphia Land Bank (“Operating Budget”);

WHEREAS, the Finance Committee has recommended the approval of the Operating Budget;

WHEREAS, the Board has reviewed and considered the Operating Budget; and

WHEREAS, a majority of the entire Board of Directors of the Philadelphia Land Bank has voted in favor of adopting the Operating Budget.

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

1. The Operating Budget for Fiscal Year 2017, as presented to this Board and attached hereto, is hereby approved.
2. The Board will receive quarterly financial reporting comparing actual expenditures to Fiscal Year 2017 budgeted expenses.

Agenda Items 6 and 7

Amendment to Contract with Drexel University – Andrea Saah
Amendment to Contract with Drexel University – Fellows Program

Ms. Nikolic requested the Board to approve two contract extensions. The first resolution would increase the contract compensation for Andrea Saah, Esq. by \$25,000 to allow her to continue her work as team lead. The second resolution would increase the contract compensation for the Drexel University Fellows by \$70,000 to allow them to continue their deed project, to support the recent update to the Land Bank’s pricing model and to assist the Redevelopment Authority in pricing its assets for financial reporting purposes.

Ms. Rashid called for a motion to approve the contract amendments for Ms. Saah and the Drexel University Fellows.

Upon motion made and duly seconded the Motions were approved as follows:

RESOLUTION NO. 2016 -14

**PROFESSIONAL SERVICES CONTRACT WITH
DREXEL UNIVERSITY – ANDREA SAAH**

WHEREAS, the Land Bank and Drexel University entered into an Agreement for Professional Services with an effective date of January 1, 2016 to permit Drexel to allow, as an independent contractor, Andrea Saah to lead the team Fellows who are conducting research necessary for the transfer of property from the City land-holding agencies to the Land Bank;

WHEREAS, the Land Bank’s Fiscal Year 17 Operating Budget provides further funding of \$25,000 for this position which will take maximum compensation to the amount of \$70,000; and

WHEREAS, the Land Bank wishes to continue with the work being performed by Drexel Fellows by increasing compensation in accordance with the approved FY 17 Land Bank Operating Budget.

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

1. Authorization is hereby given for the Land Bank to enter into an Amendment and Restated Professional Service Contract with Drexel University – Andrea Saah to further the work for the Deed Reconciliation Project.
2. The Amended and Restated Contract will provide for a maximum compensation of \$70,000 (inclusive of all amounts expended under the initial contract for Ms. Saah’s services) with a termination date of June 30, 2017 or expenditure of this authorized increase.
3. The Interim Executive Director is authorized to prepare, execute and deliver an Amended and Restated Professional Services Contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Interim Executive Director shall deem necessary or appropriate to protect the interests of the Land Bank.

RESOLUTION NO. 2016 -15

**AMENDED AND RESTATED PROFESSIONAL SERVICES CONTRACT
WITH DREXEL UNIVERSITY**

WHEREAS, on May 14, 2015, the Board adopted Resolution No. 2015-14 which authorized a Professional Services Contract with Drexel University (the “Initial Drexel

Contract”) for the purpose of providing student assistance and research for (i) the transfer of property from the City land-holding agencies to the Land Bank, (ii) geospatial analysis necessary to support the land pricing model which the Land Bank was developing, and (iii) development of a Structure Hedonic Model for pricing of vacant structures;

WHEREAS, the parties entered into an amendment of the Initial Drexel Contract, effective December 17, 2015 and designated Amendment No. 1, for the sole purpose of extending the Term of the Initial Drexel Contract;

WHEREAS, by Resolution No. 2016 – I adopted January 14, 2016, the Land Bank approved a second amendment to the Initial Drexel Contract to increase compensation by an additional \$126,500 for a total maximum compensation not to exceed \$256,500 and extend the contract term to September 30, 2016 in order to allow completion of work undertaken in the Initial Drexel Contract;

WHEREAS, by Resolution No. 2016-12 adopted July 14, 2016, the Land Bank approved a third amendment to the Initial Drexel Contract to increase compensation by an additional \$20,000 for a total maximum compensation not to exceed \$276,500 to assist the Philadelphia Redevelopment Authority in the valuation of its land assets;

WHEREAS, the Land Bank wishes to continue with the work being performed by the Drexel Fellows by increasing compensation in accordance with the approved FY 17 Land Bank Operating Budget.

