



# PHILADELPHIA LAND BANK

## Strategic Plan & Performance Report 2019

DRAFT 06.05.19



City of  
**Philadelphia**

# draft





June 2019

Dear Partners:

After a rigorous process of data analysis and in-depth conversations with the Land Bank's many stakeholders, the Land Bank Board and I are pleased to present this draft update of the Philadelphia Land Bank's Strategic Plan. The plan will guide Land Bank activity for the coming year and looks ahead with longer-term strategies to pursue in collaboration with you -- our partners in City Council, other City Departments, and the people with whom we do business on a day-to-day basis: Philadelphia residents, developers, gardeners, community organizations, local businesses, advocates, and investors.

Our work with you stems from a shared desire and drive to return vacant and underutilized property to productive use in our city. Our charge at the Land Bank is to employ a unified, predictable, and transparent process for acquiring privately-owned tax delinquent vacant property and transferring publicly-owned vacant property into the hands of individuals and organizations who will develop homes that are affordable and accessible to people of a range of incomes and abilities, create community facilities that provide needed services, expand their businesses, or establish and preserve community green spaces in the form of gardens, farms, and side and rear yards.

As we strive for transparency, the Land Bank hopes to serve as the standard for vacant property transfer in the City, a standard that is accountable to the Land Bank's mission and the goals of the Strategic Plan.

This update of the Strategic Plan comes at an important time in the Land Bank's evolution. The plan takes stock of the scale and complexity of the landscape of vacant property citywide. It maps change in the real estate market to inform strategic decisions about vacant property acquisitions and dispositions. It looks backward to measure our growth and progress, identifying accomplishments as well as ongoing challenges. It organizes our work for the year ahead and includes recommendations for the coming five years.

Thank you for working with us over the past five years to build the Philadelphia Land Bank and for navigating the lengthy start-up process with us as the Land Bank grew as an organization and began to test the processes for vacant property acquisition, disposition, and activation through interim uses. Thank you, also, for your ongoing commitment, which will ensure that the Land Bank continues to improve its operations as an effective tool for the City, its citizens, and the neighborhoods we call home.

We look forward to continuing our work together,

A handwritten signature in blue ink that reads "Angel Rodriguez". The signature is fluid and cursive, with a large loop at the end.

ANGEL B. RODRIGUEZ

Executive Director of the Philadelphia Land Bank

# Acknowledgments

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Special thanks to the many people who contributed their time and ideas to the Philadelphia Land Bank's 2019 Strategic Plan including the Land Bank Board and staff as well as representatives of the following:

### CITY OF PHILADELPHIA

DEPARTMENT OF PLANNING AND DEVELOPMENT  
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DEPARTMENT OF REVENUE  
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NEIGHBORHOOD GARDENS TRUST  
CIVETTA PROPERTY GROUP LLC  
ELON DEVELOPMENT COMPANY  
FRANKEL ENTERPRISES  
THE HOW GROUP  
INNOVA REDEVELOPMENT, LLC  
MOSAIC DEVELOPMENT PARTNERS  
STAMM DEVELOPMENT GROUP  
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# Executive Summary

The purpose of the Philadelphia Land Bank is to **return vacant and underutilized publicly-owned property to productive use** and thereby to assist in **revitalizing neighborhoods, creating socially and economically diverse communities, and strengthening the City's tax base.**

The Land Bank has four key functions, all focused on increasing access to and reactivating publicly-owned vacant property.

The Land Bank can:

- > **Consolidate surplus City property**, currently distributed among four land-holding agencies, under one umbrella
- > **Acquire tax delinquent vacant property at Sheriff's Sale**, with the intention to then convey that property into private hands for targeted uses
- > **Dispose of surplus publicly-owned property**, conveying it to private ownership for reuse and redevelopment that supports, among other things:
  - Affordable, market rate, or mixed-income housing development
  - Business expansion
  - Community facilities
  - Side- and rear-yards, and
  - Gardens and community open space, including urban agriculture
- > **Provide temporary access to property held by the Land Bank** in cases where property disposition may not be possible or appropriate.

## FRAMING THE ISSUES

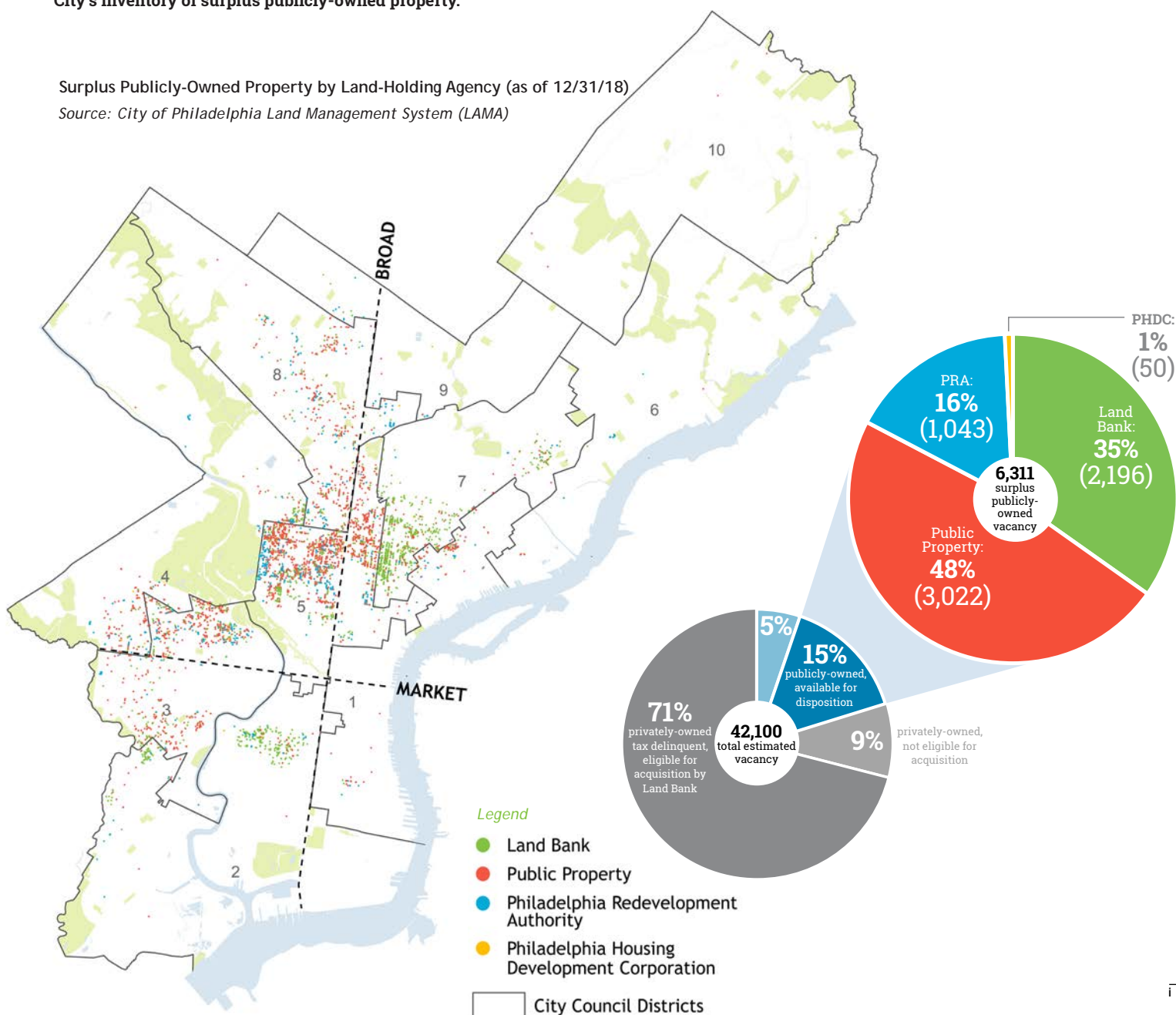
**The landscape of vacancy in Philadelphia is far-reaching and complex.** Citywide, Philadelphia has an estimated 42,100 vacant properties. Only 8,500 (or 20%) are publicly-owned, held by one of the City's four land-holding entities, not including the Philadelphia Housing Authority. Of those, roughly 6,300 (15% of the estimated total) are surplus properties, available for disposition or on hold for a future development project. The other 2,200 are being managed by the City.

**The Philadelphia Land Bank held nearly 2,200 vacant properties as of the second quarter of FY19 (December 31, 2018), or 35% of the City's inventory of surplus publicly-owned property.**

The vast majority of vacant property (80% of the estimated total) in the City is privately-owned. **More than 29,800 vacant properties citywide (71% of the estimated total) are privately-owned and tax delinquent enough to be eligible candidates for acquisition by the Land Bank;** these properties have either been tax delinquent for at least three years or owe more than \$2,000 total in back Real Estate Taxes and Licenses and Inspections (L&I) liens.

Surplus Publicly-Owned Property by Land-Holding Agency (as of 12/31/18)

Source: City of Philadelphia Land Management System (LAMA)



**The real estate market in some parts of the City is changing rapidly.** As a city, Philadelphia is gaining population and households, and growth is expected to continue. In areas where the residential market is strengthening, rising property values can benefit existing homeowners by growing the equity in their homes, but displacement of long-term residents – particularly renters – becomes a real risk. Data analysis comparing 2013 market conditions to 2018 indicators of real estate market activity indicates that some neighborhoods changed from distressed to active and emerging within a time span for just five years.

**And yet, in large portions of the city, population loss is ongoing, and vacant and abandoned properties continue to threaten the stability of blocks and the health of whole neighborhoods.** In these neighborhoods, households are struggling to make ends meet and maintain their homes. The market pressure in some areas of the city, coupled with the city's aging housing stock and high levels of poverty translate to a pressing need for quality affordable housing options in Philadelphia.

**Resources are limited, outsized by the scale of Philadelphia's vacancy.** The Land Bank is an important tool for intervening in real estate markets, targeting the redevelopment of properties that it transfers, and helping to transform vacant and underutilized property from a long-term problem into a solution for change and revitalization. With a FY19 budget of \$6.93 million, \$3.14 million of which are dedicated to acquisition of tax delinquent property, the Land Bank can afford to purchase up to 325 properties per year, just over 1% of the 29,800 properties eligible for acquisition.

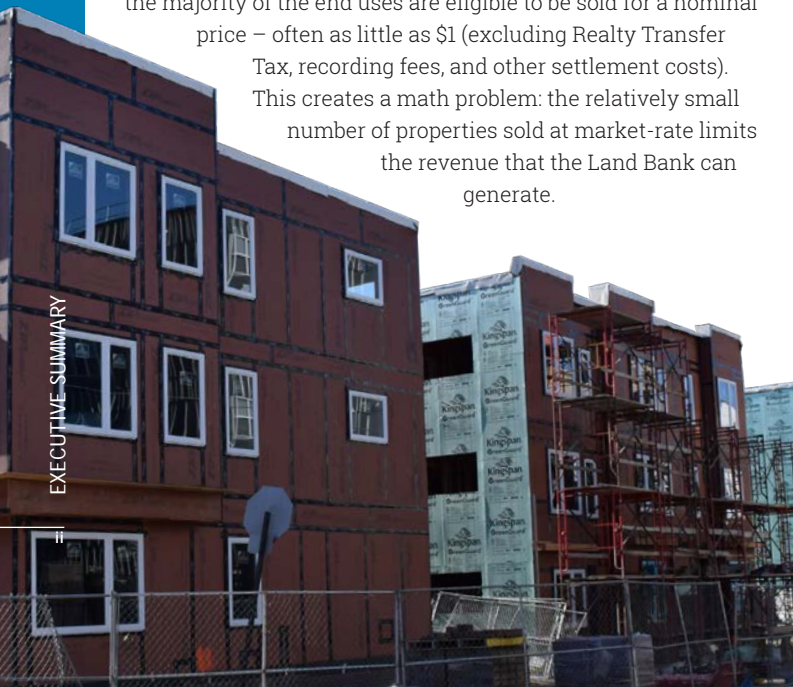
Each transaction requires a multi-step legal process that takes many months to complete, upwards of 100 hours of staff time depending on the type of project, and sustained coordination with City Council, other City Departments, external partners, and the applicants seeking to obtain property. Revenue earned from property disposition could fuel additional acquisition activity, but the majority of the end uses are eligible to be sold for a nominal price – often as little as \$1 (excluding Realty Transfer Tax, recording fees, and other settlement costs). This creates a math problem: the relatively small number of properties sold at market-rate limits the revenue that the Land Bank can generate.

**The Land Bank must be strategic in its operations.** With its inventory of property and ability to acquire vacant land and structures, the Land Bank can be an important partner in assembling development sites and disposing of property to help meet housing demand driven by growth as well as the needs of existing Philadelphia households. The Land Bank can also be strategic, leading the discussion about where the City should actively target resources for purchasing vacant property and investing in affordable housing, as private market activity moves into neighborhoods that have long been subject to vacancy and abandonment.

Opportunities and need for reuse, redevelopment, and activation of vacant or underutilized property vary depending on real estate market conditions. The Land Bank's ability to acquire, assemble, and grant access to property enables it to preserve affordability and open spaces; stake a claim for mixed income development in strong and established markets; catalyze redevelopment activity in emerging markets; and stabilize, maintain, and reactivate vacant and underutilized property in disinvested markets.

- > 45% of the existing inventory of publicly-owned surplus property is located in **emerging market areas**, as is 33% of the privately-owned tax delinquent property that could be eligible for acquisition by the Land Bank
- > 42% of the existing inventory of publicly-owned surplus property is located in **disinvested market areas**, as is 49% of the privately-owned tax delinquent property that could be eligible for acquisition by the Land Bank

This update of the Land Bank's Strategic Plan will help to ensure that the Land Bank remains adaptable in response to shifting markets and lessons learned through its initial years of operations, while also remaining accountable to the citizens of Philadelphia and its partners in reactivating vacant and underutilized land and revitalizing neighborhoods.





## SUMMARY OF PROGRESS

Though the still-young organization has had to overcome many hurdles in its first five years, much has been accomplished since the Land Bank's last Strategic Plan update, published in 2017.

- > **Acquisitions increased more than thirteen times over** from 21 in FY17 to 276 in FY18.
  - Though it took time to build the pipeline of properties targeted for acquisition at Sheriff's Sale, the Land Bank is now on pace to acquire approximately 325 per year, depending on purchase prices and fees.
  - Through FY19 Q2, the Land Bank has acquired 463 properties, spending more than \$3.6 million on acquisitions and returning over \$2.8 million to the City in back-owed Real Estate Taxes, of which \$1.55 million (55%) were paid to the Philadelphia School District.
- > **Dispositions activity has increased as well**, from 18 properties conveyed in FY17 to 78 conveyed in FY18.
  - Through FY19 Q2, the Land Bank has disposed of 132 properties, bringing in \$1.78 million in revenue.
- > **The Land Bank has formalized the process for executing license agreements**, which grant temporary access to Land Bank property.
  - Through FY18 Q2, the Land Bank executed Individual Garden Agreements for 39 different lots. In the third quarter of FY19 alone, the Land Bank executed garden or license agreements for an additional 23 lots.
  - Licenses can also be granted for construction staging and access, filming, parking, and other temporary uses.

Other key achievements include:

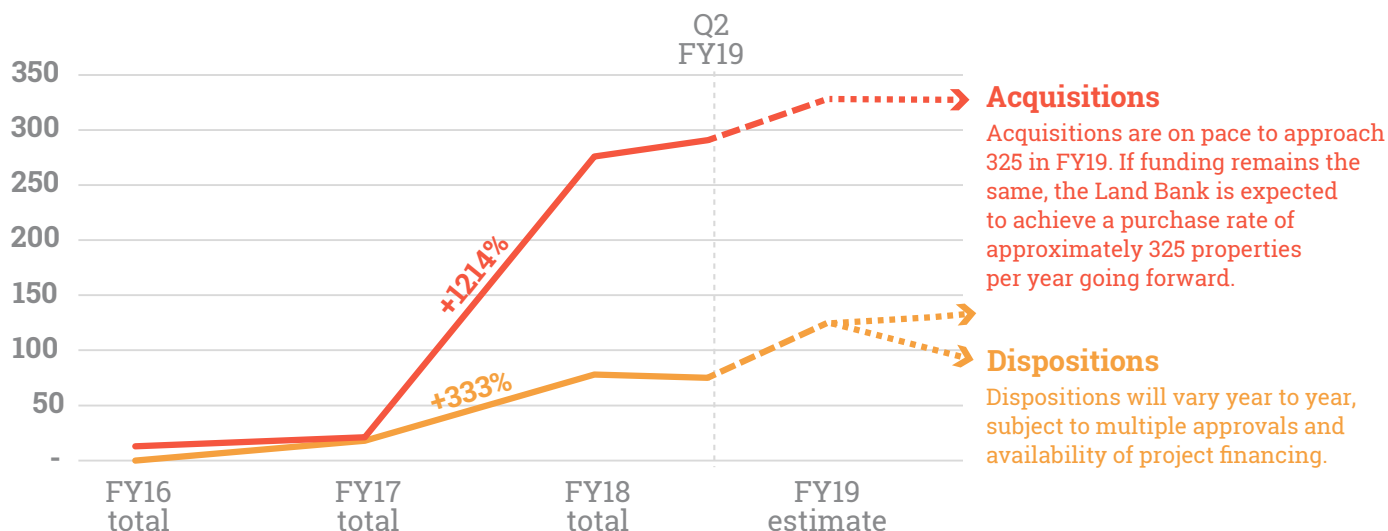
- > **Increased capacity and uniformity:** the Land Bank hired an Executive Director and additional staff and established a standard process for the transfer of surplus property at the City.
- > **Improved internal data and coordination:** the City's data on tax delinquent property is much improved, and the Land Bank is continuing to refine data sharing and coordination procedures within the City for a more streamlined process.
- > **The ability to be proactive rather than reactive:** improved data and internal data sharing enable the Land Bank to prioritize acquisition activity, better assemble land, and make a bigger impact.
- > **Creative solutions instead of road blocks:** when Disposition Policy criteria prevented the transfer of property to applicants in some cases, the Land Bank has found new ways to grant temporary access to land through the use of license agreements.
- > **Expanded external communications:** as the facilitators of the City's standard process for the transfer of surplus property, the Land Bank has expanded its library of tools for sharing information with the public.
- > **Clarity through experience:** the Land Bank now has more than a year of work under its belt with a dedicated staff and a team that has worked through the full process for acquisitions and dispositions.

### A FEW HIGHLIGHTS:

See the following spread for a summary of recent successes from the Land Bank at work.

#### Acquisition and Disposition Activity to Date (as of 12/31/18)

Source: Philadelphia Land Bank



## RECENT SUCCESS: Land for Affordable Housing



Source: architectmagazine.com

In 2014, the City of Philadelphia and Philadelphia Housing Authority secured a \$30 million Choice Neighborhoods Implementation grant from the U.S. Department of Housing and Urban Development to redevelop the Norris Apartments, a distressed 147-unit low-rise public housing complex built in 1959 and 1960.

Following a community-based planning process, implementation of the Choice Neighborhoods Transformation Plan for North Central Philadelphia has unfolded in phases and continues today, replacing the dilapidated Norris Apartments with new affordable apartments and homes as well as a complement of market rate units to foster a more mixed-income neighborhood. In total, the redevelopment effort will create 267 rental units and 30 homeownership opportunities. The Land Bank has worked with multiple City agencies, PHA, and local partners in helping to assemble the properties needed for this catalytic redevelopment.

*"The Philadelphia Land Bank has played an integral role in helping the City and the Philadelphia Housing Authority assemble the land necessary for critical investments in affordable and mixed-income housing developments. The Land Bank conveyed 60 properties as part of the Norris Phase II Choice Neighborhood redevelopment, which supported the development of 89 new units of affordable housing for households earning up to 30% and 60% of Area Median. More recently, the Land Bank has been acquiring vacant and tax delinquent properties to support the City's future investments in affordable housing."*

- Melissa Long, Deputy Director  
Division of Housing and Community Development

## RECENT SUCCESS: Workforce Housing in Francisville



Source: Civetta Property Group

With the recent decline in available resources and the continued demand for affordable homeownership opportunities, the City of Philadelphia has sought new ways to leverage publicly-owned land to support investment in transitional real estate markets. The Workforce Housing (WFH) Program aims to unlock developable parcels to those committed to producing housing that is affordable to middle-income households, earning up to 120% of Area Median Income.

The Land Bank's first Request for Proposals for Workforce Housing invited interested developers to apply to redevelop seven vacant properties in the Francisville neighborhood. The Land Bank awarded the development opportunity to Civetta Property Group, which developed seven homes, six of which have since been sold.

*"Our company, Civetta Property Group, executed a land bank deal in 2018 to build seven work force homes, in the Francisville section of Philadelphia. We appreciate the opportunity to partner with The City of Philadelphia and had a great experience working with many of the team members throughout the project. It was extremely important to us that the properties be sold to qualified candidates and we are proud to know that of six now sold, one is occupied by a Philadelphia police officer, two by Philadelphia teachers and another by an employee of Habitat for Humanity."*

- Michael Tomasetti, Civetta Property Group

## RECENT SUCCESS: Progress toward Garden Preservation



Source: Neighborhood Gardens Trust

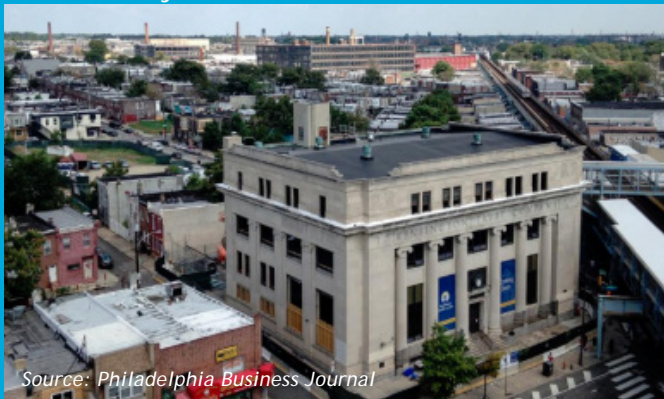
The Five Loaves Two Fish Community Garden of Hestonville was founded by grassroots nonprofit Community Health and Gardens to improve the diet, nutrition and health of their West Philadelphia neighborhood. In 2013, this group transformed a neglected, trash-filled lot into a vibrant open space for growing fresh produce, fostering social connections and hosting educational programming around health and nutrition. The garden is cultivated by over 30 families, with an emphasis on serving youth and seniors.

The garden footprint includes six parcels, totaling about 9,200 square feet, with a mix of publicly and privately-owned, tax delinquent land. In 2018, the City's Department of Public Property conveyed two parcels to the Neighborhood Gardens Trust (NGT) for garden preservation. The Land Bank acquired three privately-owned parcels, which will be conveyed to NGT in 2019. There is one remaining parcel with a third-party tax lien that the Land Bank is working to resolve in order to complete garden land assembly.

*"The Philadelphia Land Bank is an important partner to the Neighborhood Gardens Trust (NGT), a nonprofit land trust dedicated to securing and protecting open spaces for Philadelphians to cultivate food, flowers, and community. Over the past year, NGT was able to acquire three garden parcels from the Philadelphia Land Bank (PLB). PLB also acquired six privately owned garden properties that were abandoned and tax delinquent so that NGT can permanently preserve them as well. We've noticed that PLB's processes for land acquisition and disposition are becoming more streamlined. The staff has been helpful in working with us to identify strategies to save several gardens that were extremely close to being lost to development. We look forward to continuing to work with PLB to secure many more threatened community-managed open spaces, which provide so many social, health, environmental, and economic benefits to our city."*

- Jenny Greenberg, Executive Director  
Neighborhood Gardens Trust

## RECENT SUCCESS: Community Health and Wellness Center



Source: Philadelphia Business Journal

The Land Bank was instrumental in helping Esperanza Health Center acquire 3222-58 H Street, where construction of a parking facility and community center is currently underway. These community facilities are part of the new Esperanza Health Center development in a former bank building at 861 East Allegheny Avenue in Kensington.

The Land Bank also helped Esperanza Health center acquire several other tracts of land that are in use for gardening purposes, providing open space for patients and staff. The longer-term vision for these properties includes an exercise center and multi-purpose conference center and community space to be built during Phase II of the development. Together, the gym, community space, and conference center will expand the services that the new Esperanza Health Center can offer to the community.

*"Esperanza Health Center worked with the Land Bank over the past two years to secure several properties in Kensington. These properties are for the benefit of Kensington for the development of a Community Health and Wellness Center. Construction for Phase 1 of the project is underway. The Land Bank played an instrumental role in helping Esperanza Health Center realize the dream of acquiring these pieces of land. We are excited to see this project come to life!"*

- Richard Rohrer, Esperanza Health Center



## RECOMMENDATIONS

While many important steps have been taken to move the Land Bank forward, there is more work to be done in an ongoing effort to meet the high expectations established for the Land Bank at its inception.

The 2019 Strategic Plan recommendations are organized by the three key facets of the Land Bank's mission:

### PREDICTABLE & TRANSPARENT

#### Continue to Improve Communication about the Land Bank's Role and Processes

The recommendations in this section respond to widely held concerns about the ongoing lack of understanding about the Land Bank's process.

##### Key recommendations include:

- > Clarify steps in the acquisition and disposition processes
- > Adopt communication benchmarks, including upfront communications that clarify the purpose and potential outcomes of an EOI as well as close out notifications
- > Update Acquisition and Disposition Policies
- > Develop a clear process to submit requests to initiate the tax foreclosure acquisition process for non-competitive bid uses

### SEE THE DRAFT USER GUIDES:

**Check out the draft User Guides** between pages 42 and 43 of this plan, created as an initial effort to chart the full process for obtaining property from the Land Bank for different uses (side yard, garden, housing development, and business expansion). Note, these guides are subject to change to reflect revisions to the Disposition Policies.

### FROM VACANT AND UNDERUTILIZED TO PRODUCTIVE

#### Continue to Return Property to Productive Use

The recommendations in this section respond to existing barriers and new opportunities for property disposition identified over the course of the strategic plan update.

##### Key recommendations include:

- > Develop solutions for accessing tax delinquent properties burdened by U.S. Bank liens
- > Prioritize the acquisition of tax delinquent parcels in high-value neighborhoods to promote mixed-income housing, equitable development, and economic development
- > Take action to preserve active gardens
- > Work to address the existing inventory by targeting dispositions for side yards and finding new ways to enable temporary site activation
- > Start disposing of structures already in the Land Bank's inventory
- > Scale back the frequency of strategic planning efforts while maintaining annual reporting

### THE STANDARD FOR PROPERTY TRANSFER

#### Continue to Refine the Process for Property Transfer at the City

The recommendations in this section respond to the need for improved uniformity, education, and awareness about procedures and opportunities for property transfer.

##### Key recommendations include:

- > Continue work to standardize the transfer of the City's publicly-owned surplus property back to private ownership
- > Update the process for how people engage the Land Bank
- > Develop a community outreach strategy and collaborate with external organizations to improve connections with communities across the city
- > Adopt more expansive marketing strategies for new development opportunities

### ANNUAL TARGETS FOR THE NEXT FIVE YEARS

Each year, the Land Bank has numeric targets to attain for acquisitions and dispositions. These targets are intended to help track the Land Bank's progress toward its stated goals and overall mission. To achieve some of the recommendations previously presented in this Strategic Plan and demonstrate increased activity of the Land Bank will call for some changes in reporting as well as more flexibility in regards to numeric targets as the sole measure of success.

##### Key recommendations include:

- > Decouple the acquisition and disposition targets
- > Adjust reporting practices based on knowledge of time and budget constraints
- > Report on properties, not units, for housing goals, and adjust disposition targets accordingly
- > Introduce a new reporting category to track properties "banked" for particular end uses
- > Track dispositions of the existing public inventory separately from that of new acquisitions

## LOOKING FORWARD

This Strategic Plan update is the first guiding document for the Land Bank that comes with the benefit of experience in operations and transactions. Since the publication of the 2017 Strategic Plan, abstract ideas about how the Land Bank might operationalize have become real.

**The Land Bank has learned about the constraints that budget, time, and legal processes place on operations, and the resulting implications of lengthy regulatory processes in a quickly changing real estate market.** Key take-aways include:

### ACQUISITIONS

- > Sheriff's Sale acquisitions average nine to 12 months from start to finish.
- > Under the current MOU with the City and School District, the average acquisition costs \$8,500 per property, excluding servicer fees.
- > The Land Bank's ability to acquire property relies on annual allocations from the General Fund.
- > Under the current budget, the Land Bank can afford to acquire up to 325 properties per year, depending on purchase prices and fees.

### DISPOSITIONS

- > Dispositions generally take seven to nine months to complete.
- > 82% of the disposition targets are eligible for sale or transfer at nominal or discounted pricing.
- > Just 18% of properties conveyed generate revenue through market rate sales, the proceeds of which could be used to fuel additional acquisitions or to support operating costs.
- > The Land Bank's annual disposition progress is measured by lots conveyed for business expansion, community facilities, side and rear yards, and gardens and open space, while conveyances to support development of housing have, historically, been measured in units created. The different units of measure (lots versus dwelling units) creates confusion in reporting and measuring progress.
- > Properties conveyed for housing creation generated an average of 1.55 units of housing per property conveyed in FY18; this means that in order to achieve the goal of providing land for 205 new units of housing per year requires the conveyance of roughly 132 properties per year (depending on parcel size and zoning).
- > Given the time it takes to complete each disposition transaction, the annual housing targets should be converted to lots using the ratio of units to lots, holding the target unit count stable, but reducing the number of property conveyances necessary.

**The scale of vacancy in our city and the pace of market changes in our neighborhoods underscores the need for increased production now that the Land Bank's procedures have been tested and the transaction gears are turning.** To accelerate acquisition and disposition activity will require increased revenue to fuel acquisitions and operations, as well as sustained collaboration and coordination to transfer surplus property for reuse according to land use policies. Successful projects will also require the continued support and involvement of City Council, developers and investors, and committed community members who have a vision and a plan to reactivate vacant and underutilized property and return it to the City's tax rolls.

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# What is the Philadelphia Land Bank?

The mission of the Philadelphia Land Bank is to **return vacant and underutilized [publicly-owned] property to productive use through a unified, predictable, and transparent process, and thereby to assist in revitalizing neighborhoods, creating socially and economically diverse communities, and strengthening the City's tax base.**

The Philadelphia Land Bank was established in 2013 as a new entity of the City, empowered to facilitate the strategic redevelopment of vacant and underutilized property. As originally envisioned, the Land Bank would simplify the process of transferring properties from public agencies to private owners through three core functions:

### CONSOLIDATING SURPLUS CITY PROPERTY

The Land Bank creates an umbrella under which to consolidate much of the City's existing inventory of surplus property, then held by the City's Department of Public Property, the Philadelphia Redevelopment Authority, and the Philadelphia Housing and Development Corporation.

### ACQUIRING TAX DELINQUENT VACANT PROPERTY

The Land Bank has the power to purchase privately-owned tax delinquent properties at Sheriff's Sale that might otherwise present roadblocks to revitalization. Once acquired by the Land Bank at Sheriff's Sale, these properties would be added to the Land Bank's inventory.

### DISPOSING OF LAND BANK PROPERTY

The Land Bank transfers property from public control back into private ownership to support community and economic development, including, without limitation, the following range of active uses:

- > Affordable, market rate, or mixed-income housing development
- > Business expansion
- > Community facilities
- > Side- and rear-yards, and
- > Gardens and community open space, including urban agriculture

By consolidating the historic inventory of publicly-owned surplus property and making it, together with tax delinquent properties formerly in private ownership, accessible for reuse and redevelopment, the Land Bank serves as an important tool to help revitalize neighborhoods and strengthen the City's tax base.

FIGURE 1: Core Functions of the Philadelphia Land Bank

#### HOW DOES LAND MOVE INTO THE LAND BANK?

properties can be conveyed into the Land Bank by:

##### CONSOLIDATION

- interagency transfer of surplus properties from:
  - Department of Public Property
  - Philadelphia Redevelopment Authority
  - Philadelphia Housing Development Corporation

##### ACQUISITION

- purchase of privately owned tax delinquent property at sheriff's sale

#### HOW DOES LAND MOVE OUT OF THE LAND BANK?

properties can be conveyed by the Land Bank by:

##### COMPETITIVE SALE / RFP

the standard procedure, most properties will be conveyed this way

##### NON-COMPETITIVE SALE

only an option for certain transactions including:

- Affordable Housing
- Community Facilities
- Side or Rear Yards
- Gardens
- Business Expansion
- Development where purchaser owns super-majority

**HOW ABOUT LAND IN THE LAND BANK?**  
the Land Bank can grant temporary access to approved  
**INTERIM USES**

#### IMPORTANT TERMS:

**ACQUISITION:** The process by which the Land Bank, purchases privately-owned, tax-delinquent property, bringing the property into the Land Bank's inventory.

**DISPOSITION:** The process of transferring property out of the Land Bank, moving the property back into private ownership. Depending on the intended end use for the property, the Land Bank can sell the property at fair market value or for a nominal or discounted price.



Today, the Land Bank is at work on efforts to consolidate surplus City property, acquire privately-owned tax delinquent property, and dispose of Land Bank property. In practice, however, the Land Bank also grants access to vacant property through a fourth function:

### PROVIDING TEMPORARY ACCESS TO PROPERTY HELD BY THE LAND BANK

In some instances, when a property disposition may not be possible or appropriate, a person or an entity may request permission to access, use, or activate property currently held by the Land Bank. For approved interim uses, the Land Bank may offer License Agreements that grant temporary access to a property in its inventory for a specified use and duration of time.

### APPROVED INTERIM USES:

**LICENSE AGREEMENTS FOR INTERIM USES:** Approved interim uses include, without limitation, gardens, construction staging, filming, parking, and construction uses. Temporary access to Land Bank property may also be granted for certain tests, studies, or survey work prior to a disposition.

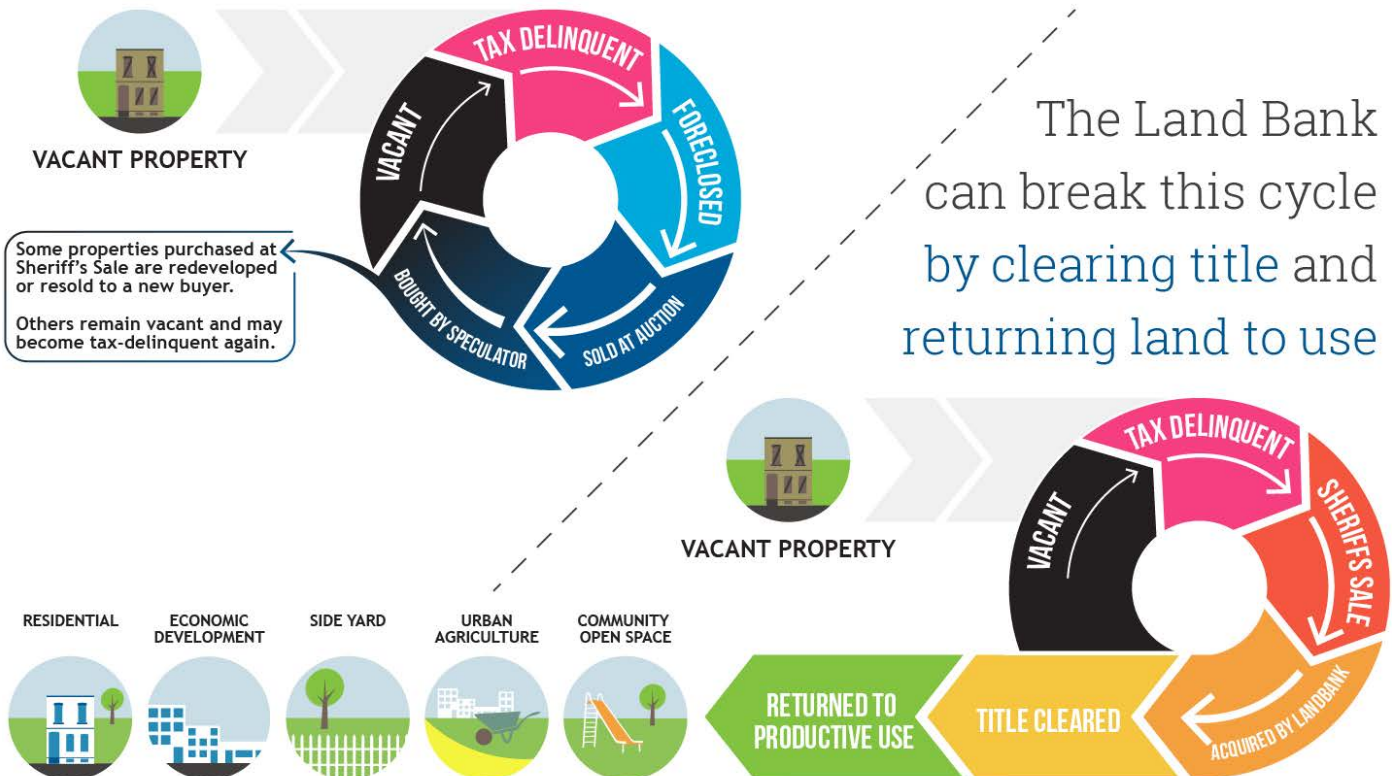
### HOW THE LAND BANK CAME TO BE:

In 2012, the Pennsylvania Land Bank Act (PA Land Bank Act – Act 153 of 2012) authorized municipalities with populations larger than 10,000 residents **to establish land banks as a new tool, which local governments could use to disrupt the cycle of vacancy, abandonment, and tax foreclosure in order to return vacant property to productive use.**

Following the passage of the State's enabling legislation, the Philadelphia Land Bank was created in 2013 as defined in Chapter 16-700 of the Philadelphia Code (Land Bank Ordinance – Bill #130156-A).

FIGURE 2: A New Tool to Disrupt the Cycle of Vacancy and Abandonment

### A common pattern:



This diagram represents one of several ways in which the Land Bank can intervene to disrupt the cycle of vacancy and abandonment and help return a property to active use.



## THE LAND BANK STRATEGIC PLAN UPDATE

Per Philadelphia's Land Bank Ordinance, the Land Bank adopted an initial Strategic Plan in 2015 to guide its operations. Soon thereafter, the Land Bank adopted Acquisition Policies that are specific to the Land Bank as well as the City's Disposition Policies, which apply to all City landholding agencies. The Acquisition and Disposition Policies govern Land Bank decisions about the property that it acquires and disposes to support community and economic development goals.

**The Land Bank's Strategic Plan and its Acquisition and Disposition Policies are an important part of its organizational DNA. Together, they position the Land Bank as the standard for how a unified, predictable, and transparent process for returning vacant and underutilized property to productive use should work.**

The commitment to updating the Strategic Plan and Acquisition and Disposition Policies ensures that the Land Bank remains at once adaptable and accountable to the citizens of Philadelphia and its partners in reactivating vacant and underutilized land and revitalizing neighborhoods.

Today, the Land Bank remains at the center of conversations about the future of vacant and underutilized property in Philadelphia. It is an instrument working to realize the City's vision for revitalizing neighborhoods, creating socially and economically diverse communities, and strengthening the City's tax base. Though the still-young organization has had to overcome many hurdles in its first five years, much has been accomplished since the Land Bank's last Strategic Plan update, published in 2017. Additional staff has been hired, datasets have improved, and the pace of acquisition and dispositions has increased.

While many important steps have been taken to move the Land Bank forward, there is more work to be done in an ongoing effort to meet the high expectations established for the Land Bank at its inception. Toward that goal, the 2019 Strategic Plan builds upon prior Land Bank strategic plans, the City Planning Commission's Philadelphia 2035 Citywide Vision and District Plans, and the Housing Action Plan, all of which help the Land Bank think strategically about the City's needs and opportunities and to understand resident priorities for repurposing vacant and underutilized property.

This plan captures the feedback and lessons learned from stakeholders who engaged in the strategic planning process, including City agencies, non-profits, developers, business owners, farmers, gardeners, and residents.

**The analysis and recommendations respond to the key goals for this update of the Land Bank's Strategic Plan, to:**

- > **Report on Land Bank progress toward the annual goals set forth in the prior strategic plan**
- > **Enhance transparency and increase understanding about Land Bank activity, policies, and operations**
- > **Make recommendations to tailor and fine-tune the acquisition and disposition policies, based on knowledge gained and barriers faced over the past two years of operations**
- > **Revisit the annual targets for acquisition and disposition, taking into account increased capacity as well as budgetary and procedural constraints**

# Why Philadelphia Needs a Land Bank

The Land Bank is an important tool for intervening in real estate markets, targeting the redevelopment of properties that it transfers, and helping to transform vacant and underutilized property from a long-term problem into a solution for change and revitalization.

**The Land Bank's ability to acquire, assemble, and grant access to property enables it to preserve affordability and open spaces; stake a claim for mixed income development in strong and established markets; catalyze redevelopment activity in emerging markets; and stabilize, maintain, and reactivate vacant and underutilized property in disinvested markets.**

The following pages provide an overview of changes afoot in Philadelphia's current real estate market, the complex landscape of vacancy across the City, and the ways in which the Land Bank is uniquely poised to engage with various stakeholder groups to return vacant and underutilized property to productive use.

## DETAILS IN THE APPENDIX:

**See Appendix I** for a more detailed real estate market overview.

## PHILADELPHIA'S SHIFTING REAL ESTATE MARKET

Understanding demographic trends and the strength of residential demand in areas where the Land Bank holds properties or could make strategic acquisitions offers important context to inform acquisition and disposition decisions. This section provides an overview of real estate market conditions and trends impacting Land Bank holdings and the real estate markets in which the Land Bank operates.

### OVERVIEW OF TRENDS

**As a city, Philadelphia is gaining population and households, and growth is expected to continue.** Real estate markets in some portions of the city are experiencing rapid growth and change. An influx of affluent millennial and mature households has supported the construction of a substantial number of new market-rate apartments. The number of residential sales citywide has increased every year since 2012, and housing prices are on the rise.

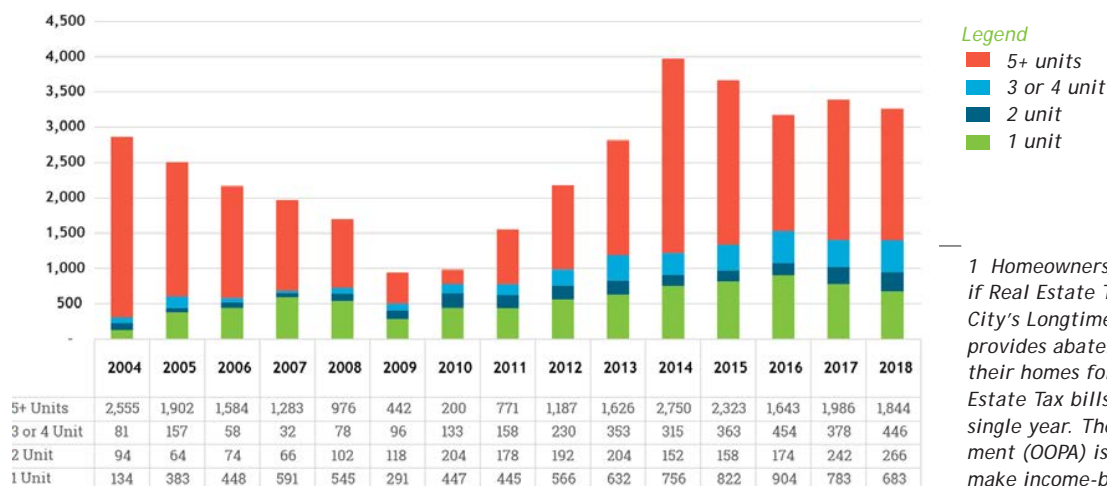
- > From mid-2013 through mid-2018, the City issued building permits for nearly 3,500 residential units each year.
- > The TREND multiple listing data service reports that the median home sales price in Philadelphia in Q3 2018 was \$205,000, up 9.0% year-over-year compared to Q3 2017.
- > The number of new construction single-family units and smaller multifamily structures has steadily increased during the post-recession period. This trend is significant for the Land Bank since many of its holdings and properties eligible for acquisition are non-contiguous small lots appropriate for single-family infill development.

In areas where the residential market is growing stronger, rising property values can benefit existing homeowners by growing the equity in their homes, as real estate becomes more valuable in these areas. However, displacement of long-term residents becomes a real risk. Rents rise and may become unaffordable to existing renters in the neighborhood.<sup>1</sup>

- > Data analysis tracking the increase in residential median sale prices and new market-rate rehab activity in the past two years of Land Bank operations (FY17-FY18) overlaid with The Reinvestment Fund's 2015 Market Value Analysis (based on 2013 data) show that the private market has moved into areas where the real estate market was deemed "Transitional, Stressed, or Distressed" in 2015.
- > These data identified significant changes in the five-year period between 2013 and 2018, documenting the experience of rapid change in emerging Philadelphia real estate markets.

**FIGURE 3: Philadelphia Private Market Residential Building Permits for Residential Units: 2004-2018**

Source: State of the Cities Data System (SOCDS)



<sup>1</sup> Homeowners also are at risk of displacement if Real Estate Taxes become unaffordable. The City's Longtime Owner Occupants Program (LOOP) provides abatements to owners who have been in their homes for at least 10 years and have Real Estate Tax bills that increase by 50% or more in a single year. The Owner-Occupied Payment Agreement (OOPA) is also an option to help homeowners make income-based payments to mitigate the effects of rising Real Estate Taxes.





**In large portions of the city, in contrast, population loss is ongoing, and vacant and abandoned properties continue to threaten the stability of blocks and the health of whole neighborhoods.** In these neighborhoods, households are struggling to make ends meet and maintain their homes.

**The building market pressure in some areas of the city, coupled with the city's aging housing stock and high levels of poverty translate to a pressing need for quality affordable housing options in Philadelphia.** The City's new *Housing for Equity: An Action Plan for Philadelphia* (the "Housing Action Plan") underscores that 26% of Philadelphians live in poverty and 42,900 households are on the current waiting list of Philadelphia Housing Authority units.

Nearly 83,000 renter households—30% of the city's renter households—pay more than 50% of their gross income for rent and utilities.<sup>2</sup> Furthermore, HUD data suggests that more than 65,000 of these households have household incomes below 30% AMI. Based on federal affordability standards, a family of four earning less than 30% of AMI could afford to spend no more than \$655 per month on housing costs. Rental affordability is an issue in every Council District where one out of every three or four households is severely rent-burdened, spending more than half of their income on housing costs.

**TABLE 1: Severely Rent-Burdened Households\* by Council District**  
Source: ACS 2012-2016, Esri

Council District	Total Households	Renter Households	Percent Renter Households	"Severely Rent-Burdened Households"	Percent Severely Rent-Burdened Households
1	65,100	30,312	46.60%	7,119	23.50%
2	62,014	30,326	48.90%	8,266	27.30%
3	52,807	31,948	60.50%	10,004	31.30%
4	60,134	27,987	46.50%	7,597	27.10%
5	58,217	35,338	60.70%	9,133	25.80%
6	55,555	20,976	37.80%	6,753	32.20%
7	51,876	26,993	52.00%	10,740	39.80%
8	57,799	28,735	49.70%	9,034	31.40%
9	58,172	22,138	38.10%	8,359	37.70%
10	60,918	22,626	37.10%	5,838	25.80%

\* Severely-rent burdened households spend more than 50% of their income on housing.

<sup>2</sup> According to the 2012-2016 American Community Survey and Esri data analysis

**The need for affordable housing, as documented in the Housing Action Plan, far outsizes the existing supply and pace of production.**

- > The Housing Action Plan sets a 10-year target of preserving 63,500 currently occupied homes and creating new housing opportunities for an additional 36,500 households. New units could be either newly constructed or rehabs of existing structures. Of these, the Housing Action Plan calls for 13,000 new affordable units for households earning below 30%, 50%, 80%, of Area Median Income plus 6,000 new units of workforce housing for households earning less than 120% of Area Median Income.
- > An average of 585 affordable residential units have been built annually over the past five years, representing an estimated 16.7% of housing production during this time span or 31% of the annual target for affordable and workforce housing called for in the Housing Action Plan. The balance of residential new construction units are market-rate with no income restrictions.
- > An estimated 95% of the affordable units produced in Philadelphia over the last five years have received funding through the Low Income Housing Tax Credit (LIHTC) program, which has become increasingly competitive.
  - In Philadelphia, typically between seven and ten developments receive an award of 9% LIHTCs each year. In the latest round (October 2017), there were 23 applications for projects located in Philadelphia; eight Philadelphia projects received an LIHTC allocation. Developers and non-profit sponsors who do not receive an allocation in a given year usually reapply at least once and sometimes twice or more in the following years before receiving funding.
  - The best-case timeline from achieving site control to completion and occupancy of a new construction LIHTC building is three years. Because of the need to reapply for the scarce 9% LIHTCs, the actual development timeline is more typically four to five years.



Given the need for new affordable housing, the four to five years required to obtain the project financing necessary to move forward, and the onward march of the private market into once affordable neighborhoods, the Land Bank can play an important role in securing land for these critical projects, which aim to protect affordability and achieve a mix of incomes as neighborhood markets strengthen. The Land Bank's ability to intervene in real estate markets creates the opportunity to ensure that as neighborhood revitalization occurs, it benefits the existing population of Philadelphians.

With its inventory of property and ability to acquire land and structures, the Land Bank can be an important partner in assembling development sites and disposing of property to help meet housing demand driven by growth as well as the needs of existing Philadelphia households. The Land Bank can also be strategic, leading the discussion about where the City should actively target resources for purchasing property and investing in affordable housing, as private market activity moves into neighborhoods that have long been subject to vacancy and abandonment. Through the strategic planning process, the Land Bank monitors areas of neighborhood change to identify opportunities to:

- > Generate revenue by selling properties at market-rate prices, and
- > Promote equitable development by assembling and offering sites for affordable housing development.

## RECENT SUCCESS: Land for Affordable Housing



In 2014, the City of Philadelphia and Philadelphia Housing Authority secured a \$30 million Choice Neighborhoods Implementation grant from the U.S. Department of Housing and Urban Development to redevelop the Norris Apartments, a distressed 147-unit low-rise public housing complex built in 1959 and 1960.

Following a community-based planning process, implementation of the Choice Neighborhoods Transformation Plan for North Central Philadelphia has unfolded in phases and continues today, replacing the dilapidated Norris Apartments with new affordable apartments and homes as well as a complement of market rate units to foster a more mixed-income neighborhood. In total, the redevelopment effort will create 267 rental units and 30 homeownership opportunities. The Land Bank has worked with multiple City agencies, PHA, and local partners in helping to assemble the properties needed for this catalytic redevelopment.

*"The Philadelphia Land Bank has played an integral role in helping the City and the Philadelphia Housing Authority assemble the land necessary for critical investments in affordable and mixed-income housing developments. The Land Bank conveyed 60 properties as part of the Norris Phase II Choice Neighborhood redevelopment, which supported the development of 89 new units of affordable housing for households earning up to 30% and 60% of Area Median. More recently, the Land Bank has been acquiring vacant and tax delinquent properties to support the City's future investments in affordable housing."*

- Melissa Long, Deputy Director  
Division of Housing and Community Development

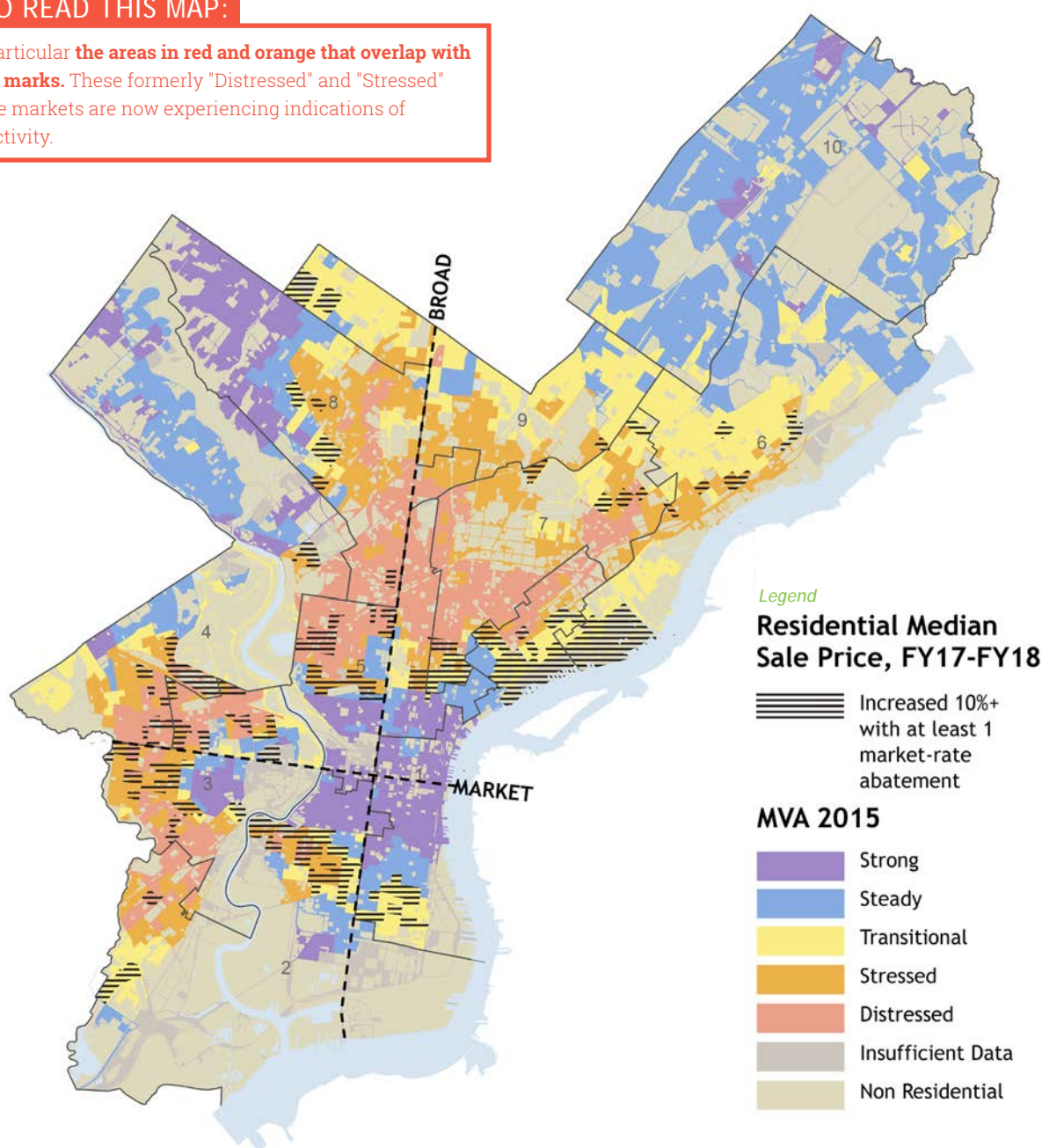
## OPPORTUNITY AREAS

The City periodically commissions The Reinvestment Fund ("TRF") to prepare a Market Value Analysis ("MVA") for Philadelphia. The most recent MVA was completed in 2015. Using cluster analysis, the MVA groups census geographies by residential market type—strong, steady, transitional, stressed or distressed—based on a series of statistical indicators. The 2015 MVA was based on data from 2013; while the data provide a strong foundation for this update of the Strategic Plan, they represent a fixed point in time and, thus, the market classifications do not necessarily reflect current conditions, particularly in rapidly changing neighborhoods.

To understand how market conditions have changed since the MVA was prepared, the 2015 MVA categories were compared to current indicators of growth and investment to identify areas where the Land Bank can use its resources to promote equitable development. The map below overlays the locations of FY17/FY18 10-year abatement applications on the 2015 MVA map to identify areas where residential investment is occurring in areas previously designated as transitional, stressed, or distressed. Abatement applications are a leading indicator of neighborhood investment, because they can reflect rehabilitation of existing structures (usually the first sign of reinvestment) as well as new construction.

## HOW TO READ THIS MAP:

Note in particular the areas in red and orange that overlap with the hatch marks. These formerly "Distressed" and "Stressed" real estate markets are now experiencing indications of market activity.



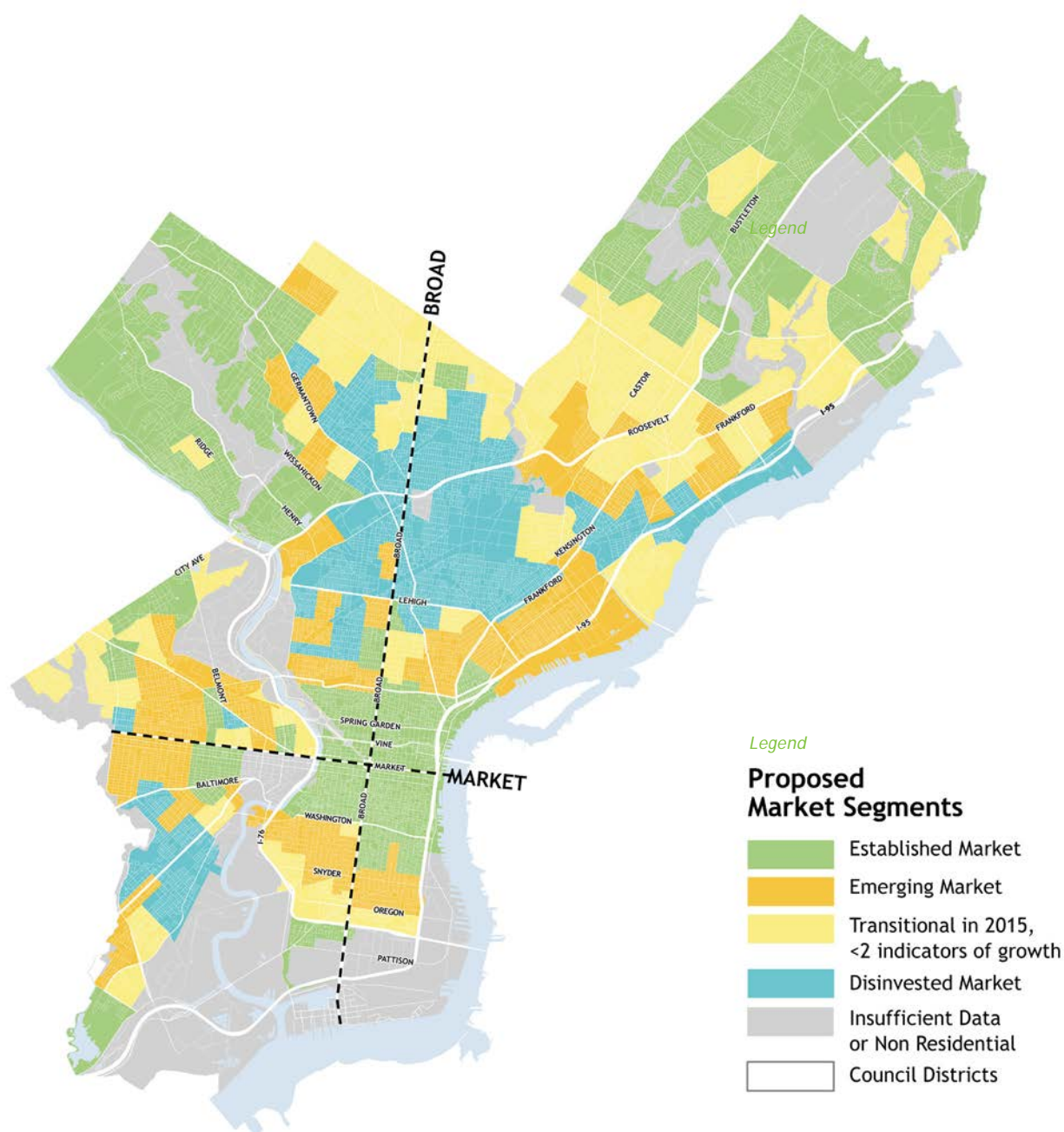
**FIGURE 4:** 2015 Market Value Analysis by The Reinvestment Fund with Overlay of Market Activity  
Source: Interface Studio and Real Estate Strategies



## WHERE THE MARKET IS SHIFTING - AND WHERE IT IS STAGNANT

To guide Land Bank activity in the coming years and in response to shifting market conditions, this analysis uses TRF's 2015 MVA as a starting point, and then distills the real estate market across the city into four simplified segments:

**ESTABLISHED MARKETS** – areas that had Strong or Steady real estate markets in the 2015 MVA and that continue to be stable, strong, or increasingly strong



**FIGURE 5:** Proposed Market Segments by Census Tract  
Source: Interface Studio and Real Estate Strategies

**EMERGING MARKETS** – areas that were Transitional, Stressed, or Distressed in the 2015 MVA, but that are experiencing market activity signaling growth and a strengthening market

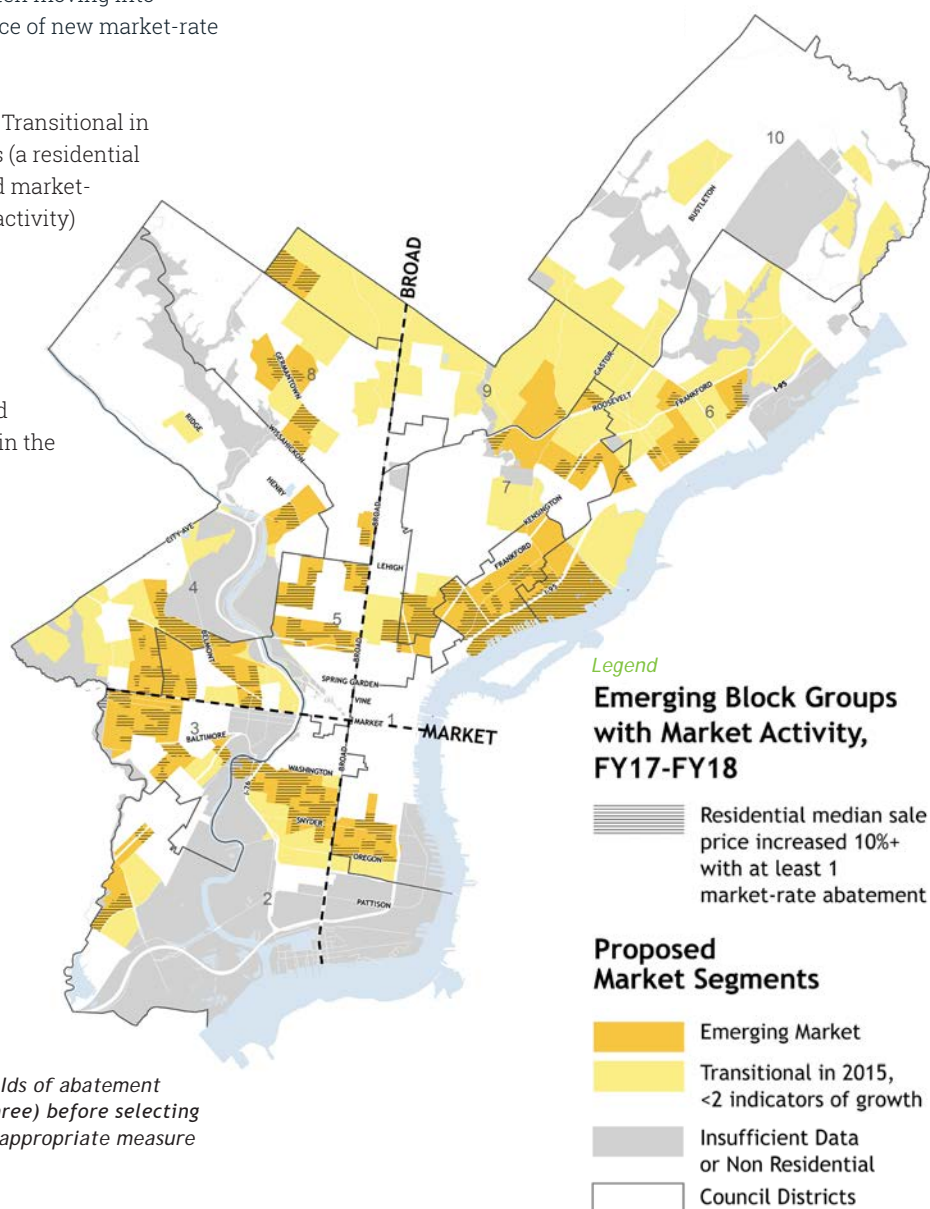
- > To identify areas of emerging markets, the analysis builds upon the 2015 MVA, looking at Census Tracts in which at least one Block Group:
  - Experienced a residential median sale price increase of 10% or more year-over-year, comparing sales in FY17 to sales in FY18 (for comparison, citywide, the residential median sale price increased 22%, comparing FY17 to FY18)
  - Had at least one<sup>3</sup> market rate<sup>4</sup> residential rehabilitation tax abatement application from January 2016 through FY18, an early indicator of market interest, often moving into disinvested market areas before evidence of new market-rate residential construction appears

**TRANSITIONAL MARKETS** – areas that were Transitional in the 2015 MVA with fewer than two indications (a residential median sale price increase of 10% or more and market-rate residential rehabilitation tax abatement activity) of market growth or activity

**DISINVESTED MARKETS** – areas that were Stressed or Distressed in the 2015 MVA, that have not been experiencing an up-tick in real estate activity in the years since 2015, and that will likely remain Stressed or Distressed in the coming five years.

The Housing Action Plan calls for the Land Bank to:

- > "Leverage Publicly Held Land to build affordable housing in critical locations.... Sell these properties to developers at nominal or below-market price in exchange for the developer's commitment to produce affordable housing.
- > Prioritize the acquisition of tax-delinquent parcels in high-value neighborhoods to promote mixed-income housing and equitable development.
- > Identify publicly held parcels located adjacent to tax-delinquent parcels for the Land Bank to assemble for development and spur further capital investment in disinvested neighborhoods."



<sup>3</sup> The consultant team tested different thresholds of abatement application activity (at least five and at least three) before selecting on "at least one abatement application" as the appropriate measure based upon qualifying Census geographies.

<sup>4</sup> To ensure that Emerging Market areas reflect market-rate activity, Block Groups that had only one residential tax abatement application and a known Low Income Housing Tax Credit (LIHTC) development that would have been eligible for a new abatement in the same time period were removed from the analysis.

**FIGURE 6:** Where is the Market Emerging?  
Source: Interface Studio and Real Estate Strategies

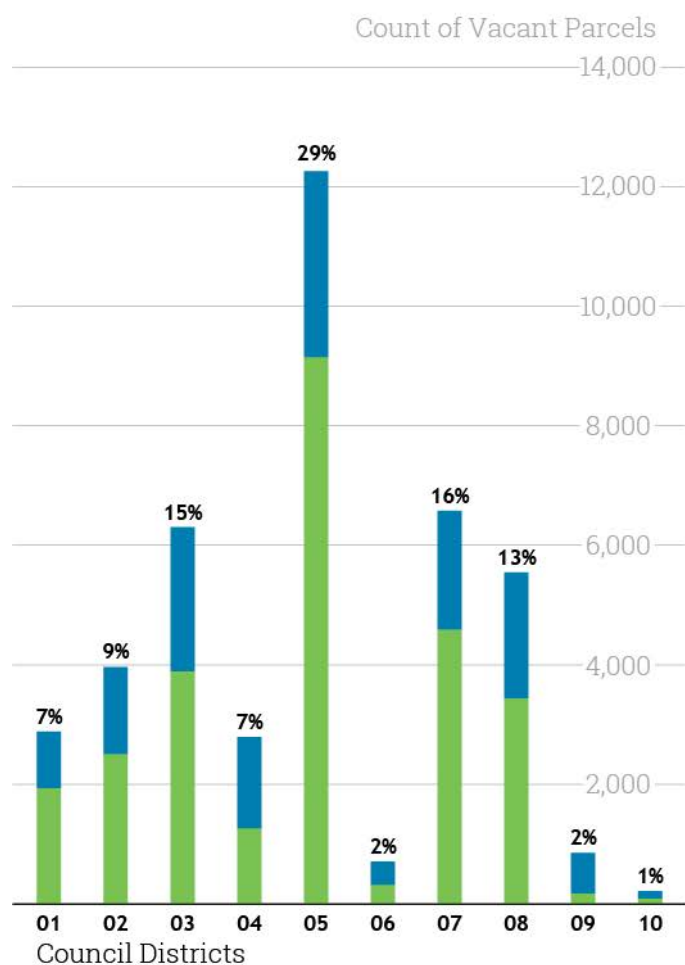
## PHILADELPHIA'S LANDSCAPE OF VACANT PROPERTY

Despite recent growth in Philadelphia's population and increased activity in the city's real estate market, vacant land and abandoned buildings remain a persistent challenge in many neighborhoods. Some areas struggle with a few problem properties that threaten to destabilize otherwise intact blocks. In other areas, vacant land and buildings comprise more than one in four properties, which means that disuse – or misuse – represents a dominant land use where homes, businesses, gardens, farms, yards, or other community amenities might otherwise serve local neighbors and improve the neighborhood.

### ESTIMATED VACANCY CITYWIDE

Philadelphia's data resources have undergone remarkable refinement and updating in the five years since the Land Bank's creation. The City's publicly accessible datasets available via [OpenDataPhilly.org](http://OpenDataPhilly.org) have grown exponentially. This Strategic Plan benefits from newer, more regularly updated information about vacant property compared to previous plans. However, vacancy data remains an imperfect estimate, at least in part, because neighborhoods change. Land changes hands, unsafe buildings are demolished, long-overgrown lots are reclaimed and redeveloped, and it can take time for these changes and their collective impact to be reflected in the data.

According to the City's 2016 Vacant Property Indicator file,<sup>5</sup> which integrates data from multiple City departments (the Department of Licenses and Inspections, Office of Property Assessment, Philadelphia Land Bank, and Philadelphia Water Department) to enable an estimate of vacancy citywide, Philadelphia has roughly 42,100 vacant properties, of which 65% are vacant lots while 35% host vacant buildings. Taken together, those 42,100 properties amount to more than 3,000 acres of vacant property, or 5% of the City's total developable area.



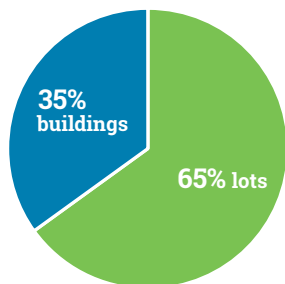
**FIGURE 7:** Estimated Vacancy by Council District by Property Type  
Source: City of Philadelphia Vacant Property Indicators

- Vacant Buildings
- Vacant Lots
- %** Percent of Total Estimated Vacancy

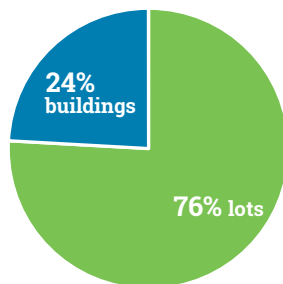
<sup>5</sup> Note that the Vacant Property Indicators file is from 2016. In that time, the footprint of vacancy in Philadelphia may have spread in some portions of the city, but other areas have experienced rapid redevelopment that has dramatically changed the presence of vacancy. An estimate at best, it is possible that this estimate is high. Were the Office of Innovation and Technology to update this dataset or automate edits based on new construction permits, the estimated universe of vacancy in Philadelphia could improve in accuracy.



### ESTIMATED VACANCY BY PROPERTY TYPE

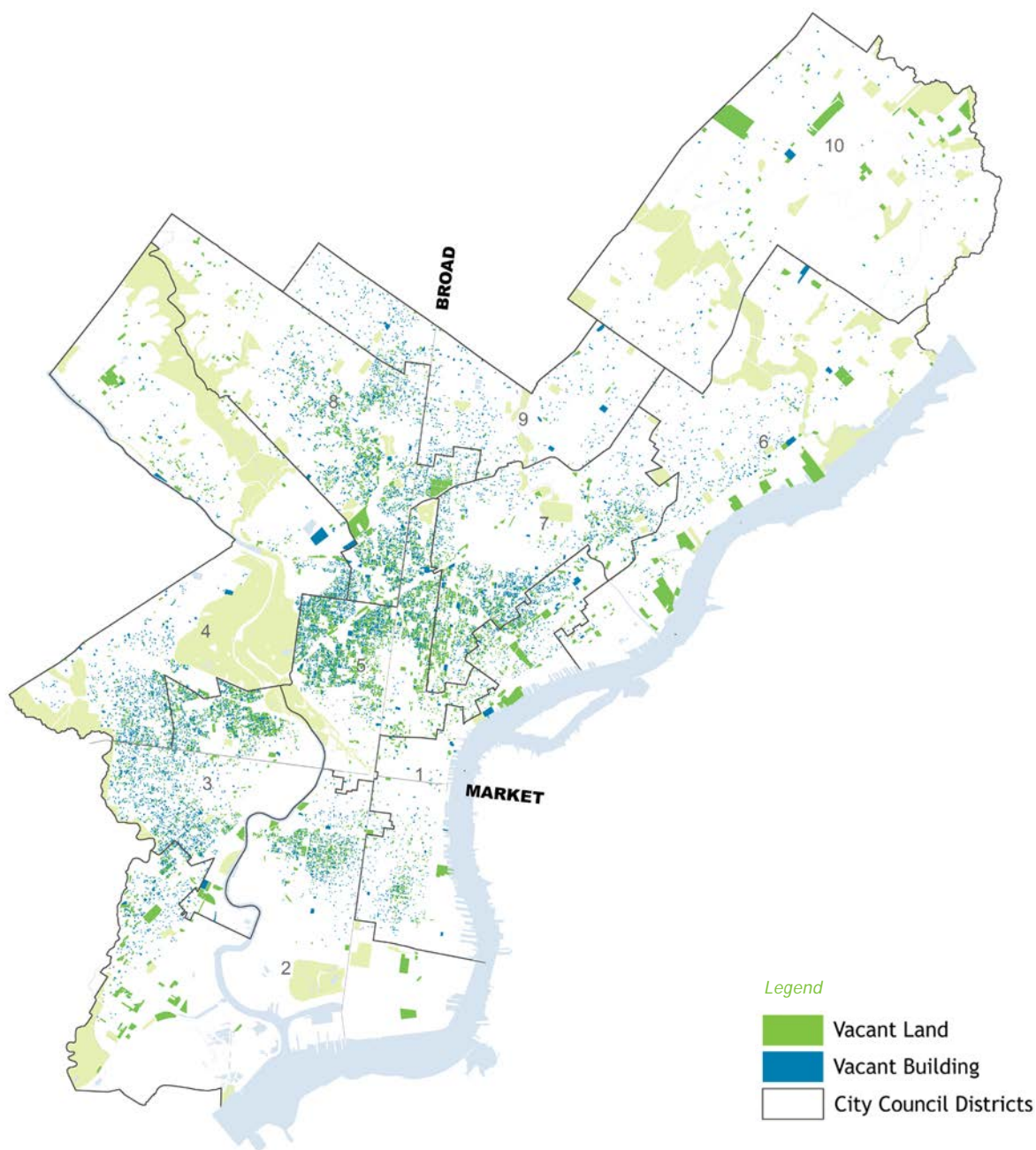


### ESTIMATED VACANCY BY PARCEL AREA



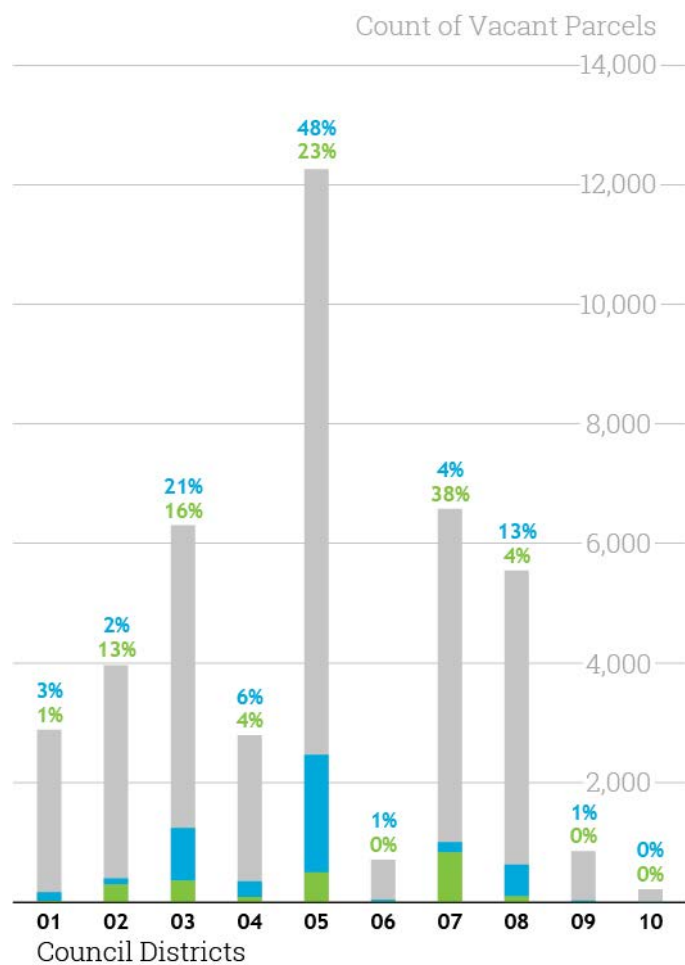
**VACANCY BY PROPERTY TYPE** refers to the estimated **NUMBER** of vacant lots and buildings. In other words, how many vacant lots and buildings exist in the city? Based on the estimate, 65% of vacant properties are vacant lots, and 35% are vacant buildings.