NO THEREFORE, BE IT RESOLVED by the Board of Directors of the Philadelphia Land Bank that:

1. Authorization is hereby given for the Land Bank to enter into an Amended and Restated Professional Services Contract with Drexel University to further the work for the Deed Reconciliation Project and provide the audit assistance requested by the Redevelopment Authority.
2. The Amended and Restated Contract will provide for additional compensation of \$70,000 (inclusive of authorization provided by Resolution 2012-16), with a termination date of June 30, 2017 or expenditure of this authorized increase.
3. The Interim Executive Director is authorized to prepare, execute and deliver an Amended and Restated Professional Services Contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Interim Executive Director shall deem necessary or appropriate to protect the interests of the Land Bank.

There being no further business to come before the Board, Ms. Rashid declared the meeting adjourned.

SECRETARY TO THE BOARD

PHILADELPHIA LAND BANK

Board of Directors

Thursday, August 11, 2016

3:30pm

GUEST SIGN-IN SHEET

NAME

- 1) Crushyank
- 2) Mendy + Denise
- 3) Victor A. Young
- 4) Beverly Giles-Carter
- 5) Winnie Branton
- 6) Dillon Mahoney
- 7) Citrus Samll
- 8) Jenny Greenberg
- 9) Eric Borzid
- 10) Paul Chesshore
- 11) John Boris
- David Feldman

COMPANY

- LTD Bank
- N/A
- N/A
- Fruit of the Spirit Ms.
Branta Strategies
- Councilman Johnson
- LI U
- NET
- CJ SPACATOR
- PhillyCam
- The Development Workshop

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PHILADELPHIA LAND BANK FISCAL 2017 OPERATING BUDGET VS 2016

	FY 2017	FY 2016	VARIANCE
SALARIES	895,100	1,181,600	(286,500)
<i>Share of DHCD Support Salaries</i>	155,000	130,000	25,000
<i>Share of PHDC Admin Salaries</i>	257,600	253,000	4,600
<u>Fringe Benefits</u>			
FICA	68,500	90,400	(21,900)
Pensions	351,900	384,800	(32,900)
Health Benefits			
Major Medical	191,600	302,300	(110,700)
Prescription Plan	63,600	52,900	10,700
Dental	11,800	15,700	(3,900)
Vision	800	800	-
Life Insurance	5,200	12,000	(6,800)
Group Legal	2,000	2,160	(160)
Worker's Compensation	11,300	7,500	3,800
Unemployment Comp	13,100	16,000	(2,900)
Total Fringes	719,800	884,560	(164,760)
TOTAL LAND BANK SALARIES & FRINGES	2,027,500	2,449,160	(421,660)
<u>Purchase of Services</u>			
Telephone	9,700	6,800	2,900
Training, Travel & Conferences	15,000	25,000	(10,000)
Parking & Mileage	7,600	15,800	(8,200)
Postage	5,100	5,100	-
Advertising	10,000	30,000	(20,000)
<i>Professional Services</i>			
Strategic Plan	-	100,000	(100,000)
Communications	-	25,000	(25,000)
Fellows Program	70,000	-	70,000
Drexel Contract	25,000	75,000	(50,000)
Legal Fees	40,000	26,700	13,300
Audit and Accounting Consulting	38,500	40,000	(1,500)
Payroll & Realist System	4,000	6,400	(2,400)
Repair & Property Maintenance	6,100	6,400	(300)
Rent of Office Space	85,500	89,200	(3,700)
Insurance	171,800	309,000	(137,200)
Insurance broker fees	53,000	50,700	2,300
Total Purchase of Services	541,300	811,100	(269,800)
<u>Materials & Supplies</u>			
Books, Publications, Dues	5,000	5,100	(100)
Office Material & Supplies	5,000	5,000	-
Printing	15,100	20,200	(5,100)
Total Materials & Supplies	25,100	30,300	(5,200)
<u>Equipment</u>			
Tools and Equipment	1,400	4,700	(3,300)
Auto	7,400	22,000	(14,600)
Total Equipment	8,800	26,700	(17,900)
<u>Information Services & Technology</u>			
Information Technology improvement	250,000	175,000	75,000
Software licenses	29,600	32,500	(2,900)
Purchase of data services	6,400	23,100	(16,700)
Purchase and maintenance of equipment	9,600	18,300	(8,700)
	295,600	248,900	46,700
<u>Real Estate</u>			
Acquisition & Disposition	360,000	407,500	(47,500)
Storm Water Management	300,000	-	300,000
Emergency Property Maintenance	50,000	350,000	(300,000)
	710,000	757,500	(47,500)
TOTAL COSTS	\$ 3,608,300	\$4,323,660	\$ (715,360)
<u>REVENUE</u>			
VPRC 2016 Net proceeds b/f	500,000	-	500,000
PRA Funding	1,900,000	3,823,660	(1,923,660)
City: General Funds	500,000	500,000	-
Land Bank Retained cash resources	708,300	-	708,300
	\$ 3,608,300	\$4,323,660	\$ (715,360)