**VACANCY BY PARCEL AREA** refers to the estimated **SIZE** of vacant lots and buildings. In other words, how much space do vacant lots and buildings take up in the city? Based on the estimate, vacant lots account for 76% of the total acreage of vacancy in the city.



**FIGURE 8:** Map of Estimated Vacancy Citywide

Source: City of Philadelphia Vacant Property Indicators via Open Data Philly



**FIGURE 9:** Publicly-Owned Surplus Property by Council District (as of 12/31/18)  
Source: City of Philadelphia Land Management System (LAMA)

- Land Bank Holdings
- Other Surplus Public Property
- Balance of Total Estimated Vacancy in Private Ownership
- % Percent of Public Inventory (LAND BANK - OTHER)

### PUBLIC INVENTORY (AS OF 12/31/18)

Of the estimated 42,100 vacant properties citywide, only about 8,500 (or 20%) are publicly-owned, held by one of the City's four land-holding entities, not including the Philadelphia Housing Authority. Of those, 6,311 are surplus properties available for disposition or on hold for a future development project. The other 2,200 are being managed by the City.

The Philadelphia Land Bank holds 2,338 properties. 2,006 of the Land Bank's current holdings came from the City's historic inventory of surplus property; 463 were acquired strategically by the Land Bank at Sheriff's Sale.<sup>6</sup> At present, 2,196 of the Land Bank's properties are available for disposition or on hold for a future development.<sup>7</sup> The Land Bank's holdings comprise 35% of the City's inventory of surplus property.

The Department of Public Property still holds 48% of the public inventory of surplus vacant land. The Philadelphia Redevelopment Authority holds 16%, and the Philadelphia Housing Development Corporation holds 1%.

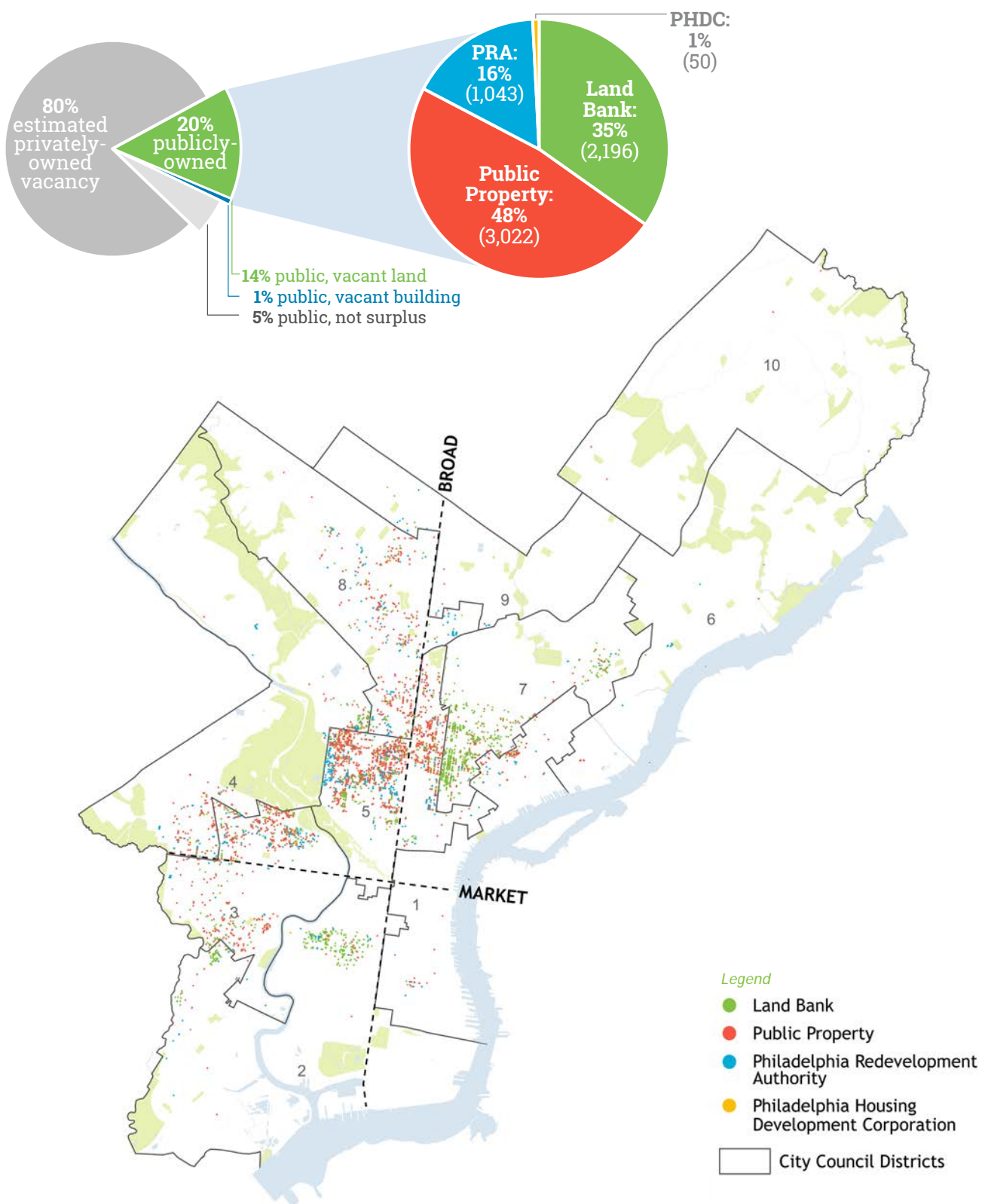
Of the City's inventory of publicly-owned surplus property, 95%, or roughly 6,000 properties, are vacant lots. The remaining 5%, or roughly 300 properties, host a vacant structure.

<sup>6</sup> As of December 31, 2018, the Land Bank had disposed of 132 properties.

<sup>7</sup> Land Bank properties not currently available for disposition are either not yet approved for disposition, subject to an interim land use agreement, such as a garden agreement, or working through the disposition process and thus not available while the application is being processed or the sale is pending.

# PUBLIC INVENTORY as share of ESTIMATED VACANCY

# SURPLUS PROPERTY by PUBLIC AGENCY (as of 12/31/18)



**FIGURE 10:** Map of Surplus Publicly Owned Property by Land-Holding Agency (as of 12/31/18)  
Source: City of Philadelphia Land Management System (LAMA)

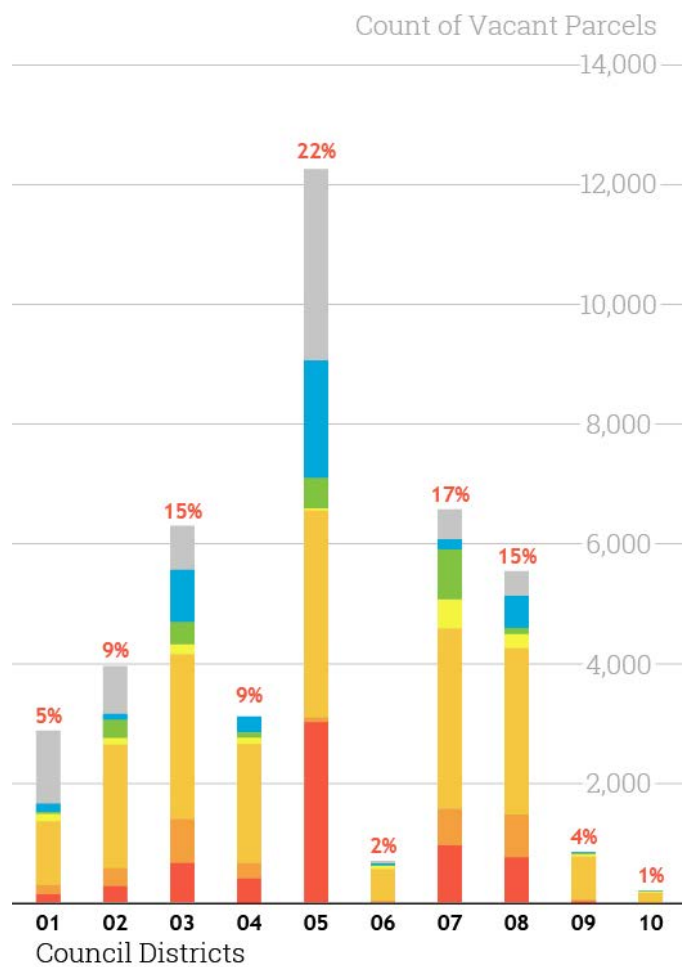


FIGURE 11: Vacant Tax Delinquent Properties Eligible for Acquisition, by Council District (as of 12/31/18)

Source: Philadelphia Land Bank

- Vacant Lots
- Vacant Lots, with Private Liens
- Vacant Buildings
- Vacant Buildings, with Private Liens
- Land Bank Holdings
- Other Surplus Public Property
- Balance of Total Estimated Vacancy (not tax delinquent)
- % Percent of Total Tax Delinquent Universe

## VACANT TAX DELINQUENT UNIVERSE OF PROPERTIES POTENTIALLY ELIGIBLE FOR ACQUISITION (AS OF 12/31/18)

If 20% of the estimated vacant property in Philadelphia is publicly-owned, that means that the majority, a full 80% of vacant property in the City, is owned by private owners.

In some cases, those private owners are paying their taxes and paying attention to the vacant lot or building that they own, even if they are not taking steps to maintain, improve, or redevelop the property.

However, 71% of the total estimated vacancy citywide, more than 29,800 properties, are known to be privately owned and tax delinquent. It is these properties that may present an opportunity for the Land Bank to take action.

In contrast to the City's inventory of publicly-owned vacant property, 95% of which is vacant land, the data suggest that 69% of privately-owned vacant properties (just over 20,500) host a vacant building. The remaining 31% (or roughly 9,300) are vacant lots.

## WHAT MAKES A PROPERTY ELIGIBLE FOR ACQUISITION BY THE LAND BANK?

**For the Land Bank to acquire a privately-owned property at Sheriff's Sale, generally the property must:**

- > **Be a vacant lot or vacant building<sup>8</sup>**
- > **Have no payment agreement between the tax-delinquent owner and the City**
- > **And be either tax delinquent for a certain period of time, in general three years or longer;** the specific duration of tax delinquency varies depending on the intended use of the property and the nature of its tax delinquency, as defined in the Acquisition Policies<sup>9</sup>
- > **Or owe a certain amount in past due Real Estate Taxes and Licenses and Inspections (L&I) liens, in general, \$2,000 or more;** the specific amount varies depending on the intended end use of the property, as defined in the Acquisition Policies<sup>10</sup>

Furthermore, the property cannot be tied to any bankruptcy proceedings, nor can it be burdened by municipal liens sold by the City to U.S. Bank in 1997.<sup>11</sup>

<sup>8</sup> While the Land Bank primarily pursues the acquisition of vacant land and buildings, the Land Bank is not limited to acquiring vacant land and buildings.

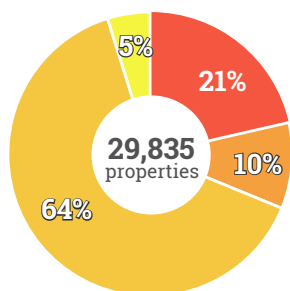
<sup>9</sup> For the analysis of the vacant tax delinquent universe of properties potentially eligible for acquisition, the threshold used was tax delinquent for three years or longer.

<sup>10</sup> For the analysis of the vacant tax delinquent universe of properties potentially eligible for acquisition, the threshold used was \$2,000 or more owed in total Real Estate Taxes and L&I liens.

<sup>11</sup> As recommended in this Strategic Plan (Recommendation 6), the Land Bank is currently exploring a change to the Disposition Policies which would remove the legal barrier preventing the Land Bank from acquiring properties burdened by municipal liens sold to U.S. Bank in 1997.



# POTENTIALLY ELIGIBLE for ACQUISITION<sup>9,10</sup>



- Vacant Land (6,389)
- Vacant Land, with private tax lien (2,917)
- Vacant Building (19,083)
- Vacant Building, with private tax lien (1,446)



Beyond the 29,835 vacant properties eligible for acquisition as of 12/31/18, an additional 3,426 properties are in the tax delinquency pipeline.

- > 91% vacant buildings
- > 9% vacant lots

These properties do not yet meet the eligibility thresholds for acquisition by the Land Bank adopted for this analysis.<sup>9,10</sup>

- > They owe less than \$2,000 total in Real Estate Taxes and L&I liens or
- > They have been tax delinquent for less than three years

If the owners of these properties do not enter a payment agreement with the City or pay off the municipal liens in full, **these properties could become eligible for acquisition by the Land Bank in the next one to two years.**

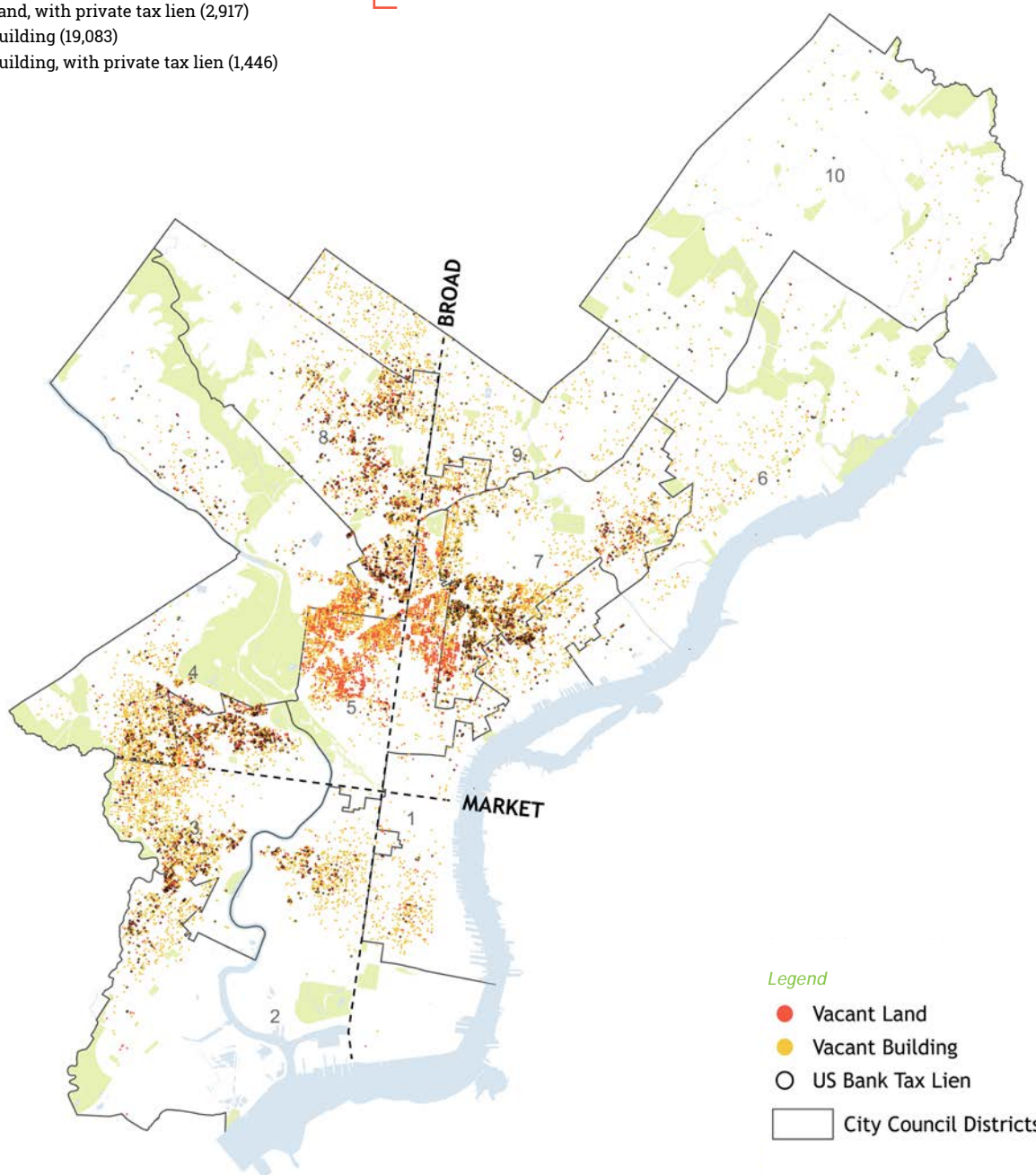


FIGURE 12: Map of Vacant Tax Delinquent Properties Eligible for Acquisition (as of 12/31/18)

Source: Philadelphia Land Bank

## SUMMARY BY COUNCIL DISTRICT

Philadelphia's landscape of vacancy is not evenly distributed across the city. According to current datasets of estimated vacancy citywide, publicly-owned vacant property, and privately-held tax-delinquent vacant property, the number of vacant lots and buildings, publicly-owned and privately-held, varies widely among the city's Councilmanic Districts. The different concentrations or distribution of vacant property in each Council District translate to differing degrees of opportunity for the Land Bank to work with City Council members and their constituents to put vacant property back to productive use.

**TABLE 2:** Summary of Vacancy by Council District (as of 12/31/18)

		COUNCIL DISTRICT									
	CITYWIDE	1	2	3	4	5	6	7	8	9	10
ESTIMATED TOTAL VACANCY	42,103	2,885	3,961	6,305	2,790	12,257	710	6,578	5,547	856	214
<i>Percent share estimated vacancy</i>		7%	9%	15%	7%	29%	2%	16%	13%	2%	1%
SURPLUS VACANT PROPERTY HELD BY LAND BANK	2,196	20	295	361	84	499	3	831	96	6	1
<i>Percent share of available Land Bank holdings</i>		1%	13%	16%	4%	23%	0%	38%	4%	0%	0%
SURPLUS VACANT PROPERTY HELD BY OTHER PUBLIC AGENCIES	4,115	144	100	879	264	1,964	34	171	533	22	4
Department of Public Property	3,022	121	46	630	165	1,561	10	145	336	4	4
Philadelphia Redevelopment Authority	1,043	22	52	237	92	389	24	20	190	17	-
Philadelphia Housing Development Corporation	50	1	2	12	7	14	-	6	7	1	-
<i>Percent share of available surplus vacant property held by DPP, PRA, PHDC</i>		3%	2%	21%	6%	48%	1%	4%	13%	1%	0%
TAX DELINQUENT UNIVERSE, POTENTIALLY ELIGIBLE FOR ACQUISITION	29,835	1,496	2,776	4,350	2,811	6,637	703	5,106	4,526	1,120	310
Vacant Land	6,389	152	279	667	438	3,038	26	977	763	42	7
Vacant Land, with private liens	2,917	152	301	739	256	81	12	607	724	41	4
Vacant Building	19,083	1,068	2,076	2,773	2,004	3,482	608	3,031	2,799	977	265
Vacant Building, with private liens	1,446	124	120	171	113	36	57	491	240	60	34
<i>Percent share of properties potentially eligible for acquisition</i>		5%	9%	15%	9%	22%	2%	17%	15%	4%	1%

Sources: Vacant Property Indicators, 2016, City of Philadelphia, Open Data Philly  
City of Philadelphia, Land Management System (LAMA)  
Philadelphia Land Bank, LAMS Database

## VACANT PROPERTY BY MARKET SEGMENT

Likewise, real estate market conditions vary across the city and across Council Districts. Vacant property located in Established, Emerging, Transitional, and Disinvested Market Segments will present different opportunities for reuse in response to community needs. While each acquisition and disposition decision will ultimately be influenced by the specific conditions of a given property (community vision, proposed end use and capacity of the applicant to implement that use, prior plans, and Council support, among other factors), the following opportunities are more closely aligned with the four simplified market segments, as follows:

### > ESTABLISHED MARKETS

Only 7% of the existing inventory of surplus publicly-owned vacant property is in Established Market areas; 9% of privately-owned tax-delinquent vacant property that could be eligible for acquisition by the Land Bank is in Established Market areas.

Given the relatively small holdings and limited opportunities to acquire additional vacant property in Established Markets, Land Bank activity here will likely serve one of several purposes:

- Properties sold at market-rate for new residential development or business expansion can generate revenue needed to fuel additional acquisitions.
- Strategic acquisitions of infill sites can be used to support equitable development and a mix of incomes into the future.
- Strategic acquisitions to preserve existing gardens can protect important community green spaces threatened by redevelopment pressure.
- Strategic acquisitions that support business expansions.

### > EMERGING MARKETS

45% of the existing inventory of publicly-owned vacant property is in Emerging Market areas; 33% of privately-owned tax-delinquent vacant property that could be eligible for acquisition by the Land Bank is in Emerging Market areas.

Given the shrinking opportunities to acquire additional vacant property in Emerging Markets due to building market pressure, Land Bank activity should focus here to support:

- Acquire and dispose of property to support equitable development, ensuring a foothold of affordable housing to create a mixed income future as market-rate activity accelerates.
- Acquire and dispose of select properties for garden preservation or side yards.
- Acquire and dispose of properties that support business expansions or neighborhood economic development.

### > TRANSITIONAL MARKETS

6% of the existing inventory of publicly-owned vacant property is in Transitional Market areas; 11% of privately-owned tax-delinquent vacant property that could be eligible for acquisition by the Land Bank is in Transitional Market areas.

- Acquisition and disposition opportunities in these areas will need to be evaluated on a case by case basis. In some instances, an Emerging Market approach may apply, while in others a Disinvested Market or even Established Market approach may apply, depending on context and the specifics of a given property.

### > DISINVESTED MARKETS

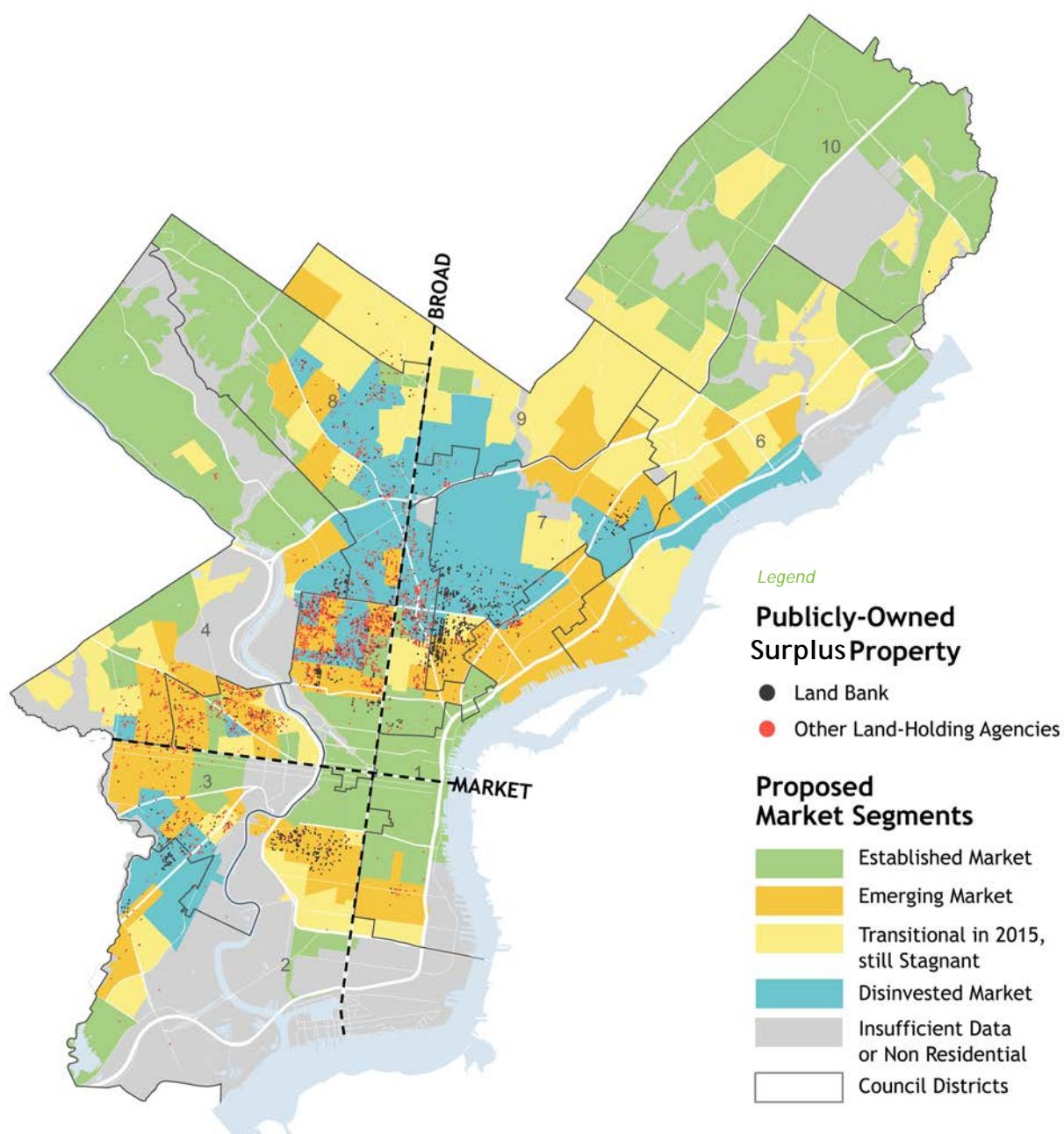
A significant share (42%) of the existing inventory of publicly-owned vacant property is in a Disinvested Market area; 47% of privately-owned tax-delinquent vacant property that could be eligible for acquisition by the Land Bank is in Disinvested Market areas. Given the stagnancy in Disinvested Market areas and resulting limited demand for property, the most significant opportunities for Land Bank acquisition and disposition include:

- Disposition of single properties for use as side or rear yards by adjacent homeowners.
- Preservation of existing gardens.
- Assemblage or banking of scattered sites to support new affordable housing, urban gardens and market farms, and other community-supporting uses.
- Assemblage or banking of land to support market rate development, business expansion, or economic development where Land Bank assistance can increase efficiency and make such development financially feasible.

**TABLE 3:** Publicly-Owned Surplus Property by Market Segment (as of 12/31/18)

Source: City of Philadelphia, Land Management System (LAMA)

	CITYWIDE	COUNCIL DISTRICT									
		1	2	3	4	5	6	7	8	9	10
ESTABLISHED	426	4	1	45	25	334	-	-	13	-	4
% share of holdings in the City/District	7%	2%	0%	4%	7%	14%	0%	0%	2%	0%	80%
EMERGING	2,801	123	308	980	134	857	9	326	64	-	-
% share of holdings in the City/District	45%	75%	78%	79%	39%	35%	24%	33%	10%	0%	0%
TRANSITIONAL	403	-	13	82	36	80	2	154	17	18	1
% share of holdings in the City/District	6%	0%	3%	7%	10%	3%	5%	15%	3%	64%	20%
DISINVESTED	2,677	37	71	132	153	1,192	25	522	535	10	-
% share of holdings in the City/District	42%	23%	18%	11%	44%	48%	68%	52%	85%	36%	0%
INSUFFICIENT DATA	4	-	-	2	1	-	-	1	-	-	-
<b>TOTAL</b>	<b>6,311</b>	<b>164</b>	<b>393</b>	<b>1,241</b>	<b>349</b>	<b>2,463</b>	<b>36</b>	<b>1,003</b>	<b>629</b>	<b>28</b>	<b>5</b>



**FIGURE 13:** Market Segments by Census Tract with Surplus Publicly Owned Property (as of 12/31/18)

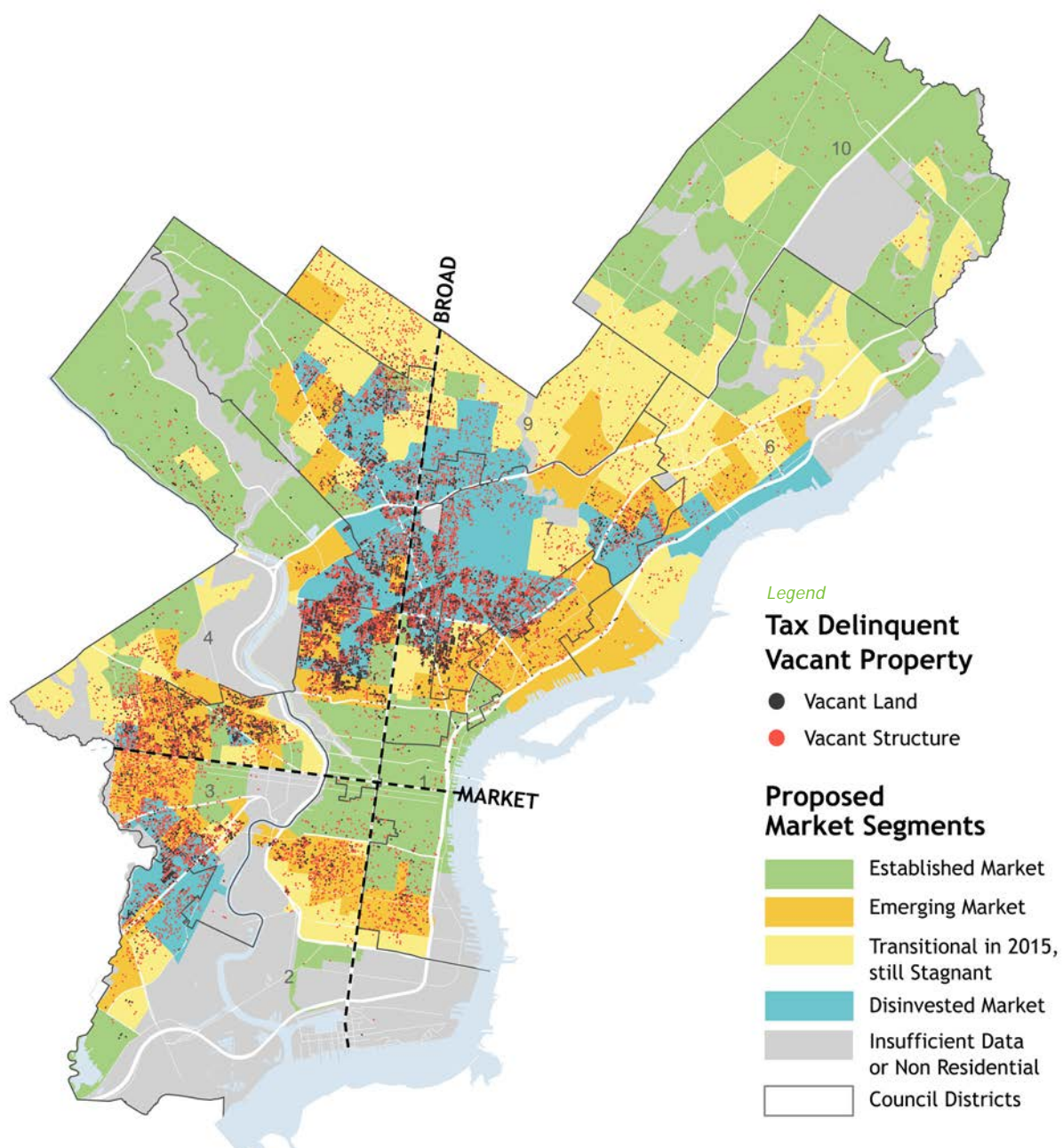
Source: Interface Studio



**TABLE 4:** Tax Delinquent Vacant Property Potentially Eligible for Acquisition, by Market Segment (as of 12/31/18)

Source: Philadelphia Land Bank, LAMS Database

		COUNCIL DISTRICT									
	CITYWIDE	1	2	3	4	5	6	7	8	9	10
ESTABLISHED	2,625	127	206	442	268	585	50	428	409	91	19
% share of holdings in the City/District	9%	8%	7%	10%	10%	9%	7%	8%	9%	8%	6%
EMERGING	9,993	529	927	1,474	942	2,155	244	1,733	1,521	362	106
% share of holdings in the City/District	33%	35%	33%	34%	34%	32%	35%	34%	34%	32%	0%
TRANSITIONAL	3,307	158	274	502	335	743	74	549	509	130	33
% share of holdings in the City/District	11%	11%	10%	12%	12%	11%	11%	11%	11%	12%	11%
DISINVESTED	13,884	682	1,366	1,925	1,265	3,149	334	2,394	2,081	537	151
% share of holdings in the City/District	47%	46%	49%	44%	45%	47%	48%	47%	46%	48%	0%
INSUFFICIENT DATA	26	-	3	7	1	5	1	2	6	-	1
<b>TOTAL</b>	<b>29,835</b>	<b>1,496</b>	<b>2,776</b>	<b>4,350</b>	<b>2,811</b>	<b>6,637</b>	<b>703</b>	<b>5,106</b>	<b>4,526</b>	<b>1,120</b>	<b>310</b>

**FIGURE 14:** Market Segments by Census Tract with Tax Delinquent Vacant Property (as of 12/31/18)

Source: Interface Studio



# Who Are The Land Bank's Stakeholders & Strategic Partners?

The Land Bank operates within a complex playing field, coordinating with City Council, numerous City Departments, and a diverse range of applicants (be they a resident, a developer, a gardener, a community organization, a local business, an advocate, or some combination thereof). With many discussions and decision points along the way, and numerous prior plans and forthcoming studies to weigh and balance, the Land Bank serves as a liaison between multiple stakeholders and coordinates with multiple partners:

## MEMBERS OF CITY COUNCIL

Philadelphia District Councilmembers are responsible for representing their District's constituents; they and their District Office staff field day-to-day requests for land and buildings. City Council members are key players in the Land Bank's process to acquire property and in the disposition of property, whether through the Land Bank or the Vacant Property Review Committee. They legislatively approve all transfers of land into and out of the Land Bank.

## THE GENERAL PUBLIC

This group includes people with a broad range of backgrounds and interests in vacant property. Some are residents hoping to acquire the empty lot next door for a side yard, while others may be looking to secure control of the land they have been farming or gardening upon for some time. Others may be developers seeking to redevelop vacant property.

## ADVOCATES AND COMMUNITY ORGANIZATIONS

This group includes non-profits and other community-based organizations who play a critical role in improving the quality of life in neighborhoods through the city. These groups and their constituents have strong voices in citywide conversations about specific end uses (like affordable housing or gardens) and/or specific places. They are often in contact with elected officials and City staff, including the Land Bank, about both the potential acquisition and disposition of property.

## OTHER CITY AGENCIES

Numerous City agencies are actively engaged in work to improve Philadelphia's neighborhoods, provide valuable services, and put vacant and underutilized property back on the tax rolls. It is a priority of the Land Bank to coordinate with other agencies within the Department of Planning and Development. Land Bank operations also require coordination with the Department of Public Property, the Vacant Property Review Committee, the Redevelopment Authority, as well as the City's Office of the Director of Finance, Department of Revenue, Law Department, and the Sheriff's Office.

FIGURE 15: Roles of the Land Bank's Partners

	ROLES IN THE ACQUISITION PROCESS	ROLES IN THE DISPOSITION PROCESS	ROLES IN INTERIM USE AGREEMENTS
 <b>PHILADELPHIA LAND BANK</b> (PLB)	Facilitate strategic decisions about property acquisitions; Purchase privately-owned, tax-delinquent property at Sheriff's Sale	Implement uniform disposition process for conveyance of PLB property; Work with DPP and VPRC to institute additional due diligence procedures	Approve requests and grant licenses to allow citizens and applicants temporary access to PLB property for approved uses
 <b>MEMBERS OF CITY COUNCIL</b> District Council Representative and District Office staff	Work with PLB staff and constituents to identify potential acquisition candidates	Work with PLB staff to identify properties for competitive sales and package in a Request for Proposals (RFP); Approve each transfer via resolution of City Council	N/A
 <b>THE GENERAL PUBLIC</b> resident, business owner, gardener, farmer, developer, investor	Can inquire about tax delinquency status of property with PLB staff or District Council Office, but no authority to initiate acquisition process	Submit Expression of Interest in property; Complete full application; Enter into purchase agreement; Develop project; Complete project within compliance period	Request and enter into license agreement with PLB for temporary permission to access and utilize PLB property for approved uses (ex. gardens)
 <b>ADVOCATES AND COMMUNITY ORGANIZATIONS</b> affordable housing developer, community-based organization, advocacy coalition	Work with PLB staff and District Council Offices to identify key sites and assemblages for community-serving uses; Track PLB progress toward goals and hold PLB accountable	Work with PLB staff and District Council Offices to develop and build projects; Track PLB progress toward goals and hold PLB accountable; Partner in educational efforts to broaden understanding of PLB process and opportunities	Partner in temporary activation of property; Serve as liaison and resource for community members
 <b>City of Philadelphia</b>			
Department of Planning and Development (DPD)	Coordinate with PLB on acquisition strategy	Works with PLB to score applications	N/A
Department of Public Property (DPP)	Coordinate with PLB on acquisition strategy	Works with PLB to ensure disposition of properties follows City's uniform disposition process	Coordinates with PLB on interim use strategy
Vacant Property Review Committee (VPRC)			
Redevelopment Authority (PRA)			
Office of the Director of Finance	Approve annual acquisition budget	N/A	N/A
Department of Revenue	Provide info on which properties are eligible for Sheriff's Sale; Collect acquisition revenue for City and School District	Reviews applicant materials to ensure tax compliancy	N/A
City Law Department	Brings properties to Sheriff's Sale on behalf of the City and Revenue Dept	N/A	N/A
Sheriff's Office	Coordinate with Revenue, PLB, City, Law, and legal servicers in bringing properties to Sheriff's Sale and processing deeds	Processes deeds	N/A

# How Are Land Bank Operations Funded?

The Land Bank currently has a budget for the 2018-2019 fiscal year of \$6.93 million, funded primarily through General Fund allocations. Of that amount, \$3.79 million are allocated for operating costs and emergency property management. The remaining dollars - \$3.14 million – are used to fund the acquisition of properties acquired at Sheriff's Sale. To help simplify and streamline the process of acquisition across City departments, a Memorandum of Understanding (MOU) was signed in Fall 2017 that requires the Land Bank to pay for each property acquired the lesser of:

- 1) The Office of Property Assessment (OPA) Market Value of the property, or
- 2) The combined total of the overdue Real Estate Taxes, overdue gas and water bills, Commonwealth and Federal liens on the property, and the Sheriff's fee for bringing a property to Sheriff's Sale.

## ACQUISITION DOLLARS RETURNED TO THE CITY AND SCHOOL DISTRICT:

Between October 2017 and December 2018, the Land Bank's acquisition activity returned **\$2.821 million** in back-owed Real Estate Taxes to the City, of which **\$1.551 million (55%)** went to the Philadelphia School District.

Properties acquired at Sheriff's Sale through the tax foreclosure process average \$8,500 per property, including the Sheriff's Fee, which averages \$1,165 per property. The City Law Department processes roughly one-third of properties taken through the Sheriff's Sale process; for the other two-thirds of properties, the Land Bank pays a flat fee of \$900 per property to a private servicer to advance the legal process. The highest cost to acquire a property as of the second quarter of 2019 was \$95,990. Given these costs, the Land Bank's acquisition activity is effectively limited to approximately 325 properties per year under the 2018-2019 fiscal year budget.

The original vision of the Land Bank was for it to move toward self-sufficiency; in other words, to use the revenue generated from the sale of properties to pay for the cost of its operations. However, the majority of the end uses are eligible to be sold for a nominal price – often as little as \$1 excluding Realty Transfer Tax, recording fees, and other settlement costs. This creates a math problem: the relatively small number of non-income restricted transactions sold at market-rate limits the revenue that the Land Bank can generate to offset the costs of acquisition and become more self-sufficient. Limited revenue also restricts the Land Bank's ability to scale-up its operations and acquire more than 325 properties at Sheriff's Sale per year.

The Land Bank's budget must also cover maintenance of the properties within its control, which numbered 2,338 at the close of the second quarter of FY19 (2,196 available for disposition and 142 under a lease or license agreement, in the disposition pipeline, or earmarked for a development project). At present, the Land Bank allocates \$500,000 to the annual maintenance of vacant property in its inventory, plus another \$500,000 to emergency maintenance as needed for vacant structures in its inventory. With the maintenance budget, the Land Bank contracts with the Pennsylvania Horticultural Society (PHS). Maintenance requirements make the "banking" of more property, particularly vacant buildings, which are more costly and complicated to maintain, difficult and expensive.

Further, as more properties are transferred from the Department of Public Property to the Land Bank, more resources will be needed to maintain a larger inventory. While an increase in dispositions would help to reduce this cost, many of the properties currently held by the Department Public Property are long-term vacant properties in weak real estate markets – properties for which little or no demand currently exists. Many of these publicly-owned vacant properties have received zero Expressions of Interest (EOIs) from the public and have limited reuse potential in the near-term. Finding a suitable end use and owner in these instances is extremely difficult, and will thus require ongoing resources for maintenance until market conditions change or demand for those properties emerges.

## WHAT TYPES OF END USES ARE ELIGIBLE FOR DISCOUNTED OR NOMINAL PRICING?

The Land Bank may **discount** or provide **nominal pricing** for the following uses:

- > Affordable or workforce housing
- > Economic or community development projects
- > Gardens or open space
- > Side or rear yards

Land Bank dispositions of property for the following uses are sold at **market rate** or through **competitive sale**:

- > Market rate housing
- > Business expansion
- > Other private development and uses

Income-restricted end uses comprised 82% of the Land Bank's FY18 disposition targets.

Non-income-restricted uses comprised 18% of the Land Bank's FY18 disposition targets.

FIGURE 16: Revenue from Dispositions Needed to Support Additional Acquisition Activity

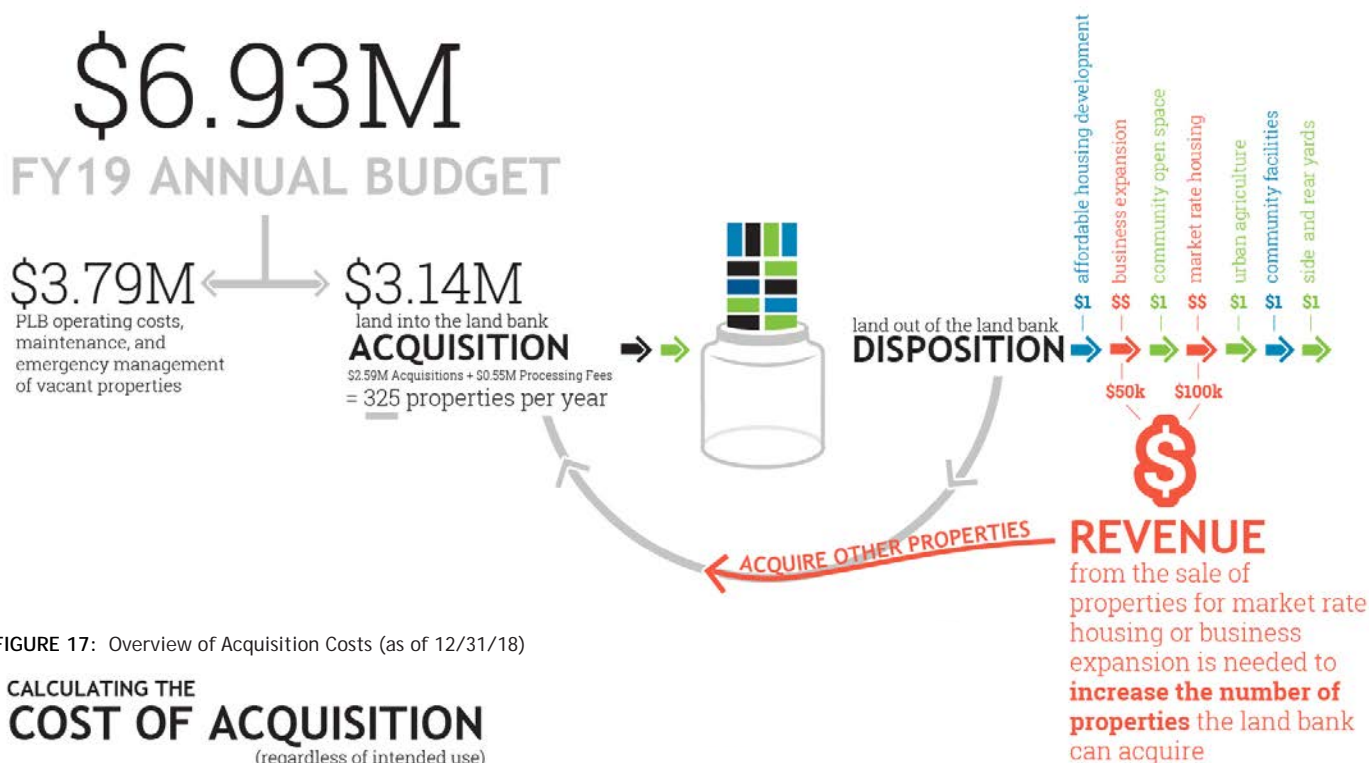
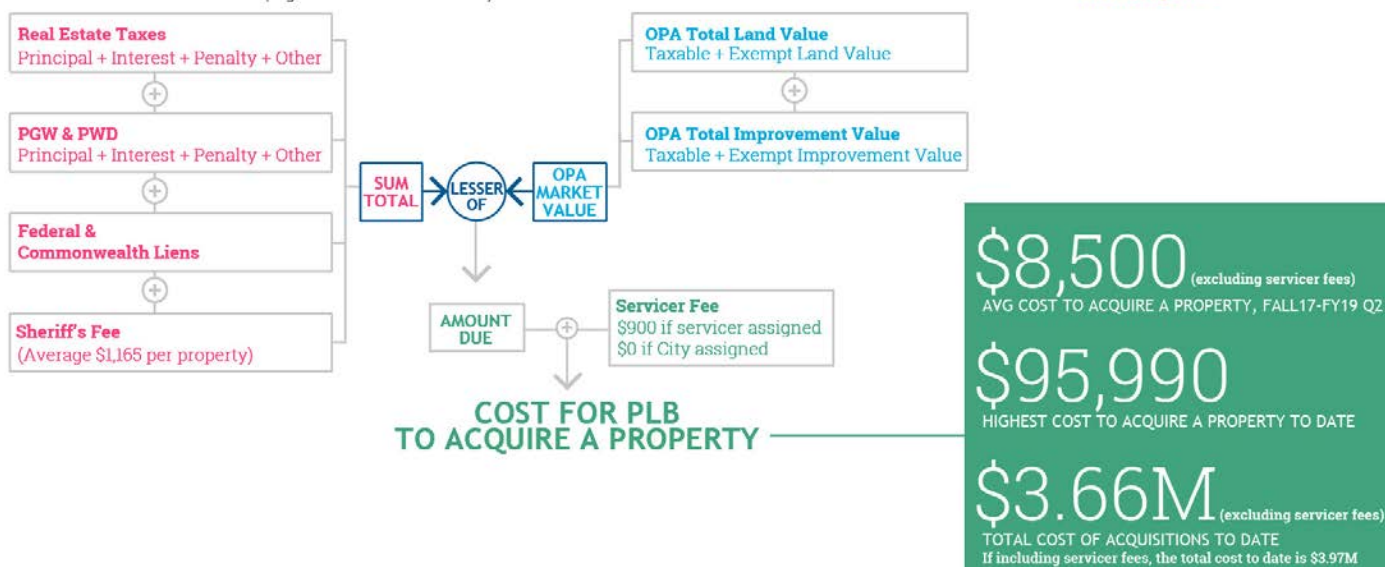


FIGURE 17: Overview of Acquisition Costs (as of 12/31/18)

### CALCULATING THE

## COST OF ACQUISITION

(regardless of intended use)





# Progress Report

## A BRIEF HISTORY

The Philadelphia Land Bank was created in 2013, and the first Land Bank Strategic Plan was published in 2015. After the completion and approval of the 2015 plan, the Land Bank was set into motion officially with the ability to hire staff. In FY16, which closed June 30, 2016, the Land Bank received an initial transfer of 1,292 properties from other land-holding entities of the City (584 from the Philadelphia Housing Development Corporation and 708 from the Department of Public Property). The inner workings to create a new City agency took time, and it was not until the start of FY17 (July 2016) that the Land Bank started acquiring vacant, tax delinquent properties at Sheriff's Sale.

A new Strategic Plan was completed in 2017. This document set the initial targets for the acquisition and disposition of properties tied to specific end uses.

It has taken time to test the new powers of the Land Bank and understand how the legal and bureaucratic processes of acquisition and disposition actually work. The length of time it has taken to operationalize the Land Bank, coupled with the long timelines for each acquisition and disposition transaction, has generated frustration from stakeholders, both within City government and the community at-large, who fought hard for the creation of the Land Bank. The expectations placed on the Land Bank at the outset were high and proved difficult to achieve in the first few years.

Now midway through FY19 and its fifth year since the Land Bank Ordinance was enacted, the Land Bank is in its third stage of growth. The first stage was to create the organization, the second was to define and test the tools. Now, the Land Bank has an appointed Executive Director, more staff, and is ready to fine-tune the tools and better maximize the resources currently at its disposal.

## ACHIEVEMENTS TO DATE

Efforts in FY18 and FY19 by Land Bank staff in coordination with other City agencies have made important strides to help the Land Bank function more effectively. Key achievements and ongoing initiatives include:

### INCREASED CAPACITY & UNIFORMITY

**The Land Bank has hired an Executive Director and additional staff. The Land Bank has also worked with other land-holding agencies to establish a standard process for the transfer of surplus property at the City.**

The Land Bank's staff and its role in the City's disposition of surplus property continues to grow.

#### ACCOMPLISHED:

- > The Land Bank has on-boarded additional staff to support acquisition and disposition efforts.
- > The Land Bank and the Department of Public Property executed a Memorandum of Understanding (MOU) instituting additional due diligence procedures that will bring uniformity to the disposition of surplus property conveyed by the Land Bank or the City, following the standards established by the Land Bank.

### IMPROVED INTERNAL DATA & COORDINATION

**The City's data on tax delinquent property is much improved, and the Land Bank is continuing to refine data sharing and coordination procedures within the City for a more streamlined process.**

Because the datasets that pertain to acquisitions and dispositions change over time, and because there are so many parties involved with each transaction, there is a great need for improved data sharing and communication to accelerate timelines and reduce mishaps, stress, and confusion. Shared databases built from the already much-improved datasets, formalized schedules for coordination, and agreed upon timelines and procedures will go a long way to sustain smooth operations for all involved. Much has been accomplished since 2015, and a number of critical improvements are underway.

#### ACCOMPLISHED AND IN PROGRESS:

- > The Land Bank has established a shared database called LAMS for planned acquisitions to enable better coordination with and between City Council, the Department of Revenue, legal servicers, and the Sheriff's Office.
- > A schedule is also being established for reviewing and approving acquisition requests and communicating those decisions to Revenue and the legal teams who process the tax foreclosures that bring properties to Sheriff's Sale.
- > An effort is underway to revisit and update the list of properties in the public inventory that are currently on hold for a specific end use; this will require coordination with District Council offices as well as City agencies.

## THE ABILITY TO BE PROACTIVE RATHER THAN REACTIVE

**Improved data and internal data sharing enable the Land Bank to prioritize acquisition activity, better assemble land, and make a bigger impact.**

With better data, the Land Bank has the ability to take proactive steps to acquire and assemble land to support redevelopment activities and City initiatives. Through the second quarter of FY18, the Land Bank had issued six Requests for Proposals (RFPs) for developments in North, South, and West Philadelphia neighborhoods and taken action to preserve gardens across the city. To support garden preservation efforts, the Land Bank commissioned a study by the Neighborhood Gardens Trust (NGT) in 2016, which assessed gardens on publicly-owned land. Working with data from the study, the Land Bank has conveyed three parcels and is in the process of conveying five additional properties, which together will enhance land security at five out of 26 gardens identified as preservation-ready in a follow-up study.

In 2017, the Land Bank, Office of Sustainability, and Department of Parks and Recreation co-commissioned a follow-up study by NGT that evaluated gardens atop privately owned tax delinquent land. NGT then blended 2017 field survey observations with the new data on tax delinquent property and data on public ownership to identify preservation-ready gardens. Since October 2017, when the MOU with the City and School District enabled Land Bank acquisitions of tax delinquent properties at Sheriff's Sale, the Land Bank has utilized data from the 2017 NGT study to advance acquisition proceedings for 14 parcels at nine of the preservation-ready gardens. Transfer of these Land Bank-owned and recently acquired properties to the garden entities stewarding the land at those gardens will increase the ownership rate from 37% to 53%.

Beyond the list of gardens initially identified as preservation-ready by the NGT study, the Land Bank has acquired an additional 14 properties for future use as Gardens or Open Space, as of the close of FY19 Q2.

### IN PROGRESS:

- > As recommended in the new Housing Action Plan, the Land Bank is currently identifying tax-delinquent parcels adjacent to publicly-held parcels in an effort to assemble sites for development and spur further capital investment in weak market neighborhoods.
- > New efforts are underway to package property and market Land Bank opportunities for purchase through RFPs and competitive bids.
- > Through the targeted efforts to preserve active gardens, the Land Bank has advanced discussions about unblocking acquisitions obstructed by U.S. Bank liens.

## CREATIVE SOLUTIONS INSTEAD OF ROAD BLOCKS

**When Disposition Policy criteria prevented the transfer of property to applicants, the Land Bank has found new ways to grant access to land.**

In some early cases, applicants requesting property for side yards and garden preservation did not meet the criteria for disposition detailed in the City's Disposition Policies. The Land Bank worked to grant temporary access to land for use as side yards and gardens through Individual Garden License Agreements (IGAs) and Urban Garden Lease Agreements (UGAs).

### IN PROGRESS:

- > Additional barriers to garden preservation have surfaced, including land contests from possible heirs to estates and cases where gardeners are not formally incorporated as a legal entity. The Land Bank is developing alternative solutions that can offer access to land and longer-term land security for these applicants.

## EXPANDED EXTERNAL COMMUNICATIONS

**As the facilitators of the City's standard process for the transfer of surplus property, the Land Bank has expanded its tools for sharing information with the public.**

The 2017 Strategic Plan references an effort to improve the online user experience and simplify the web-based process for submitting an Expression of Interest (EOI). Progress on the website's back end have added some functionality, though the website's content, navigability, and current EOI process still have ample room for improvement. The Land Bank staff has also started to grow its library of print materials, so far in English and Spanish, for citizens or potential applicants who come to the office looking to complete an EOI or application for a side yard or acquire a property for another use.

### ACCOMPLISHED AND IN PROGRESS:

- > Discussions with the Land Bank's web developer about adding new content and functionality are ongoing, as are conversations about hosting the website internally at the city, which would increase capacity to make changes and additions.
- > Efforts are underway to better define, clarify, and communicate what an EOI is (simply an indication of interest in a piece of property) and what it is not (it is not an application for property, nor is it an indication that the property of interest a) will be conveyed or by) will be conveyed to the person submitting the EOI). New language has been added to the Land Bank's website.
- > As mentioned above, a central goal of this Strategic Plan process is to generate more user-friendly communications and educational tools about how to navigate the Land Bank process.



## CLARITY THROUGH EXPERIENCE

The Land Bank now has more than a year of work under its belt with a dedicated staff and a team that has worked through the full process for acquisitions and dispositions.

The experience of moving properties into and out of the Land Bank – and encountering hurdles, some anticipated, others unforeseen – provides new information about the resources required for Land Bank transactions. For the first time, the Land Bank has a full understanding of the timelines for acquisition and disposition and the level of staffing necessary to process EOIs, vet applicants, and manage projects as they move toward disposition and development. This knowledge can be used in various ways going forward, from explaining the various steps in the process to the public, to adjusting annual targets to align with staffing levels and organizational capacity, or revising the Acquisition and Disposition Policies to correct for inconsistencies and inefficiencies.

### IN PROGRESS:

- > The Land Bank is working to on-board additional staff to support acquisition and disposition efforts through the Land Bank and ensure a unified process for property disposed of through the Land Bank or the City.
- > This Strategic Plan contains draft User Guides for how to navigate the acquisition and disposition processes for various end uses in keeping with the current Acquisition and Disposition Policies. In addition, discussions with City staff and external partners during this planning process uncovered some suggested policy changes, which are currently under review by the Land Bank, with the goal of submitting revised Policies for approval City Council.

**if privately-owned,  
starts with request to  
Land Bank or Council**

**INQUIRY/REQUEST**

timeline not defined

**ACQUISITION**

9-12 months

**if publicly-owned,  
starts with EOI**

**EXPRESSION OF INTENT**

timeline not defined

**DISPOSITION**

7-9 months

FIGURE 18: Generalized Acquisition and Disposition Timeline

## A SIGNIFICANT LEAP IN PROPERTIES ACQUIRED AND DISPOSED

### The Land Bank is on target to meet many of its current annual acquisition and disposition goals for FY19.

The 2017 Strategic Plan established targets for the Land Bank to follow regarding acquisition and disposition. Those targets also identified percentages for each type of end use. The tables on the following pages present a full reporting on progress toward the acquisition and disposition targets by end use.

In FY18, the Land Bank launched tax foreclosure acquisition activity in earnest and is on track to exhaust its annual acquisition budget for FY19. Through its strategic acquisitions, the Land Bank is at work to intervene in rapidly changing real estate markets and establish assemblages of land in transitional areas where market forces have yet to take hold. Through these efforts, the Land Bank will help the City stabilize neighborhoods, preserve affordability, and strengthen the City's tax base.

Dispositions are also on pace, with substantial numbers of transactions for properties that have been steadily working through the pipeline finally reaching completion. Much of this is due to the North Central Choice Neighborhood Transformation Plan initiative, which was active in land assembly in the past year.

However, experience over the past two years has also left the Land Bank with a few lessons learned related to both acquisition and disposition:

#### FY18 ACQUISITION AND DISPOSITION LESSONS:

- > Given the length of acquisition and disposition timelines, transactions straddle fiscal years which complicates annual reporting.
- > Reporting on housing units instead of lots reserved for the development of affordable housing presents a challenge due to the long time that it takes to obtain financing from multiple sources. The four or five year wait for LIHTC funding necessitates a de-coupling of acquisition and disposition targets on a yearly-basis and instead supports a historic look-back built on multi-year cycles. In the interim, the Land Bank should report on lots acquired, ear-marked, (and ultimately conveyed) for affordable housing development, which is a better measure of its unique power to make strategic acquisitions of property to help the City take action ahead of market forces in order to preserve affordability over time.
- > Interagency transfers have not progressed and thus, the largest share of publicly-owned surplus properties are controlled by the Department of Public Property (48%). Though the initial vision for the Land Bank anticipated consolidating surplus public property under one City agency, in practical terms, the act of consolidation may not be an efficient use of time and resources. The amount of time required to transfer title between land-holding agencies coupled with the necessary staff time and coordination to dispose of property, suggests that the more efficient path forward is to instead align the disposition procedures of the land-holding agencies. The recent MOU between the Land Bank and the Department of Public Property will achieve uniformity in terms of procedures, solving the issue and precluding the need to transfer title.
- > In some cases, disposition is not yet appropriate or feasible because the financing is not in place, the project is not ready to move forward, or the applicant does not meet the criteria in the Disposition Policies. Reporting on properties earmarked for a particular end use in a given year but not yet ripe for disposition will paint a more complete picture of Land Bank activity.
- > Coordination and approvals are required across multiple entities, which can slow the overall process, particularly for dispositions.

INTEREST

ON

PROJECT DEVELOPMENT

SETTLEMENT

COMPLIANCE...

COMPLETE!

6 months-2 years

## BY THE NUMBERS: HISTORIC LOOK BACK

**TABLE 5: Consolidation Progress by Fiscal Year & Remaining Surplus Properties**

	FY16	FY17	FY18	FY19 Q1-Q2	AS OF 12/31/18	AVAILABLE	ON HOLD	TOTAL
<b>INTER-AGENCY TRANSFERS</b>						<b>REMAINING SURPLUS PROPERTIES</b>		
From Department of Public Property (DPP)	708	403	1	-	1,112	2,458	474	3,022
From Philadelphia Housing Development Corporation (PHDC)	584	137	-	1	722	35	15	50
From Philadelphia Redevelopment Authority (PRA)	-	165	6	-	171	679	364	1,043
From Philadelphia Industrial Development Corporation (PIDC)	-	-	-	1	1			
<b>TOTAL</b>	<b>1,292</b>	<b>705</b>	<b>7</b>	<b>2</b>	<b>2,006</b>	<b>3,262</b>	<b>853</b>	<b>4,115</b>

**TABLE 6: Summary of Acquisition Activity by Fiscal Year**

	FY16	FY17	FY18	FY19 Q1-Q2	AS OF 12/31/18
<b>ACQUISITION ACTIVITY</b>					
PROPERTIES ACQUIRED (date of Sheriff's Sale)	13	21	277	153	<b>464</b>
TOTAL ACQUISITION COSTS (excluding servicer fee)	\$5,272	\$10,622	\$2,342,301	\$1,305,090	<b>\$3,663,285</b>
AVERAGE COST PER PROPERTY ACQUIRED (excluding servicer fee)	\$406	\$506	\$8,456	\$8,530	
DOLLARS PAID IN CITY REAL ESTATE TAXES					<b>\$2.890 M</b>
DOLLARS PAID TO PHILADELPHIA SCHOOL DISTRICT (from Real Estate Taxes Collected (55%))					<b>\$1.589 M</b>

### ACQUISITION PROGRESS:

The pace of acquisitions increased by more than 1200% between FY17 and FY18.

**TABLE 7: Summary of Disposition Activity by Fiscal Year**

	FY16	FY17	FY18	FY19 Q1-Q2	AS OF 12/31/18	%
<b>DISPOSITION ACTIVITY</b>						
NUMBER OF TRANSACTIONS	-	9	10	11	30	
TOTAL PROPERTIES CONVEYED	-	18	78	36	132	
TOTAL PROPERTIES CONVEYED FOR HOUSING DEVELOPMENT	-	15	76	33	120	
TOTAL HOUSING UNITS (TO BE) CREATED ON PROPERTIES CONVEYED FOR HOUSING	-	15	118	86	219	
30% or below AMI	-		9	26	35	16%
60% or below AMI	-		80	11	91	42%
120% or below AMI	-	8	9	42	59	27%
Non-income restricted	-	7	20	7	34	16%
AVERAGE NUMBER OF UNITS CREATED PER PROPERTY CONVEYED FOR HOUSING		0.83	1.55	2.00		
TOTAL PROPERTIES CONVEYED FOR SIDE YARDS	-	3	2	4	9	
TOTAL PROPERTIES CONVEYED FOR GARDEN PRESERVATION	-	-	-	3	3	
NUMBER OF PROPERTIES SOLD AT MARKET RATE	-	5	16	4	25	19%
NUMBER OF PROPERTIES SOLD FOR DISCOUNT OR NOMINAL PRICE	-	13	62	32	107	81%
TOTAL REVENUE FROM DISPOSITIONS	-	\$323,791	\$1,217,197	\$236,661	<b>\$1,777,649</b>	

### DISPOSITIONS:

The pace of dispositions increased by 333% between FY17 and FY18.

TABLE 8: Number of EOIs Processed

	AS OF 12/31/18	%
NUMBER OF EOIS & APPLICATIONS PROCESSED THROUGH FY19 Q2		
TOTAL EOIs RECEIVED FOR LAND BANK PROPERTIES	8,021	
TOTAL EOIs CLOSED OUT ON PLB PROPERTIES	2,948	
OPEN EOIs ON AVAILABLE PLB PROPERTIES	4,795	
AVAILABLE PLB PROPERTIES WITH OPEN EOI	891	41%
AVAILABLE PLB PROPERTIES WITH NO EOIs	931	42%
AVERAGE NUMBER OF EOIs PER AVAILABLE PLB PROPERTY	2.18	
AVERAGE NUMBER OF EOIs PER PLB PROPERTY WITH AT LEAST ONE EOI	5.38	
MAXIMUM NUMBER OF EOIs PER AVAILABLE PLB PROPERTY	122	

## EXPRESSIONS OF INTEREST:

41% of Land Bank properties have an open EOI;

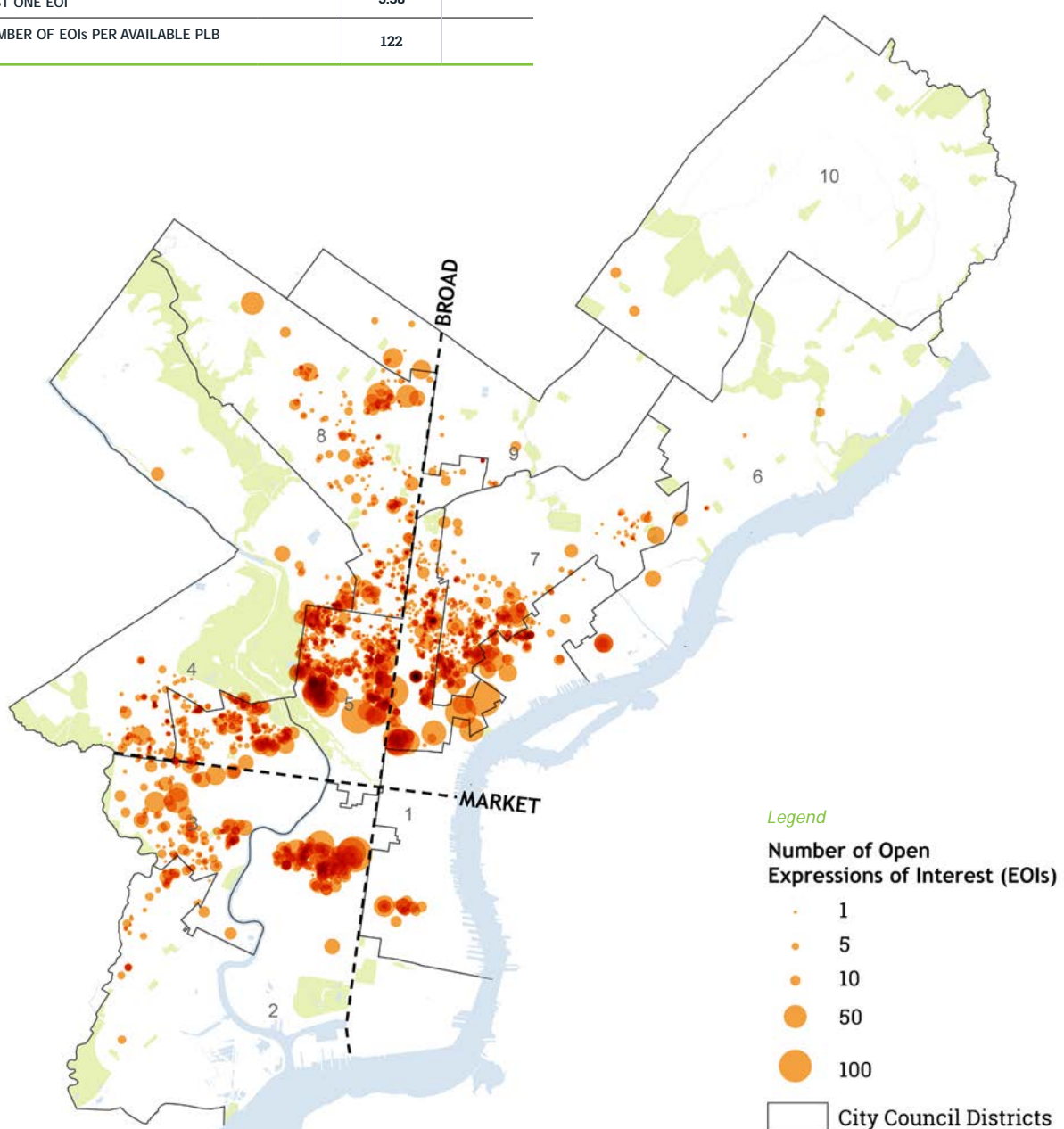
42% of Land Bank properties have never  
received a single EOI

FIGURE 19: Available Surplus Property Scaled by Number of Open EOIs  
 Source: City of Philadelphia, Land Management System, LAMA



TABLE 9: Acquisition Progress Reporting Table: FY18 - FY19 Q2

ACQUISITION PROGRESS TOWARD 2017 STRATEGIC PLAN GOALS							
	YEAR II: TARGETS		YEAR II: ACTUAL		YEAR III: TARGET		ACTUAL through Q2
	FY18 7/1/17-6/30/18		Acquired FY18	% of Target (LOTS)	FY19 7/1/18-6/30/19		% of Target (in 6 months of activity)
TAX FORECLOSURE ACQUISITIONS							
	LOTS	UNITS	LOTS		LOTS	UNITS	LOTS
SIDE YARDS (LOTS)	81		148	183%	81		47
TOTAL HOUSING / MIXED USE (UNITS)	142*	221	103	73%	142*	221	78
20% for 30% or below AMI	29	45	86**	119%	29	45	66**
30% for 60% or below AMI	43	66			43	66	
25% for 120% or below AMI	35	55	10	29%	35	55	8
25% for non-income restricted	35	55	7	20%	35	55	4
BUSINESS EXPANSIONS (LOTS)	3		7	233%	3		6
GARDENS / OPEN SPACES / COMMUNITY USE (LOTS)	20		19	95%	20		22
SUBTOTAL	246		277		246		153
INTER-AGENCY TRANSFERS							
	1,392		7		1,392		1

\* See Table 10 for unit to lot conversion for housing using 1.55 units per lot ratio based on FY18 production.

\*\* Acquisitions for affordable housing (30% and 60% of AMI) are combined due to limited information at time of acquisition.

TABLE 10: How to Measure Progress toward Housing Acquisition Targets in Lots, not Units

HOUSING TARGETS ADJUSTED BY UNIT TO LOT CONVERSION				
	Original % Share	Original FY18 Targets	Unit to Lot Ratio (divide by 1.55)	Adjusted Targets
	%	LOTS OR UNITS	LOTS NEEDED FOR HOUSING UNITS	LOTS
TOTAL HOUSING / MIXED USE		221 UNITS	142 LOTS	142
20% for 30% or below AMI	20%	45 UNITS	29 LOTS	29
30% for 60% or below AMI	30%	66 UNITS	43 LOTS	43
25% for 120% or below AMI	25%	55 UNITS	35 LOTS	35
25% for non-income restricted	25%	55 UNITS	35 LOTS	35
TOTAL	100%	221 UNITS		142 LOTS

### UNITS : LOTS

Note: the progress toward annual targets for housing has been adjusted here to report LOTS to acquire for housing, not UNITS of housing produced.

Table 10 documents the calculation, using the 1.55 units per lot ratio from property conveyed by the Land Bank in FY18 as a guide to estimate the number of properties (or lots) required in order to generate the number of housing units originally established as annual targets.

As zoning plays a key role in determining the number of units per lot, this ratio provides only an estimate. The calculation does adjust the percent share of acquisitions by end use, allowing for improved tracking of acquisition activity to achieve plan goals over time.

The unit to lot ratio will change over time, and should be evaluated in the context of future planning efforts.

TABLE 11: Disposition Progress Reporting Table: FY18 - FY19 Q2

DISPOSITION PROGRESS TOWARD 2017 STRATEGIC PLAN GOALS														
	YEAR II: TARGET		ACTUAL			YEAR III: TARGET		ACTUAL through Q2 (12/31/18)						
	FY18 7/1/17-6/30/18		Completed Settlements	% of Target		FY19 7/1/18-6/30/19		Completed Settlements	Dispositions in Pipeline		Total		% of Target (in 6 months of activity)	
DISPOSITIONS														
	LOTS	UNITS	LOTS	UNITS		COUNT	UNITS	COUNT	UNITS	COUNT	UNITS	COUNT	UNITS	
SIDE YARDS (LOTS)	81		2		2%	100		4		16		20		20%
TOTAL HOUSING / MIXED USE (PROJECTED UNITS)		205	76	118	58%		252	33	86	20	159	53	245	97%
20% for 30% or below AMI		41		9	22%		50		26		66		92	184%
30% for 60% or below AMI		62		80	129%		76		11		81		92	121%
25% for 120% or below AMI		51		9	18%		63		42		5		47	75%
25% for non-income restricted		51		20	39%		63		7		7		14	22%
BUSINESS EXPANSIONS (LOTS)	6		0		0%	8		0		5		5		63%
GARDENS / OPEN SPACES / COMMUNITY USE (LOTS)	33		0		0%	40		3		7		10		25%
TOTAL	120	205	78	118		148	252	40	86	48	159	88	245	
PROPERTIES WITH LICENSE AGREEMENTS FOR URBAN AGRICULTURE / OPEN SPACE PRESERVATION														
FY18			FY19 through Q2			FY19 Q3								
New Individual Garden Agreement (IGAs)			20			11			23					
Number of Lots Associated with New IGAs			20			19			28					
Renewed Individual Garden Agreements			0			3			3					
Number of Properties with Active Agreements being processed for Side Yard Dispositions			3			4			7					

TABLE 12: Acquisition &amp; Disposition Activity to Date by End Use and Council District (as of 12/31/18)

			COUNCIL DISTRICT									
	CITYWIDE	SHARE	1	2	3	4	5	6	7	8	9	10
LOTS ACQUIRED FY16 - FY19 Q2												
SIDE YARDS	195	42%	1	2	44	53	31		49	13	2	
TOTAL HOUSING / MIXED USE (LOTS)	214	46%	5	8	38	1	122	0	21	17	2	0
Affordable: 30%-60% or below AMI	167	78%		6	32	1	96		21	11		
Workforce: 120% or below AMI	36	17%		2	3		24			5	2	
Market Rate	11	5%	5		3		2			1		
BUSINESS EXPANSIONS	14	3%					3		10	1		
GARDENS / OPEN SPACES	30	6%		1	4	5	16		4			
COMMUNITY USE	11	2%			4	2	4					1
TOTAL	464		6	11	90	61	176	0	84	31	4	1

			COUNCIL DISTRICT									
	CITYWIDE	SHARE	1	2	3	4	5	6	7	8	9	10
LOTS DISPOSED OF FY17 - FY19 Q2												
SIDE YARDS	9	7%					1		7	1		
TOTAL HOUSING / MIXED USE (LOTS)	120	91%	1	9			107					
Affordable: 30%-60% or below AMI	63	53%					63					
Workforce: 120% or below AMI	36	30%		9			27					
Market Rate	21	18%	1				17		3			
BUSINESS EXPANSIONS	0	0%										
GARDENS / OPEN SPACES	3	2%					1		2			
COMMUNITY USE	0	0%										
TOTAL	132		1	9	0	0	109	0	9	1	0	0

			COUNCIL DISTRICT									
	CITYWIDE	SHARE	1	2	3	4	5	6	7	8	9	10
HOUSING UNITS CREATED ON LOTS DISPOSED FY17 - FY19 Q2												
Affordable: 30% or below AMI	35	16%					35					
Affordable: 60% or below AMI	91	42%					91					
Workforce: 120% or below AMI	59	27%		20			39					
Market Rate	34	16%	1				27		6			
TOTAL	219		1	20	0	0	192	0	6	0	0	0





DETAILS IN THE APPENDIX:  
**See Appendix II** for a full  
list of acquisitions and  
dispositions.