MEMORANDUM

Date: September 8, 2016
To: Board of Directors
From: Nicholas Scafidi
Re: Acquisition of Tax Foreclosure Properties

One of the Land Bank's goals is to facilitate the acquisition and reuse of abandoned, tax delinquent properties using the authority of the Pennsylvania Land Bank Act of 2012 and the Philadelphia Land Bank Ordinance of 2013.

The Land Bank, in cooperation with the City's Finance, Revenue, Planning and Law Departments, has identified certain tax delinquent properties that are eligible for acquisition by the Land Bank. The Land Bank chose these properties to be part of a pilot project to establish and test the Land Bank's planning and acquisition tools. The Sheriff's Office advertised these properties on its website and in print as part of their monthly tax sale program, and the properties were exposed for sale at the August 17th tax auction. As with the previous use of the Land Bank's power to acquire tax delinquent properties, the Sheriff accepted only the bid of the Land Bank.

The Land Bank must now formally take title to the properties by payment of Sheriff's costs and recording the Sheriff's deeds. Accordingly, the Board is requested to authorize the Land Bank to acquire the properties identified on the attached Resolution.

The intended re-use of these properties is for assembly into development sites for affordable housing.

RESOLUTION NO. 2016 –

**RESOLUTION AUTHORIZING ACQUISITION OF
TAX DELINQUENT PROPERTIES**

WHEREAS, the Commonwealth Land Bank Act, 68 Pa. C.S.A. §§ 2101, *et seq.*, authorizes a land bank to bid for and acquire property exposed for sale pursuant to the Municipal Claim and Tax Lien Law, 53 P.S. §§ 7101, *et seq.*;

WHEREAS, Section 16-705(2) of the Philadelphia Code authorizes the Philadelphia Land Bank (“Land Bank”) to acquire real property or interests in real property through all legal means, subject to certain stated terms and conditions;

WHEREAS, Section 16-705(3)(b) of the Philadelphia Code authorizes the Land Bank to acquire tax delinquent properties at sales conducted by, or on behalf of, the City of Philadelphia; and

WHEREAS, the Land Bank desires to acquire certain properties which have been exposed at tax sale.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Philadelphia Land Bank that

1. The Land Bank is authorized to acquire the properties identified on the attachment to this Resolution in accordance with the provisions of the Commonwealth Land Bank Act and the Philadelphia Code.
2. The Interim Executive Director is authorized to prepare, execute and deliver all documentation necessary to effectuate the purposes of this Resolution.

**TAX-DELINQUENT PROPERTIES APPROVED FOR ACQUISITION
FROM SEPTEMBER 17, 2016 TAX SALE**

2346 N. 21st Street

1443 N. Marston Street

1445 N. Marston Street