*Source: Neighborhood Gardens Trust*



# Ongoing Issues and Constraints

The process to complete the Land Bank Strategic Plan included active discussions with Land Bank staff and Board members, City Council and staff, as well as representatives from other City agencies and partners who interact and coordinate with the Land Bank. In addition, meetings were held with key advocacy groups to understand their experiences, concerns, and priorities for working with the Land Bank to access vacant and underutilized property. In total, 17 listening sessions were held to discuss Land Bank operations.

## INTERNAL SESSIONS

- > Department of Planning and Development
- > Law Department
- > Department of Public Property
- > Office of the Director of Finance
- > Department of Revenue
- > City Planning Commission
- > District Council Staff
- > Philadelphia Redevelopment Authority

## SESSIONS WITH PARTNER & ADVOCACY ORGANIZATIONS

- > Philadelphia Association of Community Development Corporations
- > Philadelphia Coalition for Affordable Communities
- > Philadelphia Food Policy Advisory Council
- > Soil Generation
- > The Public Interest Law Center
- > Neighborhood Gardens Trust
- > Private and Non-Profit Developers
- > Goehring Rutter & Boehm
- > Linebarger Goggan Blair & Sampson, LLP

These sessions provided invaluable feedback around a few common themes:

## There is a general lack of understanding

There is general confusion about Land Bank activity and operations – how the process is supposed to work, whether it is working, and if not, why not? The absence of clear information and regular communications create a perception of unresponsiveness. People want to understand how land moves into and out of the Land Bank so that they can follow the process and track properties in the pipeline to and from the Land Bank.

## In the absence of widely-shared success stories, there is a perception of inaccessibility

Across Philadelphia, many people do not know how to approach the Land Bank – or even that the Land Bank could be a useful partner in putting vacant and underutilized land back to productive reuse in their community. This is, in large part, due to the long start-up time before the Land Bank began completing acquisition and disposition transactions. People need to know that the Land Bank is a tool that can work for them, how to approach the Land Bank, and that the Land Bank has the potential to impact all neighborhoods where vacant and underutilized property is an issue. More frequent updates about success stories and accomplishments will help people see the potential of the Land Bank and its possible role in returning property to active use in their neighborhoods.

## There is a sense of urgency to get ahead of neighborhood change

Community members with a stake in vacant and underutilized land in their communities are aware that the real estate market is strengthening in parts of the City. The data analysis for this Strategic Plan update affirms the sense of urgency; neighborhoods markets are changing, and with that change comes a closing window for preserving land for quality affordable housing and managed community open spaces. In places where the market is strong or strengthening, communities often fear that they are racing against market forces and losing ground. The long timelines for acquisition and disposition coupled with short-term agreements for land reuse and a lack of clarity about the acquisition and disposition processes heighten the anxiety and sense of urgency.

## A FEW HIGHLIGHTS:

**See a recap of recent success stories**  
in the Executive Summary and  
on the next spread.

## OBSTACLES TO ACHIEVING ORIGINAL GOALS AND MISSION

In its first years of operation, the Land Bank has reached several important milestones and taken necessary steps toward fulfilling its vision and achieving its goals. However, all who engage with the Land Bank – be they Land Bank staff or board members, elected officials, or the general public – agree that there is room for improvement, and that changes to processes and procedures are critical to helping the Land Bank truly achieve its potential in service to the City and its citizens.

There is work to do to better communicate, coordinate, and streamline the processes of acquiring and disposing of vacant property. But there is also a need to revisit the evaluation tools established to measure and track the Land Bank's progress toward meeting its goals. There are several core challenges or obstacles to meeting the Land Bank's annual goals, as articulated in the 2017 Strategic Plan:

### TIMING MISMATCHES

It is difficult to report on acquisitions and dispositions on an annual basis for several reasons. Acquisitions and dispositions take a long time - longer than the annual reporting period. In addition, longer timelines to obtain project financing – a critical component to approvals for disposition - further compound the timing issue. Dispositions, in particular, are dependent on many factors that are not in the control of the Land Bank, thus complicating this measure of progress.

**This Strategic Plan includes recommendations (detailed in the next chapter) for changing reporting procedures to:**

- > Include a historic look-back rather than annual evaluations
- > Include reporting on interim uses and properties ear-marked for land uses that support Land Bank goals

### A MATH PROBLEM

The current annual targets include relatively few market-rate sales that could generate income for the Land Bank. This limits the Land Bank's potential to fuel operations and additional acquisitions with revenue from dispositions. The City and its neighborhoods depend on the Land Bank to help unlock and reactivate vacant and underutilized properties, returning properties to the tax rolls. However, the current costs of operations and acquisitions significantly outstrip revenue from dispositions, resulting in budgetary limitations that constrain activity. Given the scale of long-vacant property that threatens neighborhood health and

vitality across the City, the Land Bank needs to process more properties on an annual basis to have a major impact. However, processing more properties requires more dollars for staffing and operations, maintenance and acquisitions. Unless targets are adjusted to include more market rate sales, additional revenue from other sources is necessary to achieve this goal.

**This Strategic Plan suggests:**

- > Future consideration of increasing the percent of market rate dispositions in order to generate additional revenue, which can help increase acquisition activity, subsidize the disposition of side yards or other discounted/nominal transfers, or pay off third-party liens

### A CHALLENGING INVENTORY

The existing annual goals are out of sync with much of the historic inventory of publicly-owned vacant property currently held by the Land Bank. This inventory includes many properties (42%), which still have not received any expressions of interest from the public for reuse. It is likely that some of these properties may be suitable for side yards. If the Land Bank were to undertake a targeted effort to dispose of some of this inventory, this action would result in annual activity of more side yard dispositions than any other end uses, temporarily resulting in disposition numbers that do not align with the breakdown by end use specified by the annual goals.

**This Strategic Plan recommends:**

- > Tracking the disposition of properties from the historic inventory separately from disposition of newly acquired properties, going forward
- > Developing a proactive program for the disposition of low-demand properties in the historic inventory to lessen the Land Bank's maintenance costs and return those properties to the tax rolls
- > Allowing the disposition of low-demand properties in the historic inventory to temporarily increase the percent share of dispositions allocated to side yards

## CUMBERSOME INTAKE

The current lack of filtering capabilities and limited information collected through the Expression of Interest (EOI) process results in unnecessary noise and a heightened processing burden for Land Bank staff, which subsequently reduces capacity for responsiveness to applicants. The general confusion about what an EOI means and what it will and will not deliver in terms of progress toward a disposition has complicated frustrations and negative perceptions about the Land Bank. The Land Bank is charged with putting vacant and underutilized property back to productive use as, among other things, side yards, gardens, open space, for business expansion, for community and economic development purposes, and for housing at a range of price points from deeply affordable for our city's most vulnerable residents to market-rate. These multiple purposes serve a diverse mix of interested parties. It has also proven to be confusing and misleading for people who mistakenly believe that submitting an EOI is comparable to completing an application or initiating a disposition process.

### This Strategic Plan includes recommendations for:

- > Improving communications about what an EOI is and is not
- > Increasing outreach and education about how to engage with the Land Bank
- > Customizing the type and amount of information that interested parties are required to submit when expressing interest in a property to better balance the volume of EOIs received, and ultimately result in timely responses and processing of qualified applicants as properties move toward competitive – or in specific cases, non-competitive sales, building trust in the process along the way.

## DISTRIBUTED DECISION-MAKING

Dispositions are reliant on multiple parties; meeting the current targets requires participation from all. There may be opportunities to address some of the choke points in the process, but more transparency and firmer timelines in communication will help alleviate much of the stress and uncertainty expressed by all of the Land Bank's clients.

### This Strategic Plan recommends:

- > Changing the sequence of approvals for dispositions, with City Council being the final step
- > Revising the Disposition Policies to include fixed timelines in disposition procedures, with the close-out of an application and relisting of a property as for sale to occur if approvals from all parties are not granted within the established period of time

The recommendations of this Strategic Plan begin on the following spread.

## A FEW MORE RECENT SUCCESS STORIES: Market Rate Rentals in Strawberry Mansion



The Land Bank sold one property in Strawberry Mansion to Kornegay Properties LLC, which converted a vacant structure in need of significant investment and rehabilitation into two rental apartments available at market rate.

*"I would like to say thank you to the Philadelphia Land Bank staff, for the assistance and guidance provided, toward the purchase of our property. The information and explanation provided at every step of the process made it a seamless transaction. I would also like to thank the Philadelphia Land Bank staff for their prompt and courteous response to my emails, telephone calls and always providing an answer to any questions. Overall I would like to say my experience was completely positive and I look forward to my next purchase."*

- Brian S. Kornegay, Kornegay Properties LLC

## Workforce Housing in Point Breeze



Source: Onion Flats Architecture

The Land Bank issued a Request for Proposals for nine scattered site properties in Point Breeze with the intention to convey the land for the development of multi-family homeownership opportunities for households earning below 120% of Area Median Income, which translates to less than \$77,160 for a household of two people or less than \$96,360 for a family of four.

The Land Bank awarded the project to Innova Redevelopment, LLC for the development of Breeze Flats, which includes 19 two- and three-bedroom condos and a single-family home, for a total of twenty new units atop nine parcels. The units include Passive House and ultra-low energy features.

*"As the Land Bank has taken shape over the past few years and moved forward with acquisition and disposition of vacant property, Innova has had a number of eye-opening, productive experiences working with its staff and leadership. We are now under construction of our first project awarded by the Land Bank, and the staff actively worked with us to move those properties from ownership under different city entities through the Land Bank and ultimately to us for development, keeping us updated on progress and expectations along the way. It was an extraordinarily refreshing experience to work with a group of motivated, intelligent folks bringing in outside input to assist in finding creative ways to use existing Land Bank inventory to promote commercial and residential development targeting various income levels, while leveraging surrounding private market activity to ensure its success. We look forward to further cooperation with the Land Bank and opportunities for future development projects."*

- Bernardino Allegretti, Vice President  
Innova Redevelopment, LLC

## Workforce Housing in West Poplar



Source: KCA Design Associates via Philly.com

The Land Bank's recently issued a Request for Proposals for Workforce Housing in the West Poplar neighborhood, looking to leverage the value of publicly-owned land to create homeownership opportunities that will be affordable to households with incomes up to 120% of Area Median Income.

The Land Bank awarded the development opportunity to Frankel Enterprises who will build 26 homes in a mixed single-family and multi-family development atop 13 formerly vacant lots. The new construction homes will each have three bedrooms, two bathrooms, a rear patio, and a spacious back yard. They are currently under construction and are listed for sale at \$229,999.

*"Frankel Enterprises is very proud of our partnership with The Philadelphia Land Bank. We are delighted to work alongside The Philadelphia Land Bank to create affordable housing for Philadelphians. The Land Bank's staff has been diligent and a pleasure to work with."*

- Zach Frankel, Frankel Enterprises



# Recommendations

The Land Bank staff has been working to improve operations and communications. This strategic plan recognizes these efforts and seeks to build upon them. The 2019 Strategic Plan recommendations are organized by the three key facets of the Land Bank's mission:

- > To follow a unified, **predictable, and transparent** process
- > To **put vacant and underutilized property back into productive use**
- > To **serve as the standard** for property transfer at the City

Given the range of ideas discussed during the planning process, the recommendations are further sub-divided into two phases that recognize the challenging work ahead:

1. **Recommendations for the Next Year:** These represent important action steps that the Land Bank can address with current resources (in terms of both budget and staffing) to continue making progress toward the organization's mission and goals; and
2. **Longer Term Recommendations:** Important initiatives that will require additional time, resources, or powers to achieve.

## PREDICTABLE & TRANSPARENT

### Continue to Improve Communication about the Land Bank's Role and Processes

#### RECOMMENDATIONS FOR THE NEXT YEAR

#### 1. CLARIFY STEPS IN ACQUISITION AND DISPOSITION PROCESSES

The processes by which the Land Bank acquires and disposes of property are unclear to many, including key participants, clients, and stakeholders. Even with a careful read of the Acquisition and Disposition Policies, the process is confusing. Make available "User Guides" that outline the process step-by-step, noting which stakeholders, if any, are involved in each step.

#### SAMPLE DRAFT USER GUIDES:

**See the inserts on the following pages for a detailed overview of how to navigate the City's current Disposition Policies, depending on proposed end use.**

Also, consider reordering the sequence for approving dispositions. Currently, the Land Bank Board votes last on dispositions, which can be counter-productive if the Board disagrees with other decision making entities. To streamline, enable the Board to first approve a disposition before sending the action to VPRC and then on to Council for consideration. After Council approves of a disposition, a property should move swiftly to settlement.

**KEY PARTNERS:** CITY COUNCIL

#### 2. ADOPT COMMUNICATION BENCHMARKS, INCLUDING UPFRONT COMMUNICATIONS THAT CLARIFY THE PURPOSE AND POTENTIAL OUTCOMES OF AN EOI AS WELL AS CLOSE OUT NOTIFICATIONS

"Where in the review process is the property for which I submitted an EOI?" is a common question. EOI submissions do receive an automated response from the Land Bank within 48-72 hours. However, people are often under the wrong impression about the purpose and potential outcomes of an EOI, mistakenly thinking that they have applied to acquire a property or that by submitting an EOI, they have triggered the disposition process. To further complicate matters, there is not an established timeline for coming to a final resolution on any EOI, as multiple entities must weigh in on each request. Hire a staff position dedicated to community outreach who can take on the task of improving the Land Bank's educational content in all communications and maintaining a consistent message on a regular basis. Establish a set of achievable and clearly communicated timeframes for notifications, close outs

for properties that fail to advance toward disposition, and updates for EOIs at key points in the disposition process. Differentiate between the default competitive sale process and the non-competitive sale process that applies only in certain instances.

**KEY PARTNERS:** CITY COUNCIL, VPRC

#### 3. UPDATE ACQUISITION AND DISPOSITION POLICIES

The City's current Acquisition and Disposition Policies, included with the last Strategic Plan, are two years old. Now that City departments and Land Bank staff have had the opportunity to work through the full acquisition and disposition processes, these policies warrant updating to provide greater clarity and streamline portions of the process. Efforts to update the Disposition Policies have been underway in a parallel effort, coordinated with the Strategic Plan update. Suggested changes are included in the Appendix.

**KEY PARTNERS:** CITY COUNCIL, LAW, PRA, DPP, FINANCE, REVENUE

#### LONGER TERM RECOMMENDATIONS

#### 4. DEVELOP A CLEAR PROCESS TO SUBMIT REQUESTS TO INITIATE THE TAX FORECLOSURE ACQUISITION PROCESS

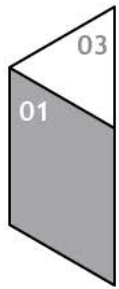
As a resident seeking to gain access to vacant property, it can be challenging to understand how to initiate a process to acquire the property through the Land Bank. If a property is already in the inventory of publicly-owned surplus properties, residents can submit an EOI. This is not the case for properties that are privately-owned and tax delinquent. Because privately-owned property is not in the public inventory and does not appear on the Land Bank's map of available property, there is no formal EOI process. In such cases, it is not immediately apparent whether the property could be accessed through the Land Bank.

In cases where a property can be accessed through the Land Bank for a non-competitive sale, the Land Bank should work to clarify the types of acquisitions for which the general public may submit a request to initiate an acquisition. Once a process is formalized, design a "User Guide" for requesting to initiate the acquisition of privately-owned vacant or underutilized properties by the Land Bank.

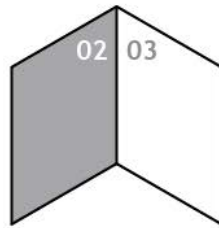
**KEY PARTNERS:** CITY COUNCIL

**SAMPLE DRAFT USER GUIDES:**

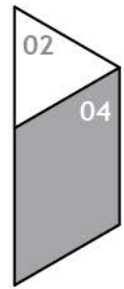
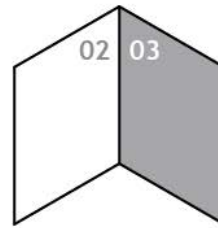
The draft sample User Guides illustrate the current process for obtaining property through the Land Bank. The guides are subject to change to reflect revisions to the Disposition Policies. Each guide follow the same format for four different end uses, color coded as follows:

**01] ELIGIBILITY**

- > Determine if you are eligible to apply for property
- > Determine if the property you are interested in is eligible for disposition from the Land Bank

**02-03] PROCESS**

- > Follow the step-by-step process to obtain property from the Land Bank for the end use you envision

**04] CHECKLIST**

- > Track your progress by checking the box for each step as you and your property move through the disposition process

**SIDE / REAR YARD****HOUSING****BUSINESS EXPANSION****GARDEN****FIGURE 20:** Design of the Draft User Guides



## USER GUIDE FOR PEOPLE INTERESTED IN ACQUIRING CITY-OWNED SURPLUS PROPERTY:

A tool to help you navigate the City's Disposition Policies.

**DRAFT:** subject to change per revisions to the Disposition Policies

### "I WANT TO ACQUIRE THAT VACANT PROPERTY"



Vacant BUILDING

Vacant LAND

Follow these 3 steps to see if:

- you are eligible to apply for property
- the property is eligible for disposition from the Land Bank

### HOW TO READ THIS USER GUIDE:



- 1] the APPLICANT [that's you] must meet certain criteria
- 2] the APPLICANT must take action



the PROPERTY must meet certain criteria



CITY COUNCIL must take action



LAND BANK staff must take action



#### 01 AM I ELIGIBLE TO OBTAIN PROPERTY THROUGH THE LAND BANK?



- |  |       |
|--|-------|
| 1. Do I owe the City any past-due taxes?   | Y / N |
| 2. Do I owe the Water Department for any overdue water or stormwater bills?                        | Y / N |
| 3. Do I owe Philadelphia Gas Work for any overdue gas bills?                                       | Y / N |
| 4. Do I own any property that has a significant unaddressed violation of City codes or ordinances? | Y / N |
| 5. Do I owe the Parking Authority payment for any past-due tickets?                                | Y / N |
| 6. Am I behind in Child Support payments?  | Y / N |

If you answered YES to ANY of the questions above, you are currently **INELIGIBLE** to obtain property through the Land Bank.

#### WHAT SHOULD I DO NEXT?

[you will need to pay those outstanding bills in order to become a qualified applicant]

If you answered NO to ALL of the questions above, you **MAY BE A QUALIFIED APPLICANT** eligible to obtain property through the Land Bank.

#### GREAT! WHAT SHOULD I DO NEXT?

[proceed to question 2]

#### 02 IS IT THE PROPERTY CITY-OWNED & AVAILABLE?



Check [www.PhiladelphiaLandBank.org](http://www.PhiladelphiaLandBank.org) to see if the property is surplus property available for disposition

YES

NO

IF IT IS NOT OWNED BY THE CITY, PLEASE SEE THE ACQUISITION POLICY

#### 03 HOW DO YOU INTEND TO USE THE PROPERTY?



Housing



★ Side /  
Rear Yard



Garden



Business  
Expansion



Economic/Community  
Development

This is the Side/Rear Yard Guide;  
flip over to see the next steps in the process



# "I WOULD LIKE TO ACQUIRE THE VACANT LOT FOR USE AS A SIDE OR REAR YARD"



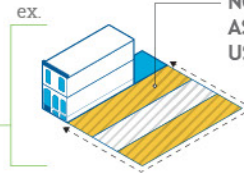
SIDE/REAR YARD

## 04 DOES THE PROPERTY MEET THE CRITERIA FOR A SIDE OR REAR YARD?

Side Yard eligible properties must meet the below criteria:



- Median sale price of homes in the census block group is less than \$75,000
- The property is not abutting a publicly owned parcel or other tax delinquent parcel that contributes to an assemblage for development
- The property is one lot, or if more than one lot totals less than 1,440 sq ft.



NOT ELIGIBLE FOR USE AS SIDE YARD AS ABUTTING PROPERTIES COULD BE USED AS AN ASSEMBLAGE.

- TAX DELINQUENT
- CITY OWNED

ALL LAND BANK OWNED PROPERTIES THAT ARE SIDE/REAR YARD ELIGIBLE ARE NOTED AT [www.PhiladelphiaLandBank.org/property/search](http://www.PhiladelphiaLandBank.org/property/search)

Do you own and live in an abutting property?

YOUR PRIMARY RESIDENCE



- ELIGIBLE SIDE/REAR YARD
- NOT ELIGIBLE SIDE/REAR YARD



YES NO

IF THE PROPERTY DOES NOT MEET THE ABOVE CRITERIA, THE PROPERTY IS NOT ELIGIBLE FOR DISPOSITION AS A SIDE OR REAR YARD.

## 05 HOW DO I ACQUIRE THE PROPERTY FROM THE LAND BANK?



- In order to acquire property from the LAND BANK, you must submit an Expression Of Interest (EOI) online. PLB will follow up by sending an application that must be filled out.
- If multiple applicants request a parcel under the Side Yard program, the property will be offered to the qualified purchaser who submits a complete EOI first.

## 06 WHAT HAPPENS AFTER I SUBMIT MY APPLICATION?



AFTER THE LAND BANK RECEIVES AN EOI AND A COMPLETED APPLICATION, AN INTERNAL PROCESS BEGINS.



- Staff review application package (project, financing, tax clearance & disclosure)
- City Council support sought
- Vacant Property Review Committee decision
- Draft Purchase Agreement to Applicant to execute (price & project defined)

How much will the property cost?

- Properties in eligible markets are available for nominal or discount pricing

What is an eligible market?

Properties where the median sale price of homes in the census block group is less than \$75,000

What are the terms of purchase?



- You must have a plan for how you will improve the property, including information on the proposed improvements, a budget demonstrating the anticipated costs, and time line for completing the work.
- The City will place obligations in its deed to you to ensure that the property is improved and maintained in a manner that complies with all Philadelphia codes.



ONCE A PRICE AND PURCHASE AGREEMENT ARE OFFERED, YOU THEN HAVE SIX MONTHS TO SETTLE WITH THE CITY.

## 07 OK, I'VE AGREED TO THE PURCHASE AGREEMENT. NOW WHAT?



AFTER THE LAND BANK RECEIVES A SIGNED PURCHASE AGREEMENT, THERE ARE A FEW MORE STEPS BEFORE THE SALE IS FINALIZED.



- City Council Resolution
- Land Bank Board Approval
- Documentation preparation and review title report for settlement
- Property Sold

## CONGRATULATIONS! YOU NOW OWN A SIDE OR REAR YARD



### A few important things to remember now that you own a Side or Rear Yard obtained through the Land Bank



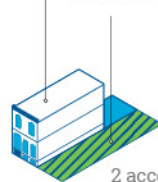
YOU ARE ENCOURAGED TO CONSOLIDATE YOUR PRIMARY RESIDENCE LOT AND NEW SIDE OR REAR YARD INTO ONE ACCOUNT WITHIN A YEAR.

Lot consolidation allows you to legally make the following alterations/additions:

1. Accessory Structures
2. Accessory parking (in some zoning districts)
3. Windows and doors on wall adjacent to yard
4. Additions built into the side or rear yard

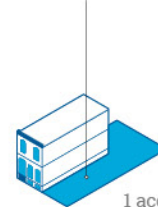
YOUR PRIMARY RESIDENCE

YOUR NEW SIDE YARD



2 accounts with the  
Office of Property  
Assessment (OPA)

YOUR CONSOLIDATED HOME LOT AND SIDE YARD



1 account with the  
Office of Property  
Assessment (OPA)

#### A FENCING RULES

1. Cannot be higher than 4 feet.
2. Cannot be more than 50% opaque.
3. Chain link fencing may not be used to enclose a side or rear yard.

#### B PARKING PROHIBITIONS & RESTRICTIONS

1. Side or rear yard is not allowed to be used for parking.
2. Parking cannot be the primary use of any lot in the city, regardless of zoning district.
3. Once properties are consolidated, parking may be allowed on a portion of the new lot.

#### C ACCESSORY STRUCTURES

Accessory structures can include storage sheds, greenhouses, detached garages, and more...

1. Storage cannot be a primary use of a lot in a residential district. Can be added once lots are consolidated.
2. Structures accessory to residential uses are capped at 130 square feet and 15 feet high.

#### D POOLS

1. Not recommended for side or rear yards.
2. Zoning classifications have various dimensional requirements for pools.

#### E ALTERATIONS & ADDITIONS

Potential alterations and additions:

1. Rowhouse expansions.
2. New windows and doors on the demising wall.
3. Accessibility ramps.

Lot consolidation, and in most cases, building permits will be required to make these changes.

#### F RAISED DECKS

Raised decks require a building permit and may not encroach within the side or rear yard setback dictated by the zoning code.

#### G SIDEWALKS

You are now responsible for maintaining the sidewalk in front of your side or rear yard. This includes sweeping and shoveling.

## CHECKLIST

Obtaining a SIDE or REAR YARD through the Land Bank is a legal process with multiple steps along the way. Land Bank staff will work with you as your project moves forward, but the following checklist is designed to help you track your progress.

The process is organized into six phases from Pre-Planning (when you submit your initial Expression of Interest to Settlement (when the property becomes yours) and then through Compliance (when you work to develop your project and make the improvements that you envision).

**PRE-PLANNING:** I am interested in obtaining a property through the Land Bank

- ☐ Submit an Expression of Interest (EOI)
- ☐ Receive acknowledgment of EOI from Land Bank

**QUALIFICATION:** I am applying to obtain a property through Land Bank

- ☐ **COMPILE APPLICATION MATERIALS REQUESTED BY LAND BANK:** COMPLETED AND SUBMITTED
  - ☐ Tax Certification Form ☐
  - ☐ Conflict of Interest and Public Disclosures Form ☐
  - ☐ Property Application Package ☐

- ☐ Notified by Land Bank that Application has been accepted or rejected

**PROJECT DEVELOPMENT :** I am designing my project

- ☐ Receive request for further information on Application Package
- ☐ Receive Plan Conformity Certification
- ☐ Receive Council Letter of Support
- ☐ Receive Purchase & Development Agreement from Land Bank
- ☐ Attend Land Bank Orientation
- ☐ Sign Purchase & Development Agreement

**APPROVAL:** I am working through the approval processes

- ☐ Receive approval of disposition from the Vacant Property Review Committee (VPRC)
- ☐ Receive approval of disposition from City Council
- ☐ Receive approval of disposition from the Land Bank Board

**SETTLEMENT:** I am working to finalize the purchase and transfer of property ownership into my name

- ☐ Order title report (optional)
- ☐ Obtain title insurance (optional)
- ☐ **UPDATE APPLICATION MATERIALS REQUESTED BY LAND BANK:** COMPLETED AND SUBMITTED
  - ☐ Tax Certification Form ☐
  - ☐ Conflict of Interest & Public Disclosures Form ☐
- ☐ **SETTLEMENT REQUESTED BY LAND BANK:** COMPLETED AND SUBMITTED
  - ☐ Execute Purchase & Development Agreement ☐
  - ☐ Execute Deed & Covenants / Mortgage ☐
  - ☐ Record Agreement, Deed, Covenants, Mortgage ☐

**COMPLIANCE & COMPLETION MONITORING:** I am working to complete my project

- ☐ Receive Notice to Proceed
- ☐ Start making improvements
- ☐ **STATUS REPORTS REQUESTED BY LAND BANK:** COMPLETED AND SUBMITTED
  - ☐ Status Report 1 with photos ☐
  - ☐ Status Report 2 with photos ☐
- ☐ Complete planned improvements
- ☐ Receive Certificate of Completion!

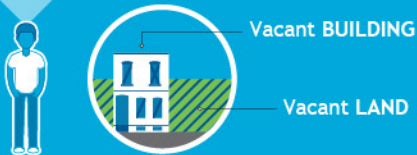


## USER GUIDE FOR PEOPLE INTERESTED IN ACQUIRING CITY-OWNED SURPLUS PROPERTY:

A tool to help you navigate the City's Disposition Policies.

DRAFT: subject to change per revisions to the Disposition Policies

### "I WANT TO ACQUIRE THAT VACANT PROPERTY"



Follow these 3 steps to see if:

- you are eligible to apply for property
- the property is eligible for disposition from the Land Bank

### HOW TO READ THIS USER GUIDE:

- 1] the APPLICANT [that's you] must meet certain criteria
- 2] the APPLICANT must take action
- the PROPERTY must meet certain criteria
- CITY COUNCIL must take action
- LAND BANK staff must take action



#### 01 AM I ELIGIBLE TO OBTAIN PROPERTY THROUGH THE LAND BANK?



- |  |       |
|--|-------|
| 1. Do I owe the City any past-due taxes?   | Y / N |
| 2. Do I owe the Water Department for any overdue water or stormwater bills?                        | Y / N |
| 3. Do I owe Philadelphia Gas Work for any overdue gas bills?                                       | Y / N |
| 4. Do I own any property that has a significant unaddressed violation of City codes or ordinances? | Y / N |
| 5. Do I owe the Parking Authority payment for any past-due tickets?                                | Y / N |
| 6. Am I behind in Child Support payments?  | Y / N |

If you answered YES to ANY of the questions above, you are currently INELIGIBLE to obtain property through the Land Bank.

#### WHAT SHOULD I DO NEXT?

[you will need to pay those outstanding bills in order to become a qualified applicant]

If you answered NO to ALL of the questions above, you MAY BE A QUALIFIED APPLICANT eligible to obtain property through the Land Bank.

#### GREAT! WHAT SHOULD I DO NEXT?

[proceed to question 2]

#### 02 IS IT THE PROPERTY CITY-OWNED & AVAILABLE?



Check [www.PhiladelphiaLandBank.org](http://www.PhiladelphiaLandBank.org) to see if the property is surplus property available for disposition

YES

NO

IF IT IS NOT OWNED BY THE CITY, PLEASE SEE THE ACQUISITION POLICY

#### 03 HOW DO YOU INTEND TO USE THE PROPERTY?



Housing



Side /  
Rear Yard



Garden



★ Business  
Expansion



Economic/Community  
Development

This is the Business Expansion Guide;  
flip over to see the next steps in the process



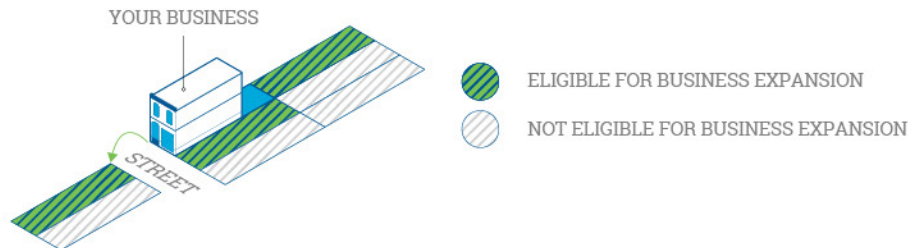
## "I WOULD LIKE TO ACQUIRE THE VACANT PROPERTY TO EXPAND MY BUSINESS"



BUSINESS EXPANSION

### 04 DOES THE PROPERTY MEET THE CRITERIA FOR BUSINESS EXPANSION?

Is your business adjacent to or across the street from the vacant property?



YES

NO

IF THE PROPERTY DOES NOT MEET THE ABOVE CRITERIA, THE PROPERTY IS NOT ELIGIBLE FOR A NON-COMPETITIVE SALE FOR BUSINESS EXPANSION.

YOU CAN STILL SUBMIT AN EOI BUT IF/WHEN DISPOSITION OCCURS, IT WILL BE THROUGH COMPETITIVE SALE. PLEASE JUMP TO SECTION 7.

### 05 HOW DO I ACQUIRE THE PROPERTY FROM THE LAND BANK?

In order to acquire property from the LAND BANK, you must submit an Expression Of Interest (EOI) online. PLB will follow up by sending an application that must be filled out.

If multiple applicants request a parcel under the Business Expansion program, the property will be offered to the qualified purchaser who submits a complete EOI first.

### 06 WHAT HAPPENS AFTER I SUBMIT MY APPLICATION?



AFTER THE LAND BANK RECEIVES AN EOI AND A COMPLETED APPLICATION, AN INTERNAL PROCESS BEGINS.



1. Staff review application package (project, financing, tax clearance & disclosure, impact of business, job creation & wage levels)
2. City Council support sought
3. Vacant Property Review Committee decision
4. Draft Purchase Agreement to Applicant to execute (price & project defined)

#### How much will the property cost?

A. Properties transferred directly to a specific entity without a competitive process shall be transferred at fair market value as determined by an external, independent appraisal obtained within 90 days of the date the sale is approved by the City.

#### What are the terms of purchase?

- B. You must have a plan for how you will improve the property, including information on the proposed improvements, a budget demonstrating the anticipated costs, and time line for completing the work.
- C. The City will place obligations in its deed to you to ensure that the property is improved and maintained in a manner that complies with all Philadelphia codes.



ONCE A PRICE AND PURCHASE AGREEMENT ARE OFFERED, YOU THEN HAVE SIX MONTHS TO SETTLE WITH THE CITY.

### 07 OK, I'VE AGREED TO THE PURCHASE AGREEMENT. NOW WHAT?

AFTER THE LAND BANK RECEIVES A SIGNED PURCHASE AGREEMENT, THERE ARE A FEW MORE STEPS BEFORE THE SALE IS FINALIZED.



1. City Council Resolution
2. Land Bank Board Approval
3. Documentation prep and review title report for settlement
4. Property Sold

PLEASE JUMP TO THE END OF SECTION 10 TO SEE THE REQUIREMENTS FOR OWNERSHIP.

## 07 I WANT TO EXPAND MY BUSINESS TO A NEARBY CITY OWNED PROPERTY THAT ISN'T ADJACENT OR ACROSS THE STREET



- A. In order to acquire property from the LAND BANK, you must submit an Expression Of Interest (EOI) online. PLB will follow up by sending an application that must be filled out.
- B. If multiple applicants request a parcel, the property will be offered to the qualified purchaser who submits a complete EOI first, or if the property is worth more than \$50,000 through a competitive sale.

### How does a Competitive Sale work?

1. Competitive Sales are advertised through broker listings, the use of the Multiple Listing Service, websites and other recognized methods to encourage broad participation in the sale of selected properties.
2. Property prices will be established using an Automated Valuation Model (AVM), a competitive market analysis, or an appraisal.
3. Properties will be placed on the market for a period of time sufficient to allow broader engagement by potential buyers, but for no less than 30 days.
4. The City retains its right to approve or reject a Qualified Bid based on clear criteria, including price.
5. Competitive Sales may be used where the property's AVM is \$50,000 or more or where there are multiple applicants for a single parcel.

### How do I submit an application?

A Competitive Sale application requires the following:



1. Executed Bid Form
2. Tax Clearance and Conflict of Interest Form.
3. Documentation of committed funds
4. Bank Statements (if individual)
5. Audited financial statement (if business)
6. Interim financial statement for most recent quarter (if business)

## 08 I SUBMITTED MY APPLICATION, NOW WHAT?



AFTER THE LAND BANK RECEIVES A COMPLETED APPLICATION, AN INTERNAL PROCESS BEGINS.



1. Staff review application packages
2. Developer selection
3. City Council support sought
4. Notify unsuccessful bidders
5. Notify successful developer
6. Request and receive deposit (Competitive Sales only)
7. Draft Purchase Agreement sent to Applicant to execute

## 09 OK, I'VE AGREED TO THE PURCHASE AGREEMENT. NOW WHAT?



AFTER THE LAND BANK RECEIVES A SIGNED PURCHASE AGREEMENT, THERE ARE A FEW MORE STEPS BEFORE THE SALE IS FINALIZED



1. Vacant Property Review resolution
2. City Council resolution
3. Land Bank approval
4. Recommend that developer order title report/sign waiver and secure title insurance
5. Review Tax Certification, Conflict of Interest and Public Disclosure Forms
6. Receive zoning/permits from Developer
7. Execute Purchase and Development Agreement
8. Property Sold

## CONGRATULATIONS! YOU NOW OWN A PROPERTY TO BE USED TO EXPAND YOUR BUSINESS



### A few important things to remember if you acquired property through an RFP process

#### CONSTRUCTION PERIOD

1. Construction can commence once a settlement agreement is completed
2. Once construction is complete, PLB will review the development to determine if it is compliant with Agreement
3. If the development is found to be in compliance with the Agreement, the Land Bank will issue a Certificate of Completion

#### EVENTS OF DISQUALIFICATION

1. Unilateral withdrawal by the selected developer
2. Failure to proceed substantially in accordance with the proposal as submitted
3. Failure by the developer for any reasons whatsoever to timely execute the agreement when tendered
4. Material misrepresentation, omission, or inaccuracy contained in any document submitted either as a part of the RFP, or subsequent thereto
5. Failure to provide in a timely manner the additional material required after selection throughout the Land Bank disposition process

## CHECKLIST

Obtaining a property for BUSINESS EXPANSION through the Land Bank is a legal process with multiple steps along the way. Land Bank staff will work with you as your project moves forward, but the following checklist is designed to help you track your progress.

The process is organized into six phases from Pre-Planning (when you submit your initial Expression of Interest to Settlement (when the property becomes yours) and then through Compliance (when you work to develop your project and make the improvements that you envision).

**PRE-PLANNING:** I am interested in obtaining a property through the Land Bank

- ☐ Submit an Expression of Interest (EOI)
- ☐ Receive acknowledgment of EOI from Land Bank

**QUALIFICATION:** I am applying to obtain a property through Land Bank

- ☐ Compile Application Materials:
  - ☐ Tax Certification Form
  - ☐ Conflict of Interest and Public Disclosures Form
  - ☐ Property Application Package
- ☐ Notified by Land Bank that Application has been accepted or rejected

COMPLETED AND SUBMITTED



**PROJECT DEVELOPMENT :** I am designing my project

- ☐ Receive request for further information on Application Package
- ☐ Receive Plan Conformity Certification
- ☐ Receive Council Letter of Support
- ☐ Receive Purchase & Development Agreement from Land Bank
- ☐ Receive Economic Opportunity Plan (EOP) Guidelines, if required
- ☐ Attend Land Bank Orientation
- ☐ Sign Purchase & Development Agreement
- ☐ Sign Economic Opportunity Plan, if required

**APPROVAL:** I am working through the approval processes

- ☐ Receive approval of disposition from the Vacant Property Review Committee (VPRC)
- ☐ Receive instruction to secure zoning and permits, if required
- ☐ Receive approval of disposition from City Council
- ☐ Receive approval of disposition from the Land Bank Board

**SETTLEMENT:** I am working to finalize the purchase and transfer of property ownership into my name

- ☐ Order title report
- ☐ Obtain title insurance
- ☐ Receive approval of disposition from the Land Bank Board

- ☐ Update Application Materials:
  - ☐ Tax Certification Form
  - ☐ Conflict of Interest & Public Disclosures Form

COMPLETED AND SUBMITTED



- ☐ Submit zoning and permits

- ☐ Settlement
  - ☐ Execute Purchase & Development Agreement
  - ☐ Execute Deed & Covenants / Mortgage
  - ☐ Record Agreement, Deed, Covenants, Mortgage

COMPLETED AND SUBMITTED



**COMPLIANCE & COMPLETION MONITORING:** I am working to complete my project

- ☐ Attend pre-construction conference
- ☐ Receive Notice to Proceed
- ☐ Start construction

- ☐ Status Reports:
  - ☐ Status Report 1 with photos
  - ☐ Status Report 2 with photos
  - ☐ Status Report 3 with photos
  - ☐ Status Report 4 with photos

COMPLETED AND SUBMITTED



- ☐ Monthly EPO Progress Reports:
  - ☐ Month 1
  - ☐ Etc.

COMPLETED AND SUBMITTED



- ☐ Complete construction
- ☐ Schedule final inspections
- ☐ Request Certificate of Occupancy from Licenses & Inspections (L&I)
- ☐ Receive Certificate of Occupancy
- ☐ Receive Certificate of Completion!

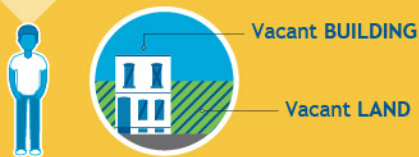


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A tool to help you navigate the City's Disposition Policies.

DRAFT: subject to change per revisions to the Disposition Policies

### "I WANT TO ACQUIRE THAT VACANT PROPERTY"



Follow these 3 steps to see if:

- you are eligible to apply for property
- the property is eligible for disposition from the Land Bank

### HOW TO READ THIS USER GUIDE:



- 1] the APPLICANT [that's you] must meet certain criteria
- 2] the APPLICANT must take action



the PROPERTY must meet certain criteria



CITY COUNCIL must take action



LAND BANK staff must take action



### 01 AM I ELIGIBLE TO OBTAIN PROPERTY THROUGH THE LAND BANK?



- |  |       |
|--|-------|
| 1. Do I owe the City any past-due taxes?   | Y / N |
| 2. Do I owe the Water Department for any overdue water or stormwater bills?                        | Y / N |
| 3. Do I owe Philadelphia Gas Work for any overdue gas bills?                                       | Y / N |
| 4. Do I own any property that has a significant unaddressed violation of City codes or ordinances? | Y / N |
| 5. Do I owe the Parking Authority payment for any past-due tickets?                                | Y / N |
| 6. Am I behind in Child Support payments?  | Y / N |

If you answered YES to ANY of the questions above, you are currently INELIGIBLE to obtain property through the Land Bank.

#### WHAT SHOULD I DO NEXT?

[you will need to pay those outstanding bills in order to become a qualified applicant]

If you answered NO to ALL of the questions above AND you HAVE THE FUNDS to purchase the land and develop your project, you MAY BE A QUALIFIED APPLICANT eligible to obtain property through the Land Bank.

#### GREAT! WHAT SHOULD I DO NEXT?

[proceed to question 2]

### 02 IS IT THE PROPERTY CITY-OWNED & AVAILABLE?



Check [www.PhiladelphiaLandBank.org](http://www.PhiladelphiaLandBank.org) to see if the property is surplus property available for disposition

YES

NO

IF IT IS NOT OWNED BY THE CITY, PLEASE SEE THE ACQUISITION POLICY

### 03 HOW DO YOU INTEND TO USE THE PROPERTY?



★ Housing



Side /  
Rear Yard



Garden



Business  
Expansion



Economic/Community  
Development

This is the Housing Guide;  
flip over to see the next steps in the process



## "I WOULD LIKE TO ACQUIRE THE VACANT PROPERTY FOR USE AS HOUSING"



HOUSING (AFFORDABLE OR MARKET RATE)

### 04 IS THE PROPERTY PART OF AN EXISTING REQUEST FOR PROPOSAL (RFP) OR COMPETITIVE SALE?

#### Request for Proposal (RFP)

If the City has a specific planned use for one or more parcels, or if certain parcels are deemed of a significant scale and/or of neighborhood or City significance, a Request for Proposals (RFP) may be issued to identify and select a potential developer. This format allows the City to explain the planned use and any restrictions that may be placed on the developer or successive owners of the property.

#### Competitive Sales

Competitive Sales will be used for all properties that are not part of an RFP, except in limited cases where a Non-Competitive Sale is an option:

1. Proposal for business expansion to adjacent or nearby properties
2. Proposal for community-serving uses such as affordable housing, daycare, or health care facility, etc.
3. Proposal for garden or side/rear yard

RFPs AND COMPETITIVE SALES ARE POSTED ON THE LAND BANK WEBSITE UNDER THEIR RESPECTIVE TABS.

**YES** **NO** IF NO, PLEASE JUMP TO SECTION 8.

### 05 HOW DO I SUBMIT AN APPLICATION FOR AN REQUEST FOR PROPOSAL (RFP) OR A COMPETITIVE SALE?

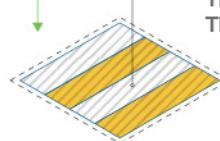
An RFP application requires the following:

1. Development Team and Project Details
2. Financial Summary
3. Development Plans
4. Development Schedule and Timelines
5. Economic Opportunity Policy & Project Goals
6. Proposal Fee
7. Certificate of Non-Indebtness
8. Campaign Disclosure Forms
9. Tax Clearance & Conflict of Interest Form

A Competitive Sales application requires the following:

1. Executed Bid Form
2. Tax Clearance and Conflict of Interest Form
3. Documentation of committed funds
4. Bank Statements (if individual)
5. Audited financial statement (if business)
6. Interim financial statement for most recent quarter (if business)

IF APPLICANT CONTROLS ABUTTING PROPERTIES THAT CAN BE USED IN A DEVELOPMENT SITE, THEY MAY BE ELIGIBLE FOR A NON-COMPETITIVE SALE.



LAND BANK PROPERTY

SINGLE PROPERTY OWNER/APPLICANT

### 06 WHAT HAPPENS AFTER I SUBMIT MY APPLICATION?



AFTER APPLICATIONS ARE SUBMITTED, REQUEST FOR PROPOSALS AND COMPETITIVE SALES FOLLOW THE SAME PROCESS TO SELECT A SUCCESSFUL BIDDER. A DEPOSIT OF (\$1,500 or 10%) IS REQUIRED FOR COMPETITIVE SALES WINNERS.

1. Staff review application packages
2. Developer selection
3. City Council support sought
4. Notify unsuccessful bidders
5. Notify successful developer
6. Request and receive deposit (Competitive Sales only)
7. Draft Purchase Agreement to Applicant to execute

### 07 OK, I'VE AGREED TO THE PURCHASE AGREEMENT. NOW WHAT?



AFTER DEVELOPERS ARE CHOSEN, REQUEST FOR PROPOSALS AND COMPETITIVE SALES FOLLOW THE SAME PROCESS BEFORE A PROPERTY IS SOLD.

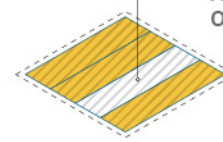
1. Vacant Property Review resolution
2. City Council resolution
3. Land Bank approval
4. Recommend that developer order title report/sign waiver and secure title insurance
5. Review Tax Certification, Conflict of Interest and Public Disclosure Forms
6. Receive zoning/permits from Developer
7. Execute Purchase and Development Agreement
8. Property Sold

PLEASE JUMP TO THE END OF SECTION 10 TO SEE THE REQUIREMENTS FOR OWNERSHIP.

## 08 HOW DO I ACQUIRE LAND FOR HOUSING IF IT IS NOT PART OF AN RFP OR COMPETITIVE SALE?



- In order to acquire property from the LAND BANK, you must submit an Expression Of Interest (EOI) online. PLB will follow up by sending an application that must be filled out.
- If and when the property is listed for competitive sale, you will be notified because you submitted an EOI.
- Developers are eligible for non-competitive sales in the case of an entity desiring to develop its property in conjunction with City property, if the entity owns at least 75% of the proposed development site and, after acquiring the City-owned properties, owns 100% of the development site.



ELIGIBLE FOR NON-COMPETITIVE SALE IF APPLICANT CONTROLS AT LEAST 75% OF DEVELOPMENT SITE.

- LAND BANK PROPERTY
- SINGLE PROPERTY OWNER/ APPLICANT

## 09 WHAT HAPPENS AFTER I SUBMIT MY APPLICATION?



AFTER THE LAND BANK RECEIVES AN EOI AND A COMPLETED APPLICATION, AN INTERNAL PROCESS BEGINS.



- Staff review application package (project, financing, tax clearance & disclosure)
- City Council support sought
- Vacant Property Review Committee decision
- Draft Purchase Agreement to Applicant to execute (price & project defined)

### How much will the property cost?

- The City will publish prices for properties when it is able to confidently reflect market pricing. The City may use an appraisal to establish the price of any property. For vacant structures, the cost of repair or demolition may be considered in determining price. Information regarding the Land Bank pricing model can be found on the Land Bank's website.
- Developments that provide affordable or workforce housing as defined under local or federal guidelines may acquire property for a discount or for nominal consideration. Such developments do not have to be directly subsidized by the City, state or federal government to qualify for discounted pricing. Restrictions or covenants to preserve affordability will be recorded against the property.

### What are the terms of purchase?

- You must have a plan for how you will improve the property, including information on the proposed improvements, a budget demonstrating the anticipated costs, and time line for completing the work.
- The City will place obligations in its deed to you to ensure that the property is improved and maintained in a manner that complies with all Philadelphia codes.



ONCE A PRICE AND PURCHASE AGREEMENT ARE OFFERED, YOU THEN HAVE SIX MONTHS TO SETTLE WITH THE CITY OR LAND BANK.

## 10 OK, I'VE AGREED TO THE PURCHASE AGREEMENT. NOW WHAT?



AFTER THE LAND BANK RECEIVES A SIGNED PURCHASE AGREEMENT, THERE ARE A FEW MORE STEPS BEFORE THE SALE IS FINALIZED.



- City Council Resolution
- Land Bank Board Approval
- Documentation preparation and review title report for settlement
- Property Sold

## CONGRATULATIONS! YOU NOW OWN A PROPERTY TO BE USED FOR HOUSING



### A few important things to remember if you acquired property through an RFP process

#### CONSTRUCTION PERIOD

- Construction can commence once a settlement agreement is completed
- Once construction is complete, PLB will review the development to determine if it is compliant with Agreement
- If the development is found to be in compliance with the Agreement, the Land Bank will issue a Certificate of Completion

#### EVENTS OF DISQUALIFICATION

- Unilateral withdrawal by the selected developer
- Failure to proceed substantially in accordance with the proposal as submitted
- Failure by the developer for any reasons whatsoever to timely execute the agreement when tendered
- Material misrepresentation, omission, or inaccuracy contained in any document submitted either as a part of the RFP, or subsequent thereto.
- Failure to provide in a timely manner the additional material required after selection throughout the Land Bank disposition process.



## CHECKLIST

**PRE-PLANNING:** I am interested in obtaining a property or properties through the Land Bank

- ☐ Submit an Expression of Interest (EOI)
- ☐ Receive acknowledgement of EOI from Land Bank

**REQUEST FOR PROPOSALS:** I am planning to respond to the Land Bank's Request for Proposals (RFP)

- ☐ Receive RFP Notice via email
- ☐ Attend Pre-Bid Conference
- ☐ Submit Proposal
- ☐ Notified by Land Bank that Proposal has been accepted or rejected

**DEVELOPER SELECTION:** I am working out the specifics of the project

- ☐ Receive request for further information on Application Package
- ☐ Receive Plan Conformity Certification
- ☐ Receive Council Letter of Support
- ☐ Receive Purchase & Development Agreement from Land Bank
- ☐ Receive Economic Opportunity Plan (EOP) Guidelines, if required
- ☐ Attend Land Bank Orientation
- ☐ Sign Purchase & Development Agreement
- ☐ Sign Economic Opportunity Plan, if required

**APPROVAL:** I am working through the approval processes

- ☐ Receive approval of disposition from the Vacant Property Review Committee (VPRC)
- ☐ Receive instruction to secure zoning and permits, if required
- ☐ Receive approval of disposition from City Council
- ☐ Receive approval of disposition from the Land Bank Board

**SETTLEMENT:** I am working to finalize the purchase and transfer of property ownership

- ☐ Order title report
- ☐ Obtain title insurance
- ☐ Receive approval of disposition from the Land Bank Board

- ☐ Update Application Materials: COMPLETED AND SUBMITTED
  - ☐ Tax Certification Form ☐
  - ☐ Conflict of Interest & Public Disclosures Form ☐

- ☐ Submit zoning and permits

- ☐ Settlement COMPLETED AND SUBMITTED
  - ☐ Execute Purchase & Development Agreement ☐
  - ☐ Execute Deed & Covenants / Mortgage ☐
  - ☐ Record Agreement, Deed, Covenants, Mortgage ☐

**COMPLIANCE & COMPLETION MONITORING:** I am working to complete my project

- ☐ Attend pre-construction conference
- ☐ Receive Notice to Proceed
- ☐ Start construction

- ☐ Status Reports: COMPLETED AND SUBMITTED
  - ☐ Status Report 1 with photos ☐
  - ☐ Status Report 2 with photos ☐
  - ☐ Status Report 3 with photos ☐
  - ☐ Status Report 4 with photos ☐

- ☐ Monthly EPO Progress Reports: COMPLETED AND SUBMITTED
  - ☐ Month 1 ☐
  - ☐ Etc. ☐

- ☐ Complete construction
- ☐ Schedule final inspections
- ☐ Request Certificate of Occupancy from Licenses & Inspections (L&I)
- ☐ Receive Certificate of Occupancy
- ☐ Receive Certificate of Completion!

Obtaining a property or properties from the Land Bank for the development of HOUSING is a legal process with multiple steps along the way. Land Bank staff will work with you as your project moves forward, but the following checklist is designed to help you track your progress.

The process is organized into six phases from Pre-Planning (when you submit your initial Expression of Interest to Settlement (when the property becomes yours) and then through Compliance (when you work to develop your project and make the improvements that you envision).



## USER GUIDE FOR PEOPLE INTERESTED IN ACQUIRING CITY-OWNED SURPLUS PROPERTY:

A tool to help you navigate the City's Disposition Policies.

**DRAFT:** subject to change per revisions to the Disposition Policies

### "I WANT TO ACQUIRE THAT VACANT PROPERTY"



Vacant BUILDING

Vacant LAND

Follow these 3 steps to see if:

- you are eligible to apply for property
- the property is eligible for disposition from the Land Bank

### HOW TO READ THIS USER GUIDE:



- 1] the APPLICANT [that's you] must meet certain criteria
- 2] the APPLICANT must take action



the PROPERTY must meet certain criteria



CITY COUNCIL must take action



LAND BANK staff must take action



#### 01 AM I ELIGIBLE TO OBTAIN PROPERTY THROUGH THE LAND BANK?



- |  |       |
|--|-------|
| 1. Do I owe the City any past-due taxes?   | Y / N |
| 2. Do I owe the Water Department for any overdue water or stormwater bills?                        | Y / N |
| 3. Do I owe Philadelphia Gas Work for any overdue gas bills?                                       | Y / N |
| 4. Do I own any property that has a significant unaddressed violation of City codes or ordinances? | Y / N |
| 5. Do I owe the Parking Authority payment for any past-due tickets?                                | Y / N |
| 6. Am I behind in Child Support payments?  | Y / N |

If you answered YES to ANY of the questions above, you are currently **INELIGIBLE** to obtain property through the Land Bank.

#### WHAT SHOULD I DO NEXT?

[you will need to pay those outstanding bills in order to become a qualified applicant]

If you answered NO to ALL of the questions above, you MAY BE A QUALIFIED APPLICANT eligible to obtain property through the Land Bank.

#### GREAT! WHAT SHOULD I DO NEXT?

[proceed to question 2]

#### 02 IS IT THE PROPERTY CITY-OWNED & AVAILABLE?



Check [www.PhiladelphiaLandBank.org](http://www.PhiladelphiaLandBank.org) to see if the property is surplus property available for disposition

YES

NO

IF IT IS NOT OWNED BY THE CITY, PLEASE SEE THE ACQUISITION POLICY

#### 03 HOW DO YOU INTEND TO USE THE PROPERTY?



Housing



Side /  
Rear Yard



★ Garden



Business  
Expansion



Economic/Community  
Development

This is the Garden Guide;  
flip over to see the next steps in the process



## "I WOULD LIKE TO LEASE A VACANT PROPERTY FOR USE AS A GARDEN"



GARDEN

### 04 DO YOU INTEND TO USE THE GARDEN FOR INDIVIDUAL OR COMMUNITY PURPOSES?

#### Individual Garden

The City can provide an individual or household temporary access to publicly owned land to be maintained for personal use. The intent is to provide an interim use for the land to eliminate blight and improve safety until development is possible.

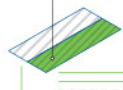
**Residents must live (OWN OR RENT) within a certain distance to use a property as an individual garden**

VACANT LOT TO BE USED AS A GARDEN

RESIDENCE WITHIN 500 FT. - ELIGIBLE

RESIDENCE WITHIN 1,500 FT. - ELIGIBLE WITH PLB APPROVAL

RESIDENCE OVER 1,500 FT. - INELIGIBLE



YES NO

IF YOUR PRIMARY RESIDENCE IS MORE THAN 1,500 FEET FROM THE PROPERTY, IT IS INELIGIBLE FOR USE AS AN INDIVIDUAL GARDEN

#### Community Garden

A community garden is defined as one or more properties managed and maintained by a group of individuals to grow and harvest food or non-food items (such as flowers) for personal or group consumption, for donation, or for sale that is incidental in nature. A community garden area may be divided into separate garden plots or orchard areas for cultivation by one or more individuals or may be farmed collectively by members of the group.

**Does your organization and garden meet the below criteria?**



- A. Must be either a Nonprofit Organization or an Unincorporated Nonprofit Association.
- B. Lot cannot be used to park, keep or store any motor vehicle, trailer, or boat at any time.
- C. Lot cannot be used to keep pets, animals or livestock.
- D. Lot cannot be used to store building materials to be used off site.

YES NO

IF NO, YOU ARE NOT ELIGIBLE TO USE LAND BANK PROPERTIES FOR THE PURPOSE OF A COMMUNITY GARDEN

### 05 THE PROPERTY AND MY ORGANIZATION ARE ELIGIBLE FOR A COMMUNITY OR INDIVIDUAL GARDEN, NOW WHAT?

INDIVIDUAL GARDENS AND COMMUNITY GARDENS OPERATING FOR LESS THAN 5 YEARS CAN ONLY BE LEASED AND NOT OWNED.



Individual Gardens can be leased for 1 year (can renew annually)



Community Gardens can be leased for up to 3 years



In order to lease property from the LAND BANK, your organization must submit an Expression Of Interest (EOI) online. PLB will follow up by sending an application that must be filled out.

### 06 WHAT HAPPENS AFTER I SUBMIT MY APPLICATION?



#### 1 year lease (individual/community garden)

- A. Staff review application package
- B. Draft Lease agreement to applicant to execute.

#### How much will the lease cost?

INDIVIDUAL GARDEN AGREEMENTS ARE AVAILABLE FOR \$25 PER YEAR.

#### Multi-year community garden lease

- A. Staff review application package.
- B. City Council support sought
- C. Vacant Property Review Committee decision
- D. Draft lease agreement to applicant to execute (price and project defined)

## 07 OUR COMMUNITY GARDEN HAS BEEN IN OPERATION FOR 5 YEARS, CAN WE NOW PURCHASE THE PROPERTY?

Before you can purchase the property from the Land Bank, you must verify the following:



- Proof that the garden has been in continuous operation for over 5 years.
- Applicant must demonstrate satisfaction of the City and operational and financial capacity to maintain and manage the property.
- A signed letter of support by a Registered Community Organization, local Community Development Corporation, or other Civic Association.
- In lieu of above support, applicant can seek signed approval by the majority of neighbors on the block or within a one block radius of the garden.
- Documented opportunities for neighborhood residents to access and benefit from the site.

ONCE THE ABOVE CRITERIA IS MET, THE LAND BANK WILL CONSIDER THE APPLICATION TO PURCHASE.

## 08 WHAT HAPPENS AFTER I SUBMIT MY APPLICATION?



AFTER THE LAND BANK RECEIVES A COMPLETED APPLICATION, AN INTERNAL PROCESS BEGINS.



- Staff review application package (project, financing, tax clearance & disclosure, impact of business, job creation & wage levels)
- City Council support sought
- Vacant Property Review Committee decision
- Draft Purchase Agreement to Applicant to execute (price & project defined)

### How much will the property cost?

- Approved gardens will be conveyed for nominal consideration.

### What are the terms of purchase?



- Approved gardens are conveyed with a deed restriction.
- All sales agreements will have a reverter clause that allows the City to retake title if the property is no longer being operated as a garden.
- Entities must agree to use the property at their own risk and accept the property "as-is".



ONCE A PRICE AND PURCHASE AGREEMENT ARE OFFERED TO A BUYER, YOU THEN HAVE SIX MONTHS TO SETTLE WITH THE CITY.

## 07 OK, I'VE AGREED TO THE PURCHASE AGREEMENT. NOW WHAT?

AFTER THE LAND BANK RECEIVES A SIGNED PURCHASE AGREEMENT, AN INTERNAL PROCESS BEGINS.



- City Council Resolution
- Land Bank Board Approval
- Documentation preparation and review title report for settlement
- Property Sold

**CONGRATULATIONS! YOU NOW LEASE / OWN A LOT TO BE USED AS A GARDEN**



### A few important things to remember now that you are responsible for a Garden

- Garden lease/owners must maintain the sidewalk space (public right of way) outside of the garden, including snow removal and removal of overgrowth.
- Entity must monitor all activities on the lot and not permit gardener or neighbors to convene, children to play, or community events to be held on the lot before 5 AM or after 10 PM.
- Entity must agree not to grow any plants regulated or prohibited by federal laws on the lot.

## CHECKLIST

## FROM VACANT AND UNDERUTILIZED TO PRODUCTIVE

### Continue to Return Property to Productive Use

#### RECOMMENDATIONS FOR THE NEXT YEAR

#### Acquisition

##### 5. DEVELOP SOLUTIONS FOR ACCESSING TAX-DELINQUENT PROPERTIES BURDENED BY U.S. BANK LIENS

4,363 (15%) properties in the universe of privately-owned, tax-delinquent, vacant properties that would otherwise be eligible for acquisition by the Land Bank at Sheriff's Sale are currently off-limits because there is a U.S. Bank lien on these properties, stemming from a deal made in 1997 to sell off uncollected taxes and liens. These properties are subject to additional costs to pay off the privately-held liens at the time of acquisition. With its acquisitions funded by General Fund dollars, the Land Bank is unable to spend public tax dollars to pay down these liens. Under the current acquisition policy, unless a third party is willing and able to cover the dollars owed on the U.S. Bank liens, acquisition of these properties cannot move forward. These challenges mean that some U.S. Bank lien properties are sold at Sheriff Sale and represent lost opportunities for the City to assemble land strategically.

One possible solution is for the Land Bank to apply revenue net of operating costs earned from dispositions (not General Fund resources) to satisfy the U.S. Bank liens. The first step toward this solution is to remove the Acquisition Policy prohibiting the Land Bank from satisfying the lien. In select cases, applicants working to acquire a property burdened by a U.S. Bank lien may be able to fundraise independently or work with their Council representative to cover the costs of the private liens. With over 4,300 properties (more than one-tenth of the estimated vacancy citywide) burdened by more than \$35 million in U.S. Bank liens as of December 2017, it is critical that the Land Bank work to develop a workable solution for removing this barrier to Land Bank activity. **KEY PARTNERS:** CITY COUNCIL, LAW, FINANCE

##### 6. PRIORITIZE THE ACQUISITION OF TAX-DELINQUENT PARCELS IN HIGH-VALUE AND EMERGING NEIGHBORHOODS TO PROMOTE MIXED-INCOME HOUSING, EQUITABLE DEVELOPMENT, AND ECONOMIC DEVELOPMENT

The Land Bank is an extremely valuable tool for supporting development, and this strategy from the City's new Housing Action Plan recognizes that for the Land Bank to be effective, it needs to try to get ahead of the market where possible. In the near term, the Land Bank should focus acquisition activity in Emerging and Established market areas in coordination with Philadelphia 2035, local neighborhood plans, and the land use priorities of District Council offices.

As a part of this recommendation, the Land Bank should work with PCPC and DHCD to develop detailed land profiles for specific neighborhoods to determine how much land is potentially available, evaluate the community's and City's goals, and then, based on publicly-owned surplus properties and potentially eligible private ones, develop targets for the future use of remaining property to guide acquisition activity going forward.

**KEY PARTNERS:** PCPC, DHCD, REVENUE, FINANCE, LAW



## 7. TAKE ACTION TO PRESERVE ACTIVE GARDENS

Some residents and organizations have cultivated gardens and food on vacant land for years. There are over 400 known gardens citywide. Often, these beloved community spaces span multiple parcels, some which may be in the public inventory of surplus property, and some that are privately-owned and often tax-delinquent. Studies by Neighborhood Gardens Trust conducted between 2015 and 2017 evaluated known gardens atop publicly-owned and privately-owned tax delinquent land to determine the level of activity and capacity, organizational structure, and threat to each garden's existence. NGT identified 26 initial priority gardens found to be in need of preservation and preservation-ready, comprising 179 total parcels of land. Of those 179 parcels, 35 (20%) were secure at the time of the study; the other 80% were insecure or threatened. Since the time of the study, efforts by the Land Bank and Department of Public Property have boosted ownership by gardeners at those original preservation sites to 25% (44 parcels). The Land Bank has moved forward on conveyances and acquisitions at 12 of the preservation-ready gardens. Completing the transfer of the existing Land Bank-owned and recently acquired properties to the garden entities stewarding the land at those gardens will increase the ownership rate from 37% (40 out of 108 parcels) to 53% (57 out of 108 parcels).

Beyond the list of gardens initially identified as preservation-ready by the NGT study, the Land Bank has acquired an additional 14 properties for future use as Gardens or Open Space, as of the close of FY19 Q2.

Continue proactive steps to preserve existing gardens by coordinating with the Department of Revenue, City Law Department, and the attorneys who process tax foreclosures to protect active gardens atop tax delinquent land. Flag properties moving toward Sheriff's Sale for acquisition by the Land Bank to meet garden preservation goals, as well as properties whose delinquency status does not yet meet the Land Bank's thresholds for acquisition so that these properties are not sold off at Sheriff's Sales before the Land Bank can intervene.

**KEY PARTNERS: REVENUE, LAW, SERVICERS, GARDEN ADVOCATES, CITY COUNCIL**

**FIGURE 21:** Example of Garden Comprising Multiple Parcels

### PLANNED COMMUNITY GARDEN

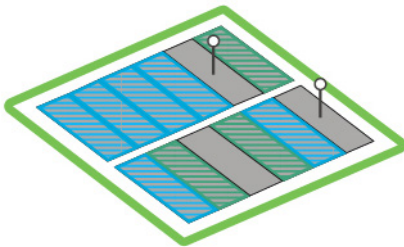
TOTAL PARCELS: 12

■ GARDEN OWNED PARCELS: 3

■ PUBLICLY OWNED PARCELS: 6

■ PRIVATELY OWNED PARCELS: 3 (3 owners)

📍 TAX DELINQUENT: 2



**TABLE 13:** Progress Toward Garden Preservation of Preservation-Ready Gardens

Source: Philadelphia Land Bank, Neighborhood Gardens Trust

	Total Lots	Lots Owned by Garden Group	% of Lots Secured	Lots Conveyed by PLB as of 12/31/18	Additional Lots Secured by PLB (owned or acquired)	% Secured so far with PLB Support*
<b>GARDEN PRESERVATION PROGRESS</b>						
Farm 51	2	1	50%		1	100%
Ile Ife Park	11	10	91%		1	100%
Memorial Park	12	7	58%		3	83%
Emerald Street Urban Farm	5	2	40%	2	2	80%
Five Loaves Two Fish Garden of Hestonville	7	2	29%		3	71%
New Jerusalem Garden	13	8	62%		1	69%
Girarden Garden	4	0	0%		2	50%
North Marshall Street Community Garden	4	2	50%	1		50%
Eagles Park	13	3	23%		1	31%
Philly Earth Urban Farm	17	3	18%		1	24%
Growing Home Gardens	14	2	14%		1	21%
Brewerytown Garden	6	0	0%		1	17%
	<b>108</b>	<b>40</b>	<b>37%</b>	<b>3</b>	<b>17</b>	<b>53%</b>

\* The ownership percentages in the last column reflect the percent of each garden that will be secured by the owners once the Land Bank conveys the properties.

## Disposition

### 8. WORK TO ADDRESS THE EXISTING INVENTORY BY TARGETING DISPOSITIONS FOR SIDE YARDS AND FINDING NEW WAYS TO ENABLE TEMPORARY SITE ACTIVATION

The Land Bank's existing inventory of property, much of which was transferred into the Land Bank in its first few years of operation from the Philadelphia Housing Development Corporation or the Department of Public Property includes a large number of lots for which there is no private market interest for redevelopment. To help move these properties back on the tax rolls, the Land Bank should establish a targeted program that aims to process these properties as side yards, if applicable, in an expedited manner. Because the properties in the historic inventory do not have the high acquisition costs of properties that were acquired at Sheriff's Sale, disposing of these low-demand properties and thereby reducing the Land Bank's maintenance costs translates to a net gain, despite the dispositions at nominal price.

Key steps to launch a proactive side yard program include:

- > Map all eligible properties for the pilot
- > Market potential side yards already in the Land Bank's inventory to adjacent homeowners
- > Process all applications at same time in a "side yard season," announcing the results at same time, and organizing closings for many properties in a coordinated fashion

As described in Recommendation 17, work with community partners to identify low-demand properties in the historic inventory that are well suited for temporary activation by community members. In these cases, qualified neighborhood-based non-profits could receive long-term leases to property and in turn work with local neighbors and other community partners to program the sites for use by the community at-large.

Track dispositions from this historic inventory separately from dispositions of acquired properties, as the existing inventory is likely less suited for reuse in keeping with the Land Bank's goals for the distribution of end uses.

**KEY PARTNERS:** CITY COUNCIL

### BEST PRACTICE: Streamlined Side Yard Process

Chicago's Large Lot program leverages staff capacity by holding "rounds" in which applications for yards come in during a specific window of time, all electronically. After review and approval from aldermen on all properties within a specified time period, staff processes all applications and notices are sent out at the same time. Lotteries to determine which of multiple neighbor applicants will get a property are held publicly on one day. All closings for the round are handled in a one- to two-day "assembly line" mass closing session.

### 9. START DISPOSING OF STRUCTURES ALREADY IN THE LAND BANK'S INVENTORY

To date, the Land Bank's acquisition efforts have been focused on land, not buildings, in large part due to the complexity, added risk, and carrying costs of evaluating, maintaining, and insuring structures until disposition occurs. However, the majority of the opportunity in the universe of privately-owned, tax-delinquent vacant property (65% or nearly 16,400 vacant properties) are vacant buildings. In the coming years, the Land Bank will need to start acquiring and disposing of these vacant structures, which, in some neighborhoods, will provide compelling opportunities for reuse if placed in the hands of the developers with the capacity and experience to undertake extensive rehabilitation efforts.

As a first step, this strategy recommends that before the Land Bank begins to acquire vacant structures at Sheriff's Sale, it works through the process of disposing of as many vacant structures already in its inventory as possible. Partner with other City agencies to develop a program.

The Philadelphia Redevelopment Authority has already transferred a handful of vacant structures to the Land Bank to support this recommendation. The Philadelphia Housing Authority is also considering transferring some of its scattered-site vacant buildings to the Land Bank. This represents an opportunity to fine-tune the disposition process for vacant structures, seeking ways to shorten timelines and minimize the risk and carrying costs.

**KEY PARTNERS:** DISTRICT ATTORNEY'S OFFICE, PHILADELPHIA HOUSING AUTHORITY, PRA

### RECENT SUCCESS: Market Rate Homeownership in Brewerytown



Source: City of Philadelphia

The Land Bank sold three properties in Brewerytown to RAZA Development. All structures were in need of significant investment and rehabilitation and have since been successfully renovated and sold.

## Operations

### 10. SCALE BACK THE FREQUENCY OF STRATEGIC PLANNING, WHILE MAINTAINING ANNUAL REPORTING

Annual strategic planning is a requirement of the Land Bank Ordinance. Given the lengthy acquisition and disposition timelines, the pace of change in the real estate market, and the amount of time it takes to undertake a full Strategic Plan (approximately six to eight months), City Council should consider extending the mandated time between Land Bank Strategic Plans to every three to five years, perhaps coordinated to occur after updates to The Reinvestment Fund's Market Value Analysis, which have historically occurred every four years.

Less frequent strategic planning, of course, would not reduce the Land Bank's annual reporting requirements. Staff is required to update the Land Bank Board with respect to progress toward acquisition and disposition targets. In interim years between strategic plans, a short Land Bank Annual Report should serve to present Land Bank activity to the public and stakeholders active in monitoring and holding the Land Bank accountable to fulfilling its mission and meeting its stated goals. In addition to updating the tables included in the Progress Report (pages 32 through 36), Land Bank staff, in developing the annual report, should:

- > Analyze real estate market activity to maintain a current understanding of where the market is emerging;
- > Report on acquisitions and dispositions by market segment;
- > Report on dispositions of the historic inventory separately from properties acquired at Sheriff's Sale; and
- > Eventually, in collaboration with the Department of Revenue, track tax revenue generated by properties disposed of by the Land Bank to better understand when those properties resume paying property tax and how much revenue is collected over time.

**KEY PARTNERS:** CITY COUNCIL

### 11. SEEK EFFICIENCIES TO SHORTEN ACQUISITION AND DISPOSITION TIMELINES, AND TRACK PROGRESS OVER TIME

Though all parties involved in Land Bank acquisition and disposition transactions can feel frustrated by the long timelines (on average nine to 12 months for acquisition at Sheriff's Sale and seven to nine months for a disposition of property from the Land Bank), both transactions are legal processes with many required steps. However, there are ongoing efforts to tighten timelines, which should remain priorities as operations progress.

The Land Bank recently worked with the Sheriff's Office to achieve a faster transfer of deeds for acquisitions. The City's Land Bank legislations calls for deed transfers to occur within 30 days, while State law allows for up to 120 days for deed transfers. The resulting delays in the transfer of deeds created a bottleneck, slowing down the acquisition process, but this issue, once identified, has been resolved.

Continue to track the duration of various steps in the disposition process, with the goal of lessening the time it takes to convey property out of the Land Bank.

**KEY PARTNERS:** SHERIFF'S OFFICE, REVENUE, LAW

### LONGER TERM RECOMMENDATIONS

### 12. START MOVING PRIVATELY-OWNED, TAX DELINQUENT VACANT STRUCTURES THROUGH THE LAND BANK

As discussed above, while likely not feasible in the next year, in future years, the Land Bank should pilot a program to begin to address the privately-owned, tax delinquent structures that comprise 65% of the opportunity for acquisitions at Sheriff's Sale. An effort to return these vacant structures to productive use can help to preserve the city's housing stock, stabilize blocks, and generate additional affordable housing through more cost-effective rehabs. In order to achieve this recommendation, the Land Bank needs to evaluate the holding costs, insurance, and developer interest and capacity to take on the challenge of renovating these structures.

In addition, a system is needed to evaluate acquisition candidates prior to acquisition to determine their rehab feasibility based on current condition and the level of work required, from moderate-to full gut-rehab. Currently, Land Bank staff lacks access to these structures. While Licenses and Inspections (L&I) staff has the power (with many limitations) to access privately-owned property, L&I lacks the staff capacity to undertake assessments of these structures at present.

**KEY PARTNERS:** L&I

### 13. MAINTAIN A STAFF POSITION DEDICATED TO DATA MANAGEMENT

Since hiring a new Executive Director and additional Land Bank staff, the data and data management has indeed improved within the Land Bank. The Land Bank's LAMA (Land Management) database includes all of the publicly-owned property in the City, and the new LAMS database tracks all of the privately-owned, tax delinquent property that could be working through the tax foreclosure process and heading to Sheriff's Sale. However, the vacancy and tax delinquency status of properties change over time, requiring ongoing tracking and updating, and once properties enter the acquisition or disposition pipelines, there are additional data indicators to track. Land Bank leadership identified a need for a staff person dedicated to data management to maximize efficiency and effectively use the data currently available. Planning and Development recently hired a dedicated staff position within the Planning Commission to manage the data, query the data for assembly opportunities, and provide updates and summaries to key partners.

**KEY PARTNERS:** OFFICE OF HUMAN RESOURCES, CITY COUNCIL



## BEST PRACTICE: Processing Vacant Structures

The Cook County and Cuyahoga County Land Banks are very active in moving vacant homes through their land banks and disposing to parties who will rehab them. They have found that home sales have provided the most significant returns to the land bank. However, a single-family focused program requires staff capacity to evaluate rehab requirements and specify work that must be done by the buyer within a stated time frame. It is important to place deeds in escrow or establish other deed restrictions to ensure that work is completed and meets Land Bank specifications.





# THE STANDARD FOR VACANT PROPERTY TRANSFER

## Continue to Refine the Process for Property Transfer at the City

### RECOMMENDATIONS FOR THE NEXT YEAR

#### Acquisition

##### 14. CONTINUE WORK TO STANDARDIZE THE TRANSFER OF THE CITY'S PUBLICLY-OWNED SURPLUS PROPERTY BACK TO PRIVATE OWNERSHIP

A key aspect of the initial vision for the Land Bank was to consolidate publicly-owned surplus property under one entity. Today 35% of the existing inventory of surplus publicly-owned properties (just over 2,300) are in the Land Bank. This leaves a significant number of properties (more than 3,000 that are available or on hold for a future development) under Department of Public Property and over 1,000 owned by the Philadelphia Redevelopment Authority. Despite fragmented public ownership, all publicly-owned surplus properties appear on the Land Bank's online map of available properties. The current situation creates confusion and frustration among the public who see these entities as one and the Land Bank as the access point to property.

There are two options moving forward to achieve greater uniformity in the City's process of disposing surplus property. In the past, the goal has been to pursue inter-agency transfers of property into the Land Bank. However, time is an important factor. It would take an estimated one and a half years to transfer properties into the Land Bank as well as staff time spent transferring properties that are already secure in public ownership, so properties should only be moved into the Land Bank if they contribute to potential long-term assemblages.

The recent Memorandum of Understanding between the Land Bank and the Department of Public Property will, in effect, achieve the same end goal of consolidation. The new MOU ensures the uniformity of procedures and due diligence on the part of both the Vacant Property Review Committee and the Land Bank, therefore removing the need to transfer properties between the City's land-holding agencies. This allows for more efficient use of staff time dedicated to dispositions.

The Land Bank is also working with the PRA to achieve standardized procedures for dispositions and the broader goal of uniformity.

**KEY PARTNERS: CITY COUNCIL, DEPARTMENT OF PUBLIC PROPERTY, LAW DEPARTMENT, PHILADELPHIA REDEVELOPMENT AUTHORITY**

#### Disposition

##### 15. UPDATE THE PROCESS FOR HOW PEOPLE ENGAGE THE LAND BANK

From the outset, the Expressions of Interest (EOI) process was intended to make accessing vacant property easier for the general public. It is currently the most visible and accessible way for citizens and potential applicants to engage the Land Bank. EOIs are handled through the Land Bank's website, with minimal information provided by the Land Bank or collected from the person expressing interest at the time of submitting the EOI. The low-barrier process, however, results in a high volume of requests from individuals and organizations who are not eligible. Furthermore, many people misunderstand what submitting an EOI actually means or achieves. As the name suggests, submitting an EOI is just that – submitting an expression of interest in a property; a full application process that vets the would-be applicant follows, and there is no guarantee that submitting an EOI will result in the transfer of property to that party or any party.

Other cities engaged in similar efforts collect far more information up front, require full applications as the first step in the process, and ask prospective purchasers to self-certify that they meet the baseline criteria to be eligible to acquire property. As this is the first impression of the Land Bank from the public's perspective, it is critical to address the current process for how the general public engages with the Land Bank. There are a number of issues to tackle. The following tasks could be part of the work plan for a staff position dedicated to community outreach, education, and engagement:

- > Provide more education to the public about what an EOI is and what it is not. Recent edits to the Land Bank's website provide clarified language about Expressions of Interest. Future communications and trainings should emphasize that submitting an Expression of Interest is not the same as completing an application to obtain a piece of land, nor is it a trigger that starts the disposition process or a guarantee that the interested party will obtain the property of interest. Include information about what to expect regarding next steps particularly with regard to required forms, competitive sales, or non-competitive sales, where applicable.
- > Include clear information about what tax compliance means and who is eligible to potentially acquire a vacant property from the Land Bank. Consider introducing a new step that asks interested parties to self-certify that they meet eligibility criteria.
- > Develop a plan to address the backlog of current EOIs. Update

those waiting for a response, classify current EOIs into categories, and move forward on disposition where possible.

- > Adopt different engagement processes for different end uses. A resident requesting a side yard is very different than a developer seeking property for development. This should be reflected in the initial inquiry process where different and varying degrees of information is collected for each end use to help better determine eligibility.
- > Going forward, collect more information about the intended end use and applicant eligibility including in some cases the applicant's capacity (for development-related inquiries) and qualifications to acquire the property. By integrating a simple checklist based on the intended end use selected by the applicant, the process could help to eliminate those who are not eligible and streamline the evaluation process.
- > Close out the EOI function for a property once engaged in a disposition process by an applicant who is eligible for a non-competitive sale. Currently, properties can have many EOIs until such time as the Land Bank makes a final resolution on how to dispose of the property. Among the general public, it is impossible to know how many EOIs may have already been submitted and for what end uses.

**KEY PARTNERS:** CITY COUNCIL, OFFICE OF INNOVATION AND TECHNOLOGY

## 16. DEVELOP A COMMUNITY OUTREACH STRATEGY AND COLLABORATE WITH EXTERNAL ORGANIZATIONS TO IMPROVE CONNECTIONS WITH COMMUNITIES ACROSS THE CITY

Utilizing existing staff plus the full-time attention of a new staff person dedicated to community outreach, develop a community outreach strategy that includes more intensive messaging about Land Bank success stories, new educational materials about how to engage with the Land Bank, and clarified roles for partners organizations who can help spread the word and provide connections to communities and constituents interested in accessing vacant property.

For the Land Bank, early tasks for the community outreach strategy should include:

- > Featuring success stories for the various end uses to help illustrate how the Land Bank can help provide land to achieve a range of community goals and projects
- > Expanding the existing library of written brochures in multiple languages to help people navigate the disposition process
- > Creating and integrating How-To videos on the Land Bank website

- > Publishing materials related to restrictions placed on housing units purchased through the Land Bank and insurance requirements for interim uses
- > Publishing materials for gardeners and farmers to explain the options of a long-term lease versus a short-term agreement for community gardens and farms in cases where disposition is not feasible, as well as publishing the criteria for renewing these agreements
- > Targeted face-to-face outreach in neighborhoods that have a large inventory of properties available for disposition with maps showing the location and types of properties in the neighborhood. Land Bank staff have launched a series of trainings in collaboration with community partners. Continue to seek community feedback about possible reuse and offer assistance for applicants interested in applying to acquire surplus vacant property.

Another important approach for the community outreach strategy to pursue is to better utilize community partners in order to reach a broader network of people interested in accessing property through the Land Bank. Possible partners for community outreach efforts include the Philadelphia Association of Community Development Corporations (PACDC), Community Development Corporations (CDCs) and Neighborhood Advisory Committees (NACs) across the city, the Planning Commission's Citizen Planning Institute (CPI), the Free Library of Philadelphia, and garden advocates, among other community organizations. These groups, with informational support from the Land Bank could assist in the following initiatives:

- > Hosting educational seminars to answer key questions like:
  - "What is the Land Bank?"
  - "What properties are available?"
  - "How do I submit an EOI and complete a full application?"
- > Creation of a distribution list of local community based-organizations and developers with capacity who are active in their service areas and would like to receive notifications from the Land Bank about upcoming opportunities
- > Providing support to residents who need help completing applications for property

**KEY PARTNERS:** VARIOUS COMMUNITY ORGANIZATIONS

### BEST PRACTICE: Outreach and Education

Chicago's Large Lot program works with a network of community development corporations that provide outreach and education about the program, offer assistance to residents who need help completing applications, and place temporary sale signs on eligible vacant lots advertising the upcoming program round.

## 17. EDUCATE PEOPLE ON THE OPTIONS FOR LONGER-TERM ACCESS TO LAND WHEN DISPOSITION IS NOT PERMITTED

The City's Disposition Policies that apply to all land-holding public agencies, including the Land Bank, contain criteria that prevent the disposition of garden properties tended by an unincorporated group of gardeners. In such instances, the Land Bank has been able to grant one-year "Individual Garden License Agreements" or IGAs to applicants who reside within 500 feet of the parcel, or up to 1,500 feet of the parcel with the approval of the Land Bank Board. IGAs grant short-term relief and extend nearby residents or gardeners the right to tend land within the Land Bank for one year at a time, with the possibility of renewal. An "Urban Garden Lease Agreement" or UGA, in contrast, can last for longer than one year but is subject to Land Bank Board, VPRC, and City Council approval. While a UGA does not include a requirement that gardeners live nearby, UGAs do require, among other things, that the applicant be a validly formed non-profit organization or an unincorporated non-profit association and maintain insurance for the garden. As a third option, the Land Bank can grant temporary licenses for interim uses that activate vacant land for community benefit or economic development.

Feedback from gardeners emphasized that short-term access to land for what amounts to just one additional growing season presents challenges and does not alleviate concerns about land insecurity. Strategies for granting longer-term access to land and greater land security when disposition is not possible per the Disposition Policies include:

- > Offer choice by presenting gardeners with full information about the pros, cons, stipulations, and process to request a short-term Individual Garden License Agreement or a longer-term Urban Garden Lease Agreement.
- > Qualify neighborhood-based incorporated or unincorporated non-profits to serve as long-term lessees. These non-profits, with the infrastructural and fiscal capacity to act as a fiduciary for groups of gardeners or community members with an interest in activating vacant property, can then work with local community groups to program and steward community-serving uses. The lessee would have annual reporting requirements to the Land Bank to ensure that the property was well-maintained and in active use as intended by community members, among other requirements.

**KEY PARTNERS:** CITY COUNCIL, GARDENERS

## RECENT SUCCESS: Individual Garden in Point Breeze



This beautiful garden, tended by a neighbor, is the only bit of green space on an otherwise intact block of row homes in Point Breeze.

## 18. ADOPT MORE EXPANSIVE MARKETING STRATEGIES FOR NEW DEVELOPMENT OPPORTUNITIES

Properties are sometimes sold through a Request for Proposals (RFP) process that seeks proposals from qualified developers consistent with the expectations and guidelines written into the RFP. In order to increase the likelihood of good responses from qualified developers, marketing is critical to ensure that developers are aware of new opportunities. The Land Bank should work to build awareness of the opt-in process for those wishing to receive notifications about RFP opportunities, after they have been posted, and work with partners to expand RFP advertising through social media.

**KEY PARTNERS:** VARIOUS COMMUNITY ORGANIZATIONS

## BEST PRACTICE: Web Communications

Baltimore's Vacants to Values (V2V) program provides a good example of a website that appears user-friendly and informative throughout, including good examples of communicating the status of properties that are at some stage of the acquisition or disposition process.

[www.vacantstovalue.org](http://www.vacantstovalue.org)

## Operations

### 19. REDESIGN THE WEBSITE

The website is the primary means by which potential applicants and citizens can access information about the Land Bank. The Land Bank's website has changed over the years to reflect new policies and how the Land Bank now interacts with the public. Feedback received during the strategic planning process revealed a lot of frustration about communication and confusion about finding information on the current website. The Land Bank is aware of necessary changes to the website with respect to both design and online data management and is committed to improving this important tool. Recommendations for key website changes include:

- > Update the EOI process in line with the recommendations above
- > Incorporate new educational materials as referenced above
- > Include information about which entity actually owns a property
- > Incorporate more information on average sale prices and other costs of acquiring vacant property from the Land Bank. Include an estimate of settlement fees to add transparency to the process. This may help to act as an added filter for those interested in acquiring property given that many are unaware of the costs of doing so.
- > Add easy to locate reporting tables tracking the Land Bank's progress toward acquisition and disposition goals and other critical information about transactions.

**KEY PARTNERS:** OFFICE OF INFORMATION TECHNOLOGY

### 20. CREATE A STAFF POSITION DEDICATED TO COMMUNITY OUTREACH

As a public-facing entity of the City and portal for the sale or transfer of publicly-owned surplus property, the Land Bank has a great need to educate and engage the public. Existing staff interacts with those expressing interest in specific properties, but as Recommendation 16 describes, there is a clear need to be proactive and communicate broadly with the public in frequent, face-to-face meetings held in the neighborhoods with concentrations of surplus vacant property. Better education and awareness of Land Bank functions will lead to better applications and trust with active non-profits, community organizations, and applicants. Creating a dedicated position will allow for consistency over time and enable the Land Bank to engage in more proactive outreach in communities and coordinate with other outreach efforts.

**KEY PARTNERS:** OFFICE OF HUMAN RESOURCES, CITY COUNCIL

### 21. SHIFT THE ROLE OF THE VACANT PROPERTY REVIEW COMMITTEE TO AN ONGOING VACANT PROPERTY WORKING GROUP

Addressing the challenges of vacancy requires active coordination across City agencies, not only to tackle the challenges of publicly-owned surplus property but also to develop strategies for returning the large number of privately-owned properties to active use. A vacant property working group, focused on citywide issues, would be an important step toward coordinating acquisition and disposition efforts across agencies. Part of the task would be to continue to advance efforts to improve the City's vacancy data, including identifying vacant structures and ensuring that the Office of Property Assessment is notified when a building is demolished by Licenses and Inspections.

With the recent execution of the Memorandum of Understanding between the Department of Public Property and the Land Bank, there is an opportunity to refine and augment the operations of the Vacant Property Review Committee. The VPRC has broad representation across the City's land-holding, compliance, and financing agencies as well as involvement of community development practitioners at PACDC and LISC. As such, the VPRC may be well positioned to take on the role of a Vacant Property Working Group charged with guiding the citywide conversation about issues related to surplus property.

**KEY PARTNERS:** PCPC, DHCD, PHILADELPHIA REDEVELOPMENT AUTHORITY, DEPARTMENT OF PUBLIC PROPERTY, CITY LAW, OFFICE OF SUSTAINABILITY, L&I, MANAGING DIRECTOR'S OFFICE, PACDC, EX-OFFICIO MEMBERS OF VPRC



# Annual Targets For The Next Five Years

The Land Bank is charged with responding on behalf of City government to the hopes of residents and organizations across Philadelphia for improved access to the vacant property that negatively impacts their communities.

Each year, the Land Bank has numeric targets to attain for acquisitions and dispositions. These targets are intended to help track the Land Bank's progress toward its stated goals and overall mission. To achieve some of the recommendations previously presented in this Strategic Plan and demonstrate increased activity of the Land Bank will call for some changes in reporting as well as more flexibility in regards to numeric targets as the measure of success. This is in part to account for the time it takes to complete a transaction and the time it takes for applicants to obtain project financing and zoning; both of these factors are beyond the control of the Land Bank. Adjusting the approach to the annual targets and progress reports will also free the Land Bank to work strategically to move the low-demand properties in the historic inventory of publicly-owned properties out of the Land Bank, which may – for a short period of time – upset the prescribed balance in dispositions, skewing more heavily toward side yards.

Past plans established targets based upon the new acquisition powers and budget available to the Land Bank. The primary challenges to scaling up activity are tied to the available budget that covers staffing, maintenance, and acquisition costs. Additional revenue from sales can help support the Land Bank, potentially reducing reliance on General Fund allocations or providing additional resources to deploy in strategic acquisitions that enable the City to intervene to stabilize and protect the integrity of neighborhoods. However, the numeric targets specify that a large percentage of properties be sold at nominal rates to support established goals for formalizing side yards, protecting community gardens, and creating affordable housing. In addition, as the Land Bank takes in more property the costs to maintain a larger inventory of property will also increase.

The proposed targets in the tables of Annual Goals for Acquisition and Disposition below recognize some potential to generate revenue from market-rate sales of properties but also assume continued support from the General Fund. More resources will enable more acquisitions and dispositions.

## Operations

### 22. DE-COUPLE THE ACQUISITION AND DISPOSITION TARGETS

The previous strategic plan assumed an equal number of acquisitions and dispositions as the baseline for the targets, with the intention to keep the inventory of property stable and thus not add additional maintenance costs. However, as the previous year of activity has proven, acquisition efforts are more straightforward than dispositions, and the Land Bank has been able to intervene more quickly with the objective of stabilizing distressed and transitional neighborhoods and preserving a foothold for affordability and a mix of incomes in emerging and strong market neighborhoods. Now that the acquisition pipeline has been built, the Land Bank has achieved its overall acquisition numbers, which are expected to remain on pace going forward. Dispositions on the other hand, particularly for development, require that project financing and zoning be in place, which can take years. While the Land Bank can provide the land for projects, it cannot control project financing or zoning. With less control and predictability on the disposition side, the acquisition and disposition targets should not be paired.

### 23. ADJUST REPORTING PRACTICES BASED ON KNOWLEDGE OF TIME AND BUDGET CONSTRAINTS

Because acquisition and disposition timelines range from seven to 12 months and are rarely completed within a single fiscal year, measuring progress on an annual basis is challenging. Rather, adopt additional reporting practices that track accomplishments over a three- or five-year look-back to measure Land Bank impact and progress toward goals instead of evaluating progress over a 12-month cycle. With this longer time horizon, report on completed acquisitions and dispositions that have reached settlement, with pending transactions reported separately if desired. While these longer look-backs should be used for measuring success, more regular reporting on a monthly and annual basis should continue to be provided to the Land Bank Board and to the public via the website to track progress toward the goals over time.

## Acquisition

### 24. CONTINUE TRACKING ATTEMPTED ACQUISITIONS THAT FAIL TO COMPLETE THE PROCESS

As discovered in this first year of processing acquisitions through tax foreclosure, a percentage of properties that begin the acquisition process will not complete the process. To maximize the acquisition budget in future years and inform contingency planning in future years, continue to track the percentage of attempted acquisitions that do not complete the process each year. Also track the reason why some properties fall out of the Land Bank's acquisition process; in some cases, the acquisition process halts for positive reasons such as when a property owner pays everything due to the City on the property.

### 25. REPORT ON PROPERTIES, NOT UNITS, FOR HOUSING GOALS

The previous Strategic Plan reported on housing units anticipated to be produced on properties acquired by the Land Bank using estimates from developer applicants. However, housing unit creation more closely aligns with dispositions, not acquisitions – the acquisition is purely about site control. To allow easier comparisons of Land Bank acquisition efforts across different end uses, report on the number, square footage, and zoning of properties acquired, not units, for all end uses. Over time, include a separate side bar to track housing units created on property obtained through the Land Bank, as the ultimate goal is to facilitate reuse. The reporting tables developed for this Strategic Plan provide a template for reporting going forward.

FIGURE 22: Housing: the Difference Between Lots and Units

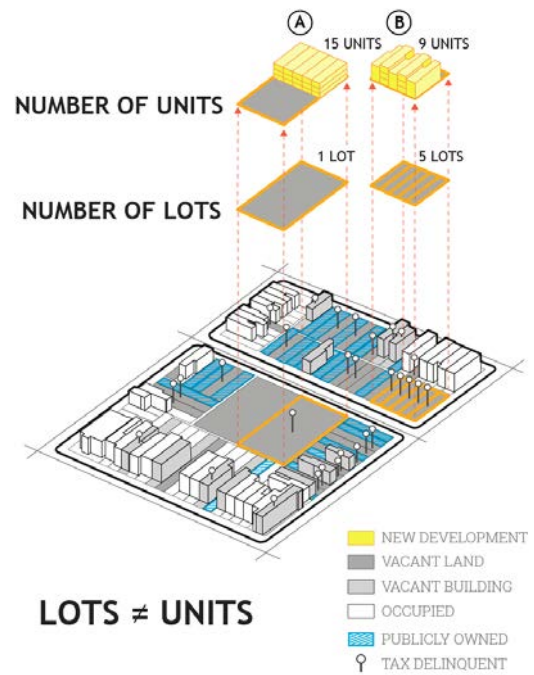


TABLE 14: Five-Year Annual Goals for Acquisition

- Annual tax foreclosure acquisitions can increase with additional revenue or General Fund allocations

FIVE-YEAR ACQUISITION GOALS													
			CURRENT YEAR										
	YEAR 0: FY18		YEAR 1: FY19		YEAR 2: FY20		YEAR 3: FY21		YEAR 4: FY22		YEAR 5: FY23		
	7/1/17-6/30/18		7/1/18-6/30/19		7/1/19-6/30/20		7/1/20-6/30/21		7/1/21-6/30/22		7/1/22-6/30/23		
TAX FORECLOSURE ACQUISITIONS													
	%	COUNT	%	COUNT	%	COUNT	%	COUNT	%	COUNT	%	COUNT	UNITS
SIDE YARDS (LOTS)	25%	81	25%	81	25%	81	25%	81	25%	81	25%	81	
TOTAL HOUSING / MIXED USE (LOTS)	68%	221	68%	221	68%	221	68%	221	68%	221	68%	221	343
20% for 30% or below AMI		45		45		45		45		45		45	70
30% for 60% or below AMI		66		66		66		66		66		66	102
25% for 120% or below AMI		55		55		55		55		55		55	85
25% for non-income restricted		55		55		55		55		55		55	85
BUSINESS EXPANSIONS (LOTS)	1%	3	1%	3	1%	3	1%	3	1%	3	1%	3	
GARDENS / OPEN SPACES (LOTS)	6%	20	6%	20	6%	20	6%	20	6%	20	6%	20	
TOTAL ACQUISITIONS	325		325		325		325		325		325		

#### UNITS : LOTS

These Annual Goals reflect the change from reporting on units for housing to reporting on lots. The last column indicates the estimated number of units supported by annual acquisitions, using the 1.55 units per lot ratio from property conveyed by the Land Bank in FY18.



## Disposition

### 26. INTRODUCE A NEW REPORTING CATEGORY TO TRACK PROPERTIES “BANKED” FOR PARTICULAR END USES WHERE DISPOSITION IS NOT YET POSSIBLE

The current reporting practices do not allow the Land Bank to report on properties set aside for end uses such as affordable housing developments or garden preservation, but not yet disposed of to an end user. This means the Land Bank can neither show its full progress toward affordable housing goals, as dispositions must await project financing and zoning, nor can it report on land dedicated – even if only through a temporary Urban Garden Lease Agreement (UGA), Individual Garden License Agreement (IGA), or license agreement for another interim use. Add a new line item in the disposition reporting table to report on properties “banked” for affordable housing and gardens or open spaces in cases where disposition is not possible or not yet appropriate. Also track temporary site activation made possible by license agreements.

### 27. TRACK DISPOSITIONS OF THE EXISTING PUBLIC INVENTORY SEPARATELY FROM THAT OF NEW ACQUISITIONS

The historic inventory of vacant property transferred into the Land Bank does not align with the existing percentage breakdown of end uses prescribed by the targets. Much of the historic inventory is in Disinvested Market areas, and 42% of Land Bank properties have not, to date, received any Expressions of Interest. Should eligible adjacent homeowners be interested, dispositions for side yards may present the greatest opportunity. While new properties acquired by the Land Bank should – when disposed of – approximate the end use disposition targets, the historic inventory should not be beholden to those breakdowns. Rather, track dispositions of the historic inventory separately to allow a temporary anticipated ballooning in side yard dispositions.

### 28. ADJUST TARGETS FOR DISPOSITIONS

As with acquisitions, change the reporting practice for dispositions to measure progress toward housing goals by reporting on lots and acres of land disposed of for housing creation. Include a separate side bar to track housing units created over time on property disposed through the Land Bank. As the ratio of units to lots is not 1:1 (in FY18's activity, an average of 1.55 units of housing were created for every one lot disposed of for housing creation), the number of lots may warrant adjustment, as shown in the table of proposed annual targets for the next five years on the next page. The ratio of units per lot is higher still for the first two quarters of FY19, over 2:1.

Additionally, consider enabling more market-rate property sales to support increased acquisition activity in strong markets. This could occur through an overall increase in the number of dispositions processed annually. Another reason for adjusting the disposition breakdowns by end use – perhaps just temporarily – would be to enable a focused effort for side yard dispositions with the goal of conveying a portion of the Land Bank's historic inventory.

**TABLE 15:** How to Adjust Housing Goals from Units to Lots for Disposition Goals

PERCENTAGE BREAKDOWN BY USE ADJUSTED FOR UNIT TO LOT CONVERSION FOR DISPOSITIONS					
	Original % Share	Original FY18 Goals	Unit to Lot Ratio (divide by 1.55)	Adjusted Goals	Adjusted % Share
	%	LOTS OR UNITS	LOTS NEEDED FOR HOUSING UNITS	LOTS	%
SIDE YARDS	25%	81 LOTS		81	32%
TOTAL HOUSING / MIXED USE	63%	205 UNITS	132	132	52%
20% for 30% or below AMI	20%	41 UNITS	26	26	20%
30% for 60% or below AMI	30%	62 UNITS	40	40	30%
25% for 120% or below AMI	25%	51 UNITS	33	33	25%
25% for non-income restricted	25%	51 UNITS	33	33	25%
BUSINESS EXPANSIONS	2%	6 LOTS		6	2%
GARDENS / OPEN SPACES	10%	33 LOTS		33	13%
UNKNOWN					
<b>TOTAL</b>	<b>100%</b>	<b>325</b>		<b>252</b>	<b>100%</b>

**TABLE 16:** Five-Year Annual Goals for Disposition based on Adjusted Goals

- Dispositions are subject to Council approval and project funding, and thus will vary year to year
- Goals adjusted to match unit or lot targets of prior plan by end use, but all goals are presented in terms of lots

FIVE-YEAR DISPOSITION GOALS													
				CURRENT YEAR									
	ADJUSTED % SHARE	YEAR 0: FY18		YEAR 1: FY19		YEAR 2: FY20		YEAR 3: FY21		YEAR 4: FY22		YEAR 5: FY23	
	UNITS: LOTS	7/1/17-6/30/18		7/1/18-6/30/19		7/1/19-6/30/20		7/1/20-6/30/21		7/1/21-6/30/22		7/1/22-6/30/23	
		COUNT	UNITS	COUNT	UNITS	COUNT	UNITS	COUNT	UNITS	COUNT	UNITS	COUNT	UNITS
SIDE YARDS (LOTS)	32%	81		100		112		124		124		124	
TOTAL HOUSING / MIXED USE (LOTS)	52%	132	205	163	252	183	284	204	316	204	316	204	316
20% for 30% or below AMI	20%	26	41	32	50	37	57	41	63	41	63	41	63
30% for 60% or below AMI	30%	40	62	49	76	55	85	61	95	61	95	61	95
25% for 120% or below AMI	25%	33	51	41	63	46	71	51	79	51	79	51	79
25% for non-income restricted	25%	33	51	41	63	46	71	51	79	51	79	51	79
BUSINESS EXPANSIONS (LOTS)	2%	6		8		9		10		10		10	
GARDENS / OPEN SPACES (LOTS)	13%	33		40		45		50		50		50	
UNKNOWN													
<b>TOTAL DISPOSITIONS</b>		<b>252</b>		<b>311</b>		<b>349</b>		<b>388</b>		<b>388</b>		<b>388</b>	

## CONCLUSION

**The Land Bank has learned about the constraints that budget, time, and legal processes place on operations, and the resulting implications of lengthy regulatory processes in a quickly changing real estate market.** Key take-aways include:

### ACQUISITIONS

- > Sheriff's Sale acquisitions average nine to 12 months from start to finish.
- > Under the current MOU with the City and School District, the average acquisition costs \$8,500 per property, excluding servicer fees.
- > The Land Bank's ability to acquire property relies on annual allocations from the General Fund.
- > Under the current budget, the Land Bank afford to acquire up to 325 properties per year, depending on purchase prices and fees.

### DISPOSITIONS

- > Dispositions take seven to nine months to complete.
- > 82% of the disposition targets are eligible for sale or transfer at nominal or discounted pricing.
- > Just 18% of properties conveyed generate revenue through market rate sales, the proceeds of which could be used to fuel additional acquisitions or to support operating costs.
- > The Land Bank's annual disposition progress is measured by lots conveyed for business expansion, community facilities, side and rear yards, and gardens and open space; conveyances to support development of housing have,

historically, been measured in units created. The different units of measure (lots versus dwelling units) creates confusion in reporting and measuring progress.

- > Properties conveyed for housing creation generated an average of 1.55 units of housing per property conveyed in FY18; this means that in order to achieve the goal of providing land for 205 new units of housing per year requires the conveyance of roughly 132 properties (depending on parcel size and zoning).
- > Given the time it takes to complete each disposition transaction, the annual housing targets should be converted to lots using the ratio of units to lots, holding the target unit count stable, but reducing the number of property conveyances necessary.

**The scale of vacancy in our city and the pace of market changes in our neighborhoods underscores the need for increased production now that the Land Bank's procedures have been tested and the transaction gears are turning.** To accelerate acquisition and disposition activity will require increased revenue to fuel acquisitions and operations, as well as sustained collaboration and coordination to transfer surplus property for reuse according to land use policies. Successful projects will also require the continued support and involvement of City Council, developers and investors, and committed community members who have a vision and a plan to reactivate vacant and underutilized property and return it to the City's tax rolls.





# Appendices to Strategic Plan & Performance Report

# 2019



# Appendices

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# APPENDIX I: Real Estate Market Overview

PREPARED BY:  
REAL ESTATE STRATEGIES, INC.

## PHILADELPHIA'S SHIFTING REAL ESTATE MARKET

Understanding demographic trends and the strength of residential demand in areas where the Land Bank holds properties or could make strategic acquisitions offers important context to inform acquisition and disposition decisions, including those within commercial corridors and nodes, which are dependent on the buying power of the nearby residential population for their success. This appendix provides an overview of real estate market conditions and trends impacting Land Bank holdings and the real estate markets in which the Land Bank operates.

### HOUSING DEMAND INDICATORS

Demand for new and rehabilitated housing units is generated by the following four factors: growth in population and households within a market area; growth in job opportunities, which is a driver of population growth; the need to replace deteriorated, damaged or functionally obsolete residential units; and changes in household age, size, income, and preferences. All three demand generators are present in Philadelphia as described below. **With its inventory of vacant property and ability to acquire vacant land and structures, the Land Bank can be an important partner in assembling development sites and disposing of property to help meet housing demand driven by growth as well as the needs of existing Philadelphia households.**

- > **Philadelphia is gaining population and households, and growth is expected to continue.** The Philadelphia 2035 comprehensive plan projects average growth of approximately 1,500 households per year over the 25-year comprehensive planning period. Between 2000 and 2010, Philadelphia added a net average of 966 households per year. The economic recovery after the Great Recession, international immigration, and a strong and growing preference for urban living among millennial and empty-nester households has led to a significant increase in the pace of household growth. Demographic data vendor Esri estimates that between 2010 and 2018, the number of Philadelphia households grew by an average of 2,730 per year, a level significantly higher than the comprehensive plan projections.
- > **Philadelphia is gaining jobs, and much like projections for population and households, growth is expected to continue.** The Delaware Valley Regional Planning Commission estimates 3.15% job growth citywide between 2015 and 2025, which would add an average of 2,430 new jobs per year. Some of these jobs may attract newcomers to Philadelphia, thus supporting the projected population and household growth. Other jobs may be filled by existing residents of Philadelphia. With a citywide poverty rate of 26%, the need for new, quality affordable housing units as well as jobs that offer a living wage will be critical for households seeking to improve their current housing situations.
- > **The housing stock in Philadelphia is old, and many units, especially vacant structures and those occupied by low-income households, need substantial repairs and renovation.** Half of the city's housing stock is more than 70 years old.
- > **An influx of affluent millennial and mature households has supported the construction of a substantial number of new market-rate apartments. Overall, Philadelphia's population is aging.** In 2010, 21.1% of Philadelphia households were headed by an individual older than 65. By 2023, senior-headed households will make up a projected 26.4% of all Philadelphia households. Because so much of the city's housing stock consists of two-story row homes, this demographic shift has created demand for more, smaller senior housing units throughout Philadelphia.

## GEOGRAPHIC DISTRIBUTION OF GROWTH

The post-recession population and household growth in Philadelphia has been concentrated in several areas of the city, which are experiencing rapid growth and change. The Delaware Valley Regional Planning Commission does not offer household projections, but does prepare population projections by Philadelphia planning district. In the following table, the shaded lines indicate neighborhoods with a projected ten-year population growth rate greater than the citywide growth projection of 3.1%

from 2015 through 2025. Population growth in these neighborhoods will generate demand for new or rehabbed housing units. Center City, Lower North, University/Southwest, and South are expected to see the highest increases in the number of households over this ten-year period. It is important to note that even as some neighborhoods are experiencing significant growth, others continue to experience ongoing population loss.

**TABLE 17: DVRPC Population Projections by Philadelphia Planning District: 2015-2025**

Source: DVRPC

DVRPC Population Projections by Planning District	2015 Estimate	2020 Estimate	2025 Estimate	2015-2025 Change	2015-2025 % Change
Central Northeast	79,870	81,333	82,568	2,698	3.4%
Central	126,629	132,848	137,233	10,604	8.4%
Lower Far Northeast	70,596	71,526	72,319	1,723	2.4%
Lower North	101,692	105,069	108,227	6,535	6.4%
Lower Northeast	102,654	103,621	104,301	1,647	1.6%
Lower Northwest	52,319	53,241	54,072	1,753	3.4%
Lower South	5,499	5,747	5,998	499	9.1%
Lower Southwest	42,462	43,288	43,711	1,249	2.9%
North Delaware	101,251	102,210	102,553	1,302	1.3%
North	138,049	138,663	140,022	1,973	1.4%
River Wards	70,385	72,380	73,004	2,619	3.7%
South	137,110	138,842	140,432	3,322	2.4%
University/Southwest	87,719	92,546	94,735	7,016	8.0%
Upper Far Northeast	67,986	68,387	69,071	1,085	1.6%
Upper North	145,913	146,533	147,898	1,985	1.4%
Upper Northwest	85,633	86,048	87,079	1,446	1.7%
West Park	44,754	45,102	45,533	779	1.7%
West	106,922	107,403	108,060	1,138	1.1%
<b>PHILADELPHIA COUNTY</b>	<b>1,567,443</b>	<b>1,594,787</b>	<b>1,616,816</b>	<b>49,373</b>	<b>3.1%</b>

Grey highlight indicates a growth rate higher than the City overall.



### RESIDENTIAL BUILDING PERMITS

From 2004 through 2017, the City of Philadelphia issued residential building permits for an average of 2,505 new units annually. This figure does not include the large numbers of significant rehabilitations and adaptive reuse of existing structures. This figure has been adjusted to include units constructed by the Philadelphia Housing Authority ("PHA") that are not reflected in Census building permit statistics. The actual number of units produced in a given year varied widely. During the height of the pre-recession building boom (2003 through 2007) residential building permits were issued for an average of 2,433 units per year citywide, while in the recession years the average dropped to just over 1,000 units annually. For the five-year period from mid-2013

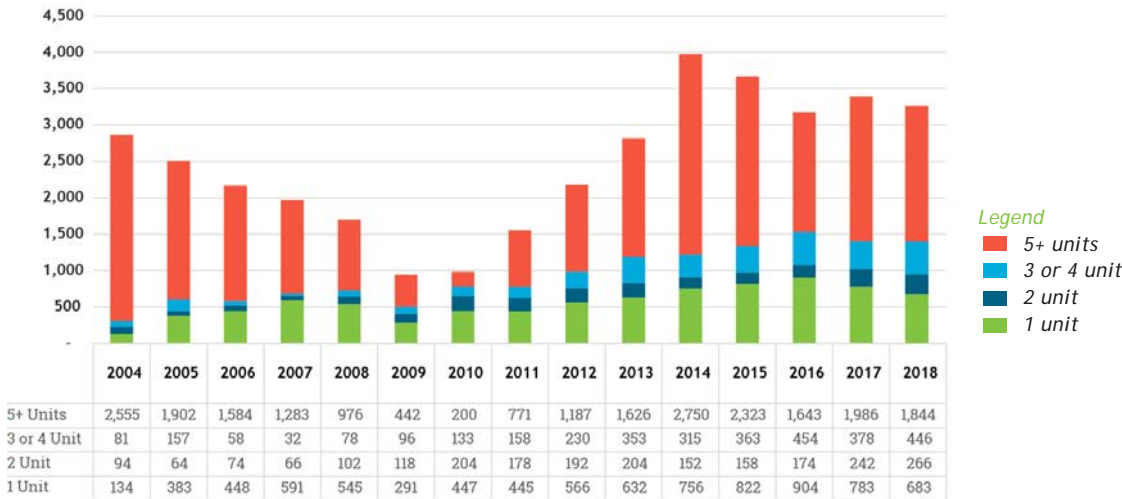
through mid-2018, building permits for an average of nearly 3,500 residential units have been issued each year.

Units in larger (5+ unit) multi-family buildings have represented the majority of housing units produced in Philadelphia since 2004 even though they represent a small share (less than 10%) of total residential structures permitted. However, the number of new construction single-family units and smaller multifamily structures has steadily increased during the post-recession period. **This trend is significant for the Land Bank since many of its holdings and properties eligible for acquisition are non-contiguous small lots appropriate for single-family infill development.**

**FIGURE 23:** Philadelphia Residential Building Permits (Including PHA): 2004-2018  
*Source: State of the Cities Data System (SOCDS) and PHA*



**FIGURE 24:** Philadelphia Private Market Residential Building Permits for Residential Units: 2004-2018  
*Source: State of the Cities Data System (SOCDS)*



## HOME SALES AND RENTAL RATE TRENDS

The number of residential sales in Philadelphia has increased every year since 2012. The number of home sales in 2017 nearly reached the pre-recession level registered in 2007. The TREND multiple listing data service reports that the median home sales price in Philadelphia in Q3 2018 was \$205,000, up 9.0% year-over-year compared to Q3 2017. The average Q3 sales price was \$259,197, up 3.3% year-over-year. TREND reports that the available inventory of homes for sale in Q3 represented a 3.5-month supply.<sup>12</sup> A six-month supply signals a balanced market. The Q3 2018 Housing Market Report issued by Drexel University's Lindy Institute reports that the rate of housing price increase is decelerating from a year ago.

With several thousand new apartment units added to the city's housing inventory, overall vacancy rates have returned to a more balanced level—4.2% in Q3 2018, up from 3.6% year-over-year. Average rental rates in Philadelphia continue to grow, increasing 3.9% between Q3 2017 and Q3 2018. In part because of high construction costs in Philadelphia, newly constructed residential units have targeted the luxury market. Class A properties are seeing lower rent growth and occupancy levels than Philadelphia apartments overall, due to the large increase in competing units at the high end of the rental market.

In areas where the residential market is growing stronger, rising property values can benefit existing homeowners by growing the equity in their homes, as real estate becomes more valuable in these areas. However, displacement of long-term residents becomes a real risk. Rents rise and may become unaffordable to existing renters in the neighborhood.<sup>13</sup>

- > Data analysis tracking the increase in residential median sale prices and new market-rate rehab activity in the past two years of Land Bank operations (FY17-FY18) overlaid with The Reinvestment Fund's 2015 Market Value Analysis (based on 2013 data) show that the private market has moved into areas where the real estate market was deemed "Transitional, Stressed, or Distressed" in 2015.
- > These data identified significant changes in the five-year period between 2013 and 2018, documenting the experience of rapid change in emerging Philadelphia real estate markets.

<sup>12</sup> TREND statistics reflect properties that are listed by Realtors and entered into the multiple listing service.

<sup>13</sup> Homeowners also are at risk of displacement if Real Estate Taxes become unaffordable. The City's Longtime Owner Occupants Program (LOOP) provides abatements to owners who have been in their homes for at least 10 years and have Real Estate Tax bills that increase by 50% or more in a single year. The Owner-Occupied Payment Agreement (OOPA) is also an option to help homeowners make income-based payments to mitigate the effects of rising Real Estate Taxes.

## AFFORDABLE HOUSING PRODUCTION

**In large portions of the city, in contrast, population loss is ongoing, and vacant and abandoned properties continue to threaten the stability of blocks and the health of whole neighborhoods.** In these neighborhoods, households are struggling to make ends meet and maintain their homes.

**The building market pressure in some areas of the city, coupled with the city's aging housing stock and high levels of poverty translate to a pressing need for quality affordable housing options in Philadelphia.** The City's new *Housing for Equity: An Action Plan for Philadelphia* (the "Housing Action Plan") underscores that 26% of Philadelphians live in poverty and 42,900 households are on the current waiting list of Philadelphia Housing Authority units.

The income limits for participation in federal and state affordable housing programs are set based on metropolitan area median income (AMI) patterns, but Philadelphia households on average have lower incomes than households in the broader Philadelphia-Camden-Wilmington Metro Area. The metro area median household income reported in the 2013-2017 ACS was \$66,285 while the City's median household income was \$40,649, 61% of the metro area level. This means—compared to the metro area—a higher percentage of the City's households are eligible for affordable housing programs. The current HUD income limits in effect for the Philadelphia metro area are shown in the following table:

**TABLE 18: 2018 HUD Income Limits: Philadelphia-Camden-Wilmington Metro Area**  
Source: HUD, PHFA

	Household Size							
	1	2	3	4	5	6	7	8
30% AMI	\$18,350	\$21,000	\$23,600	\$26,200	\$29,420	\$33,740	\$38,060	\$42,380
50% AMI	\$30,600	\$35,000	\$39,350	\$43,700	\$47,200	\$50,700	\$54,200	\$57,700
60% AMI	\$36,720	\$42,000	\$47,220	\$52,440	\$56,640	\$60,840	\$65,040	\$69,240
80% AMI	\$48,950	\$55,950	\$62,950	\$69,900	\$75,500	\$81,100	\$86,700	\$92,300

Nearly six in ten renter households in the City have incomes below 50% of Area Median Income (AMI); just under 40% of renters have incomes below the 30% AMI limit.

**TABLE 19:** Distribution of Households by Income Range and Tenure: 2011-2015

Source: HUD CHAS

AMI Range	Owner		Renter		Total	
	#	%	#	%	#	%
<30% AMI	55,655	18.2%	108,910	39.6%	164,565	28.3%
30-50% AMI	45,990	15.0%	108,910	17.4%	93,895	16.2%
50-80% AMI	58,340	19.1%	108,910	17.8%	107,190	18.4%
80-100% AMI	31,970	10.5%	108,910	7.6%	52,965	9.1%
100% AMI	113,930	37.2%	108,910	17.6%	162,440	28.0%
<b>TOTAL</b>	<b>305,885</b>	<b>100.0%</b>	<b>108,910</b>	<b>100.0%</b>	<b>581,055</b>	<b>100.0%</b>

Nearly 83,000 renter households—30% of the city's renter households—pay more than 50% of their gross income for rent and utilities. Furthermore, HUD data suggests that 80% (more than 65,000 of these households) have household incomes below 30% AMI. Based on federal affordability standards, a family of four earning less than 30% of AMI could afford to spend no more than \$655 per month on housing costs. Another 15% of severely cost burdened renters have household incomes between 30% and 50% AMI.

**TABLE 20:** Severely Rent-Burdened Households\* by Council District

Source: ACS 2012-2016, Esri

Council District	Total Households	Renter Households	Percent Renter Households	"Severely Rent-Burdened Households"	Percent Severely Rent-Burdened Households
1	65,100	30,312	46.60%	7,119	23.50%
2	62,014	30,326	48.90%	8,266	27.30%
3	52,807	31,948	60.50%	10,004	31.30%
4	60,134	27,987	46.50%	7,597	27.10%
5	58,217	35,338	60.70%	9,133	25.80%
6	55,555	20,976	37.80%	6,753	32.20%
7	51,876	26,993	52.00%	10,740	39.80%
8	57,799	28,735	49.70%	9,034	31.40%
9	58,172	22,138	38.10%	8,359	37.70%
10	60,918	22,626	37.10%	5,838	25.80%

\* Severely-rent burdened households spend more than 50% of their income on housing.

**Rental affordability is an issue in every Council District where one out of every three or four households is severely rent-burdened, spending more than half of their income on housing costs.**

**The need for affordable housing, as documented in the Housing Action Plan, far outsizes the existing supply and pace of production.**

The Housing Action Plan sets a 10-year target of preserving 63,500 currently occupied homes and creating new housing opportunities for an additional 36,500 households. New units could be either newly constructed or rehabs of existing structures. Of these, the Housing Action Plan calls for 13,000 new affordable units for households earning below 30%, 50%, 80%, of Area Median Income plus 6,000 new units of workforce housing for households earning less than 120% of Area Median Income.

**TABLE 21:** Housing for Equity Action Plan 10-Year New Housing Opportunity Goals

Source: Housing for Equity Action Plan, draft October 2018

Housing Type	AMI Range	Income	Owner	Renter	Total
Homeless				2,500	2,500
Affordable	<30%	\$0-25K		1,400	1,400
	30-50%	\$25-42K		4,200	4,200
	50-80%	\$42-67K	6,000	1,400	7,400
Workforce	80-120%	\$67-100K	4,000	2,000	6,000
Market-Rate	>120%	\$100K+	7,500	7,500	15,000
<b>TOTAL</b>			<b>17,500</b>	<b>19,000</b>	<b>36,500</b>

Data from the Pennsylvania Housing Finance Agency (PHFA) and the City's Department of Housing and Community Development show that 3,164 affordable units in 56 multi-unit developments were completed in Philadelphia since July 1, 2013, including units under construction and expected to be completed in 2018. An additional 54 units of workforce for-sale housing has been produced over this time period—17 units on parcels acquired from the Land Bank and 37 units on Philadelphia Redevelopment Authority land. An average of 585 affordable residential units have been built annually during this period, representing an estimated 16.7% of housing production during this time span or 31% of the annual target for affordable and workforce housing called for in the Housing Action Plan. The balance of residential new construction units are market-rate with no income restrictions.

**An estimated 95% of the affordable units produced in Philadelphia over the last five years have received funding through the Low Income Housing Tax Credit (LIHTC) program administered by PHFA.** The federal government has retreated from directly funding construction of affordable housing, making LIHTC equity the primary source of capital for development. This program serves households with incomes below 60% of the Area Median Income.<sup>14</sup> Extremely low income households (with incomes below 30% AMI) typically cannot afford LIHTC units unless the units have project-based-rent subsidies. With a project-based rent subsidy, the tenant in that unit pays 30% of income for rent and utilities.

The LIHTC allocation levels in each state are limited by federal law, based on the state's population. In Pennsylvania, the annual process for obtaining a LIHTC award has become increasingly competitive, as demand for this funding source far exceeds the statutory levels available. The supply of project-based rent subsidies is also limited.

In Philadelphia, typically between seven and ten developments receive an award of 9% LIHTCs each year. In the latest round (October 2017), there were 23 applications for projects located in Philadelphia; eight Philadelphia projects received an LIHTC allocation. Developers and non-profit sponsors who do not receive an allocation in a given year usually reapply at least once and sometimes twice or more in the following years before receiving funding. **The best-case timeline from achieving site control to completion and occupancy of a new construction LIHTC building is three years. Because of the need to reapply for the scarce 9% LIHTCs, the actual development timeline is more typically four to five years.** An additional two to four developments each year use 4% LIHTCs in conjunction with tax-exempt bond financing. While the 4% LIHTC are less competitive, they raise a much lower level of equity than the 9% program and are typically used for preservation projects.

**Given the need for new affordable housing, the four to five years required to obtain the project financing necessary to move forward, and the onward march of the private market into once affordable neighborhoods, the Land Bank can play an important role in securing land for these critical projects, which aim to protect affordability and achieve a mix of incomes as neighborhood markets strengthen. The Land Bank's ability to intervene in real estate markets creates the opportunity to ensure that as neighborhood revitalization occurs, it benefits the existing population of Philadelphians.**

With its inventory of vacant property and ability to acquire vacant land and structures, the Land Bank can be an important partner in assembling development sites and disposing of property to help meet housing demand driven by growth as well as the needs of existing Philadelphia households. The Land Bank can also be strategic, leading the discussion about where the City should actively target resources for purchasing vacant property and investing in affordable housing, as private market activity moves into neighborhoods that have long been subject to vacancy and abandonment. Through the strategic planning process, the Land Bank monitors areas of neighborhood change to identify opportunities to:

- > Generate revenue by selling properties at market-rate prices, and
- > Promote equitable development by assembling and offering sites for affordable housing development.

The Housing Action Plan suggests exploring the use of publicly-held vacant land as collateral for financing affordable housing developments. The Housing Action Plan also references the Land Bank in several recommendations:

- > "Leverage Publicly Held Land to build affordable housing in critical locations.... Sell these properties to developers at nominal or below-market price in exchange for the developer's commitment to produce affordable housing.
- > Prioritize the acquisition of tax-delinquent parcels in high-value neighborhoods to promote mixed-income housing and equitable development.
- > Identify publicly held parcels located adjacent to tax-delinquent parcels for the Land Bank to assemble for development and spur further capital investment in disinvested neighborhoods."

To preserve long-term affordability in strengthening markets, the Housing Action Plan also recommends that the City and PHA continue their collaboration on "large-scale community revitalization efforts such as the Choice Neighborhood Initiative in North Central, the Blumberg-Sharswood project, and the revitalization of Bartram Village." The Land Bank has been working to provide sites for these mixed-income neighborhood revitalization plans.

<sup>14</sup> A new provision of the LIHTC program will allow a limited number of units targeted to households with incomes up to 80% AMI, as long as the average of the income targets for the entire development does not exceed 60% AMI.





# APPENDIX II: Record of Land Bank Activity

TABLE 22: Properties Acquired by the Land Bank at Sheriff's Sale through FY19 Q2

FY16 Acquisitions				FY17 Acquisitions			
7/1/15 - 6/30/16				7/1/16 - 6/30/17			
Count	Address	Council District	Proposed End Use	Count	Address	Council District	Proposed End Use
1	1213 N ETTING ST	5	Workforce Housing	1	1240 N 27TH ST	5	Workforce Housing
2	1330 N MARSTON ST	5	Affordable Housing	2	1318 N 27TH ST	5	Workforce Housing
3	1332 N MARSTON ST	5	Affordable Housing	3	1400 N 27TH ST	5	Workforce Housing
4	1334 N MARSTON ST	5	Affordable Housing	4	1402 N MARSTON ST	5	Affordable Housing
5	1336 N MARSTON ST	5	Affordable Housing	5	1408 N MARSTON ST	5	Affordable Housing
6	1409 N 28TH ST	5	Workforce Housing	6	1411 N 28TH ST	5	Workforce Housing
7	1426 N MARSTON ST	5	Affordable Housing	7	1418 N 27TH ST	5	Workforce Housing
8	1444 N 27TH ST	5	Workforce Housing	8	1425 N MARSTON ST	5	Affordable Housing
9	1448 N 27TH ST	5	Workforce Housing	9	1432 N MARSTON ST	5	Affordable Housing
10	1450 N 27TH ST	5	Workforce Housing	10	1434 N 27TH ST	5	Workforce Housing
11	1455 N 28TH ST	5	Workforce Housing	11	1438 N MARSTON ST	5	Affordable Housing
12	2700 W CABOT ST	5	Workforce Housing	12	1441 N MARSTON ST	5	Affordable Housing
13	4731 DUFFIELD ST	7	Commercial Expansion	13	1443 N MARSTON ST	5	Affordable Housing
				14	1445 N MARSTON ST	5	Affordable Housing
				15	1447 N MARSTON ST	5	Affordable Housing
				16	1449 N MARSTON ST	5	Affordable Housing
				17	1451 N 28TH ST	5	Workforce Housing
				18	2346 N 21ST ST	5	Workforce Housing
				19	2704 JEFFERSON ST	5	Workforce Housing
				20	2706 JEFFERSON ST	5	Workforce Housing
				21	2720 JEFFERSON ST	5	Workforce Housing

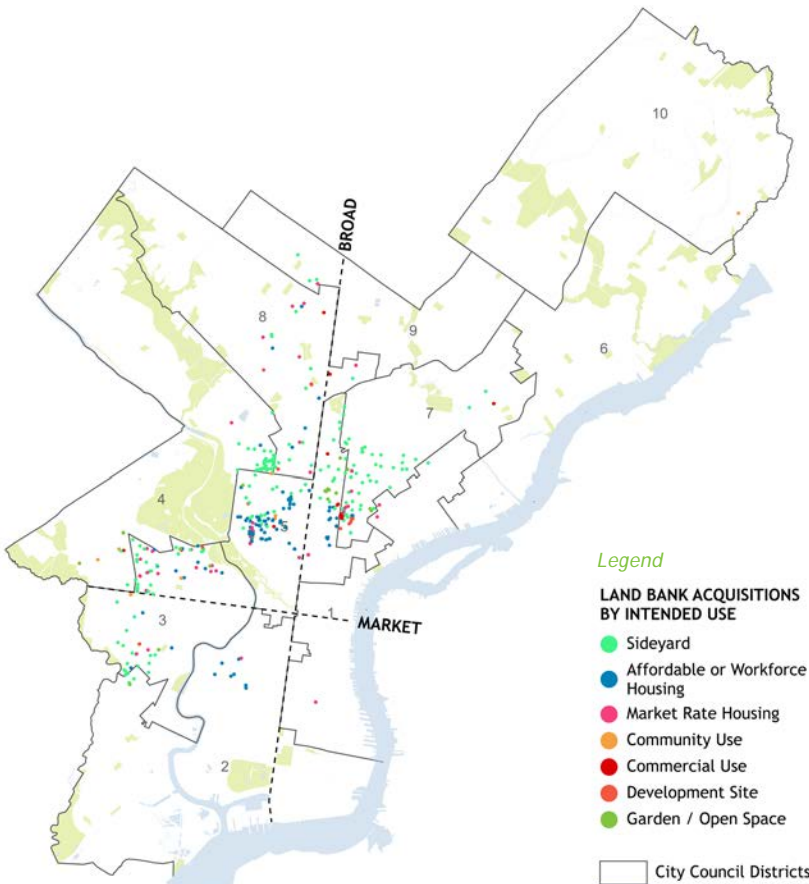


FIGURE 25: Land Bank Acquisitions to Date (through FY19 Q2)  
Source: Philadelphia Land Bank

**FY18 Acquisitions**

7/1/17 - 6/30/18

Count	Address	Council District	Proposed End Use
1	1919 S 6TH ST	1	Market Rate
2	2107 E DAKOTA ST	1	Market Rate
3	1201 S 26TH ST	2	Affordable Housing
4	1516 S TANEY ST	2	Affordable Housing
5	1554 S ETTING ST	2	Workforce Housing
6	1822R-34 POINT BREEZE AVE	2	Affordable Housing
7	2326 PIERCE ST	2	Affordable Housing
8	6038 ALLMAN ST	2	Sideyard
9	6048 KINGSESSING AVE	2	Community Garden
10	103 N PEACH ST	3	Sideyard
11	1116 N 42ND ST	3	Workforce Housing
12	1221 S 53RD ST	3	Market Rate
13	1234 HANSON ST	3	Affordable Housing
14	13 N PEACH ST	3	Affordable Housing
15	1310 S LINDENWOOD ST	3	Sideyard
16	1333 S 56TH ST	3	Sideyard
17	1335 S RUBY ST	3	Sideyard
18	144 N PEACH ST	3	Sideyard
19	159 DEARBORN ST	3	Sideyard
20	1760 S 60TH ST	3	Sideyard
21	19 N PEACH ST	3	Affordable Housing
22	225 N 54TH ST	3	Sideyard
23	227 S 57TH ST	3	Sideyard
24	36 N 51ST ST	3	Sideyard
25	3829 CAMBRIDGE ST	3	Affordable Housing
26	3844 FOLSOM ST	3	Affordable Housing
27	3855 WYALUSING AVE	3	Sideyard
28	4020 CAMBRIDGE ST	3	Affordable Housing
29	4034 CAMBRIDGE ST	3	Sideyard
30	41 N PEACH ST	3	Affordable Housing
31	4155 W GIRARD AVE	3	Community Garden
32	4156 W GIRARD AVE	3	Affordable Housing
33	4230 W STILES ST	3	Sideyard
34	4253 MANTUA AVE	3	Sideyard
35	45 N PAXON ST	3	Market Rate
36	47 N PEACH ST	3	Affordable Housing
37	49 N PEACH ST	3	Affordable Housing
38	4900 BROWN ST	3	Affordable Housing
39	4900 WESTMINSTER AVE	3	Sideyard
40	4933 W STILES ST	3	Affordable Housing
41	4980 KERSHAW ST	3	Affordable Housing
42	5 N 50TH ST	3	Sideyard
43	5028 PARRISH ST	3	Sideyard
44	5033 KERSHAW ST	3	Sideyard
45	5052 PARRISH ST	3	Sideyard
46	5100 WYALUSING AVE	3	Sideyard

**FY18 Acquisitions**

7/1/17 - 6/30/18

Count	Address	Council District	Proposed End Use
47	5102 BOWMAN CT	3	Sideyard
48	5103 CHESTER AVE	3	Community Garden
49	5111 RENO ST	3	Affordable Housing
50	5127 RENO ST	3	Sideyard
51	5137 DELANCEY ST	3	Affordable Housing
52	5144 HARLAN ST	3	Sideyard
53	5223 HAVERFORD AVE	3	Affordable Housing
54	5224 W STILES ST	3	Sideyard
55	5227 HAVERFORD AVE	3	Affordable Housing
56	5306 ADDISON ST	3	Sideyard
57	5312 WARREN ST	3	Sideyard
58	5329 PENTRIDGE ST	3	Affordable Housing
59	5429 NORFOLK ST	3	Sideyard
60	55 N PEACH ST	3	Affordable Housing
61	5523 BEAUMONT ST	3	Affordable Housing
62	5532 BEAUMONT ST	3	Sideyard
63	5559 LOCUST ST	3	Sideyard
64	58 N PEACH ST	3	Affordable Housing
65	5811 BEAUMONT ST	3	Sideyard
66	5933 WINDSOR ST	3	Sideyard
67	5941 WARRINGTON AVE	3	Sideyard
68	624 N SHEDWICK ST	3	Affordable Housing
69	626 N 53RD ST	3	Sideyard
70	650 N 53RD ST	3	Sideyard
71	655 N 52ND ST	3	Affordable Housing
72	682 BROOKLYN ST	3	Affordable Housing
73	805 N 40TH ST	3	Affordable Housing
74	892 N 49TH ST	3	Affordable Housing
75	119 N VOGDES ST	4	Sideyard
76	1431 N FRAZIER ST	4	Community Use
77	1703 N 55TH ST	4	Community Garden
78	1711 N 55TH ST	4	Community Garden
79	2407 W ELKHART ST	4	Sideyard
80	2407 W LEHIGH AVE	4	Sideyard
81	2414 W TORONTO ST	4	Sideyard
82	2432 W TORONTO ST	4	Sideyard
83	2520 W SELTZER ST	4	Sideyard
84	2547 W SILVER ST	4	Sideyard
85	2613 ROBERTS AVE	4	Sideyard
86	2621 W SELTZER ST	4	Sideyard
87	2627 W SELTZER ST	4	Sideyard
88	2635 W SELTZER ST	4	Sideyard
89	2639 W SELTZER ST	4	Sideyard
90	2640 W SELTZER ST	4	Sideyard
91	2650 N 33RD ST	4	Sideyard
92	2654 W SELTZER ST	4	Sideyard
93	2700 W SILVER ST	4	Community Garden



**FY18 Acquisitions**

7/1/17 - 6/30/18

Count	Address	Council District	Proposed End Use
94	2716 N NEWKIRK ST	4	Sideyard
95	2718 N NEWKIRK ST	4	Sideyard
96	2727 W STERNER ST	4	Sideyard
97	2730 W SILVER ST	4	Sideyard
98	2760 N RINGGOLD ST	4	Sideyard
99	2769 N TAYLOR ST	4	Sideyard
100	2817 N NEWKIRK ST	4	Sideyard
101	2820 N 26TH ST	4	Sideyard
102	2823 N BAILEY ST	4	Sideyard
103	2851 N RINGGOLD ST	4	Sideyard
104	2852 N RINGGOLD ST	4	Sideyard
105	2857 N RINGGOLD ST	4	Sideyard
106	2858 N TANEY ST	4	Sideyard
107	2867 N TANEY ST	4	Sideyard
108	2908 N BAILEY ST	4	Sideyard
109	2913 N TANEY ST	4	Sideyard
110	2915 N BAMBREY ST	4	Sideyard
111	2917 N TANEY ST	4	Sideyard
112	2920 N RINGGOLD ST	4	Sideyard
113	2925 N RINGGOLD ST	4	Sideyard
114	2928 N TAYLOR ST	4	Sideyard
115	2929 N RINGGOLD ST	4	Sideyard
116	2931 W CLEMENTINE ST	4	Sideyard
117	2933 N STILLMAN ST	4	Sideyard
118	2940 N TAYLOR ST	4	Sideyard
119	2942 N RINGGOLD ST	4	Sideyard
120	2946 N BAILEY ST	4	Sideyard
121	2953 N BAILEY ST	4	Sideyard
122	2955 N BAILEY ST	4	Sideyard
123	2963 N TAYLOR ST	4	Sideyard
124	2968 N RINGGOLD ST	4	Sideyard
125	3100 N NAPA ST	4	Sideyard
126	3122 N 27TH ST	4	Sideyard
127	3128 N STILLMAN ST	4	Sideyard
128	3216 N NEWKIRK ST	4	Sideyard
129	3323 W ALLEGHENY AVE	4	Sideyard
130	420 N DAGGETT ST	4	Open Space
131	531 N 62ND ST	4	Community Use
132	5525 MASTER ST	4	Affordable Housing
133	5607 MASTER ST	4	Sideyard
134	1046 W INDIANA AVE	5	Sideyard
135	1235 W CAMBRIA ST	5	Sideyard
136	1333 N 27TH ST	5	Community Garden
137	1403 N PERTH ST	5	Affordable Housing
138	1421 W LETTERLY ST	5	Affordable Housing
139	1422 N 27TH ST	5	Workforce Housing

**FY18 Acquisitions**

7/1/17 - 6/30/18

Count	Address	Council District	Proposed End Use
140	1431 OGDEN ST	5	Affordable Housing
141	1513 N MARSTON ST	5	Affordable Housing
142	1516 N 25TH ST	5	Workforce Housing
143	1516 N MYRTLEWOOD ST	5	Sideyard
144	1520 N 25TH ST	5	Workforce Housing
145	1536 N MARSTON ST	5	Affordable Housing
146	1549 N 9TH ST	5	Affordable Housing
147	1635 N MARSTON ST	5	Affordable Housing
148	1724 N LAMBERT ST	5	Affordable Housing
149	1729 N 26TH ST	5	Affordable Housing
150	1747 SEYBERT ST	5	Affordable Housing
151	1758 N LAMBERT ST	5	Affordable Housing
152	1826 N 22ND ST	5	Community Use
153	1844 N TAYLOR ST	5	Sideyard
154	1848 N 22ND ST	5	Community Use
155	1850 N 22ND ST	5	Community Use
156	1906 N 24TH ST	5	Community Garden
157	1917 NICHOLAS ST	5	Affordable Housing
158	1919 NICHOLAS ST	5	Affordable Housing
159	1937 N 9TH ST	5	Affordable Housing
160	1943 N CROSKEY ST	5	Sideyard
161	1960 N DARIEN ST	5	Affordable Housing
162	2024 N WOODSTOCK ST	5	Affordable Housing
163	2041 N 19TH ST	5	Affordable Housing
164	2045 N 19TH ST	5	Affordable Housing
165	2113 N PERCY ST	5	Affordable Housing
166	2129 N 19TH ST	5	Affordable Housing
167	2147 N 19TH ST	5	Affordable Housing
168	2166 N FRANKLIN ST	5	Sideyard
169	2215 N 19TH ST	5	Affordable Housing
170	2219 W SEDGLEY AVE	5	Sideyard
171	2231 N UBER ST	5	Affordable Housing
172	2232 N GRATZ ST	5	Sideyard
173	2237 INGERSOLL ST	5	Affordable Housing
174	2237 N 19TH ST	5	Affordable Housing
175	2245 INGERSOLL ST	5	Affordable Housing
176	2246 N 19TH ST	5	Affordable Housing
177	2253 N 19TH ST	5	Affordable Housing
178	2265 N 19TH ST	5	Affordable Housing
179	2314 W YORK ST	5	Sideyard
180	2326 SEYBERT ST	5	Affordable Housing
181	2334 N 12TH ST	5	Sideyard
182	2340 N 19TH ST	5	Sideyard
183	2342 TURNER ST	5	Sideyard
184	2424 W LEHIGH AVE	5	Community Use
185	2514 TURNER ST	5	Affordable Housing

**FY18 Acquisitions**

7/1/17 - 6/30/18

Count	Address	Council District	Proposed End Use
186	2526 N 10TH ST	5	Community Garden
187	2532 N ALDER ST	5	Community Garden
188	2561 N MOLE ST	5	Sideyard
189	2713 W FLORA ST	5	Affordable Housing
190	2737 W MONTGOMERY AVE	5	Sideyard
191	2932 W YORK ST	5	Sideyard
192	2937 N 8TH ST	5	Sideyard
193	3222 GERMANTOWN AVE	5	Commercial
194	3526 N WARNOCK ST	5	Sideyard
195	3750 N PERCY ST	5	Sideyard
196	3902 N DELHI ST	5	Sideyard
197	614 W ALLEGHENY AVE	5	Sideyard
198	623 W NORRIS ST	5	Affordable Housing
199	734 W ALLEGHENY AVE	5	Garden/Open Space
200	903 W SELTZER ST	5	Sideyard
201	910 W SUSQUEHANNA AVE	5	Affordable Housing
202	912 W SUSQUEHANNA AVE	5	Affordable Housing
203	920 W STERNER ST	5	Sideyard
204	925 W DAUPHIN ST	5	Sideyard
205	930 N 13TH ST	5	Market Rate
206	932 N 13TH ST	5	Market Rate
207	1910 N ORIANNA ST	7	Affordable Housing
208	1942 N 3RD ST	7	Affordable Housing
209	1944 N 3RD ST	7	Affordable Housing
210	1944 N 5TH ST	7	Sideyard
211	1946 N 3RD ST	7	Affordable Housing
212	1952 N 3RD ST	7	Affordable Housing
213	1956 N 3RD ST	7	Affordable Housing
214	2002 N RANDOLPH ST	7	Commercial Site
215	2012 N RANDOLPH ST	7	Commercial Site
216	2015 GERMANTOWN AVE	7	Commercial Site Assembly
217	2017 N BODINE ST	7	Affordable Housing
218	2021 N 3RD ST	7	Affordable Housing
219	2032 N LEITHGOW ST	7	Sideyard
220	2036 N RANDOLPH ST	7	Commercial Site
221	2042 N RANDOLPH ST	7	Commercial Site
222	2151 N RANDOLPH ST	7	Sideyard
223	217 E LIPPINCOTT ST	7	Sideyard
224	2309 PALETHORP ST	7	Sideyard
225	258 DIAMOND ST	7	Affordable Housing
226	264 DIAMOND ST	7	Affordable Housing
227	270 DIAMOND ST	7	Affordable Housing
228	2751 KENSINGTON AVE	7	Sideyard
229	2823 N SWANSON ST	7	Sideyard
230	2832 N ORKNEY ST	7	Sideyard
231	2901 N 6TH ST	7	Sideyard

**FY18 Acquisitions**

7/1/17 - 6/30/18

Count	Address	Council District	Proposed End Use
232	2923 N ORIANNA ST	7	Sideyard
233	2950 N ORKNEY ST	7	Sideyard
234	3067 N LAWRENCE ST	7	Sideyard
235	3133 HURLEY ST	7	Sideyard
236	3145 CUSTER ST	7	Sideyard
237	3247 TAMPA ST	7	Sideyard
238	3338 A ST	7	Sideyard
239	3415 TAMPA ST	7	Sideyard
240	3465 DILLMAN ST	7	Sideyard
241	3515 N 7TH ST	7	Sideyard
242	4213 N 9TH ST	7	Sideyard
243	4830 N PENN ST	7	Sideyard
244	515 W SUSQUEHANNA AVE	7	Affordable Housing
245	611 W VENANGO ST	7	Sideyard
246	631 W TIOGA ST	7	Sideyard
247	644 E LIPPINCOTT ST	7	Sideyard
248	1430-32 W GLENWOOD AVE	8	Workforce Housing
249	1434 W GLENWOOD AVE	8	Workforce Housing
250	1736 W COURTLAND ST	8	Workforce Housing
251	1740 W ERIE AVE	8	Affordable Housing
252	1743 W ONTARIO ST	8	Sideyard
253	1820 W ROCKLAND ST	8	Sideyard
254	1826 W ONTARIO ST	8	Affordable Housing
255	206 E PRICE ST	8	Affordable Housing
256	2247 W SOMERSET ST	8	Sideyard
257	2821 JUDSON ST	8	Sideyard
258	2919 N 23RD ST	8	Sideyard
259	2953 N HICKS ST	8	Sideyard
260	3018 N WOODSTOCK ST	8	Sideyard
261	3235 N WOODSTOCK ST	8	Affordable Housing
262	3312 N 21ST ST	8	Sideyard
263	343-45 SHEDAKER ST	8	Affordable Housing
264	4317 N HICKS ST	8	Affordable Housing
265	4465 N 19TH ST	8	Sideyard
266	4807 N FRANKLIN ST	8	Sideyard
267	4817 OLD YORK RD	8	Commercial Site
268	5062 N 7TH ST	8	Affordable Housing
269	5320 WAYNE AVE	8	Market Rate
270	5540 DEVON ST	8	Sideyard
271	5642 HEISKELL ST	8	Sideyard
272	6119 N BEECHWOOD ST	8	Affordable Housing
273	1937 67TH AVE	9	Sideyard
274	6605 N UBER ST	9	Workforce Housing
275	6607 N UBER ST	9	Workforce Housing
276	6710 WOOLSTON AVE	9	Sideyard
277	10929 ELLICOTT RD	10	Community Use

**FY19 (Q1 & Q2) Acquisitions**

7/1/18 - 12/31/18

Count	Address	Council District	Proposed End Use
1	1853 E ONTARIO ST	1	Sideyard
2	1921 S 6TH ST	1	Market Rate
3	2478 EMERALD ST	1	Market Rate
4	2480 EMERALD ST	1	Market Rate
5	1952 S REDFIELD ST	2	Sideyard
6	2521 ANNIN ST	2	Affordable Housing
7	3003 WHARTON ST	2	Affordable Housing
8	3124 TASKER ST	2	Workforce Housing
9	1007 S FRAZIER ST	3	Sideyard
10	1823 S 57TH ST	3	Sideyard
11	19 N PAXON ST	3	Sideyard
12	1961 S ITHAN ST	3	Sideyard
13	3626 BROWN ST	3	Market Rate
14	3714 BROWN ST	3	Community Garden
15	3818 POPLAR ST	3	Sideyard
16	3842 WYALUSING AVE	3	Sideyard
17	3906 W GIRARD AVE	3	Affordable Housing
18	4149 W GIRARD AVE	3	Community Garden
19	4405 BROWN ST	3	Affordable Housing
20	4900 W THOMPSON ST	3	Affordable Housing
21	5327 PENTRIDGE ST	3	Affordable Housing
22	5331 PENTRIDGE ST	3	Affordable Housing
23	5440 LUDLOW ST	3	Community Use
24	5442 LUDLOW ST	3	Community Use
25	5444 LUDLOW ST	3	Community Use
26	5455 REGENT ST	3	Sideyard
27	5617 ELLIOTT ST	3	Sideyard
28	5817 BELMAR ST	3	Sideyard
29	5939 SPRINGFIELD AVE	3	Sideyard
30	647 N 43RD ST	3	Community Use
31	709 N DE KALB ST	3	Workforce Housing
32	710 N 36TH ST	3	Workforce Housing
33	852 UNION ST	3	Affordable Housing
34	1707 N 55TH ST	4	Community Garden
35	2532 W SELTZER ST	4	Sideyard
36	1023 W CUMBERLAND ST	5	Community Garden
37	1437 OGDEN ST	5	Affordable Housing
38	1446 N MARSTON ST	5	Affordable Housing
39	1514 N MARSTON ST	5	Affordable Housing
40	1530 N DARIEN ST	5	Workforce Housing
41	1537 N 28TH ST	5	Workforce Housing
42	1547 N MARSTON ST	5	Affordable Housing
43	1551 N 9TH ST	5	Affordable Housing
44	1563 N DARIEN ST	5	Workforce Housing
45	1609 W FLORA ST	5	Affordable Housing

**FY19 (Q1 & Q2) Acquisitions**

7/1/18 - 12/31/18

Count	Address	Council District	Proposed End Use
46	1614 N BAILEY ST	5	Affordable Housing
47	1614-18 N 22ND ST	5	Commercial Expansion
48	1615 W FLORA ST	5	Affordable Housing
49	1725 N 26TH ST	5	Affordable Housing
50	1727 N STILLMAN ST	5	Sideyard
51	1731 N 29TH ST	5	Affordable Housing
52	1741 N NEWKIRK ST	5	Sideyard
53	1747 N 26TH ST	5	Affordable Housing
54	1749 N 26TH ST	5	Affordable Housing
55	1750 N CROSKEY ST	5	Affordable Housing
56	1761 N CROSKEY ST	5	Affordable Housing
57	1814 N MARSHALL ST	5	Affordable Housing
58	1820 N MARSHALL ST	5	Affordable Housing
59	2036 N 29TH ST	5	Sideyard
60	2113 W OXFORD ST	5	Affordable Housing
61	2125 N 18TH ST	5	Affordable Housing
62	2140 N 30TH ST	5	Affordable Housing
63	2201 N 8TH ST	5	Affordable Housing
64	2219 N UBER ST	5	Affordable Housing
65	2227 N UBER ST	5	Affordable Housing
66	2231 N 19TH ST	5	Affordable Housing
67	2236 N 7TH ST	5	Affordable Housing
68	2247 N 19TH ST	5	Affordable Housing
69	2255 N 19TH ST	5	Affordable Housing
70	2259-63 GERMANTOWN AVE	5	Commercial Site Assembly
71	2326 N 10TH ST	5	Community Garden
72	2330 W MONTGOMERY AVE	5	Affordable Housing
73	2332 W MONTGOMERY AVE	5	Affordable Housing
74	2351 NICHOLAS ST	5	Affordable Housing
75	2402 JEFFERSON ST	5	Affordable Housing
76	2411 CLIFFORD ST	5	Affordable Housing
77	2422 CLIFFORD ST	5	Affordable Housing
78	2429 SEYBERT ST	5	Affordable Housing
79	2434 CLIFFORD ST	5	Affordable Housing
80	2434 N CHADWICK ST	5	Sideyard
81	2443 SEYBERT ST	5	Affordable Housing
82	2447 SEYBERT ST	5	Affordable Housing
83	2503 N WARNOCK ST	5	Community Garden
84	2506 N 11TH ST	5	Community Garden
85	2509 N WARNOCK ST	5	Community Garden
86	2511 N WARNOCK ST	5	Community Garden
87	2514 NICHOLAS ST	5	Sideyard
88	2524 TURNER ST	5	Affordable Housing
89	2534 RIDGE AVE	5	Garden/Open Space

**FY19 (Q1 & Q2) Acquisitions**

7/1/18 - 12/31/18

Count	Address	Council District	Proposed End Use
90	2540 RIDGE AVE	5	Sideyard
91	2546 TURNER ST	5	Affordable Housing
92	2606 W MONTGOMERY AVE	5	Affordable Housing
93	2625 W MONTGOMERY AVE	5	Affordable Housing
94	2806 CECIL B MOORE AVE	5	Affordable Housing
95	2831 W HAROLD ST	5	Sideyard
96	2913 CECIL B MOORE AVE	5	Affordable Housing
97	2916 RIDGE AVE	5	Affordable Housing
98	2R NOLANS CT	5	Sideyard
99	3029 CLIFFORD ST	5	Affordable Housing
100	3110 W YORK ST	5	Garden/Open Space
101	3112 W YORK ST	5	Garden/Open Space
102	3117 CLIFFORD ST	5	Affordable Housing
103	3134 W GORDON ST	5	Affordable Housing
104	725 W CUMBERLAND ST	5	Community Garden
105	727 W CUMBERLAND ST	5	Community Garden
106	110 E WISHART ST	7	Sideyard
107	1726 N BODINE ST	7	Sideyard
108	1728 N BODINE ST	7	Sideyard
109	1937 E DAUPHIN ST	7	Community Garden
110	1946 E YORK ST	7	Sideyard
111	2030 GERMANTOWN AVE	7	Commercial
112	2038 GERMANTOWN AVE	7	Commercial
113	2054 N 5TH ST	7	Sideyard
114	2120 N REESE ST	7	Affordable Housing
115	2122 N REESE ST	7	Affordable Housing
116	2124 N REESE ST	7	Affordable Housing
117	2126 N REESE ST	7	Affordable Housing
118	221 W SERGEANT ST	7	Sideyard
119	2222 PALETHORP ST	7	Sideyard
120	2227 N 5TH ST	7	Affordable Housing
121	2242 N LAWRENCE ST	7	Affordable Housing
122	2300 EMERALD ST	7	Community Garden
123	2314 N 5TH ST	7	Sideyard
124	2351 N ORIANNA ST	7	Sideyard
125	2355 N ORIANNA ST	7	Sideyard
126	237 W THAYER ST	7	Sideyard
127	250 W THAYER ST	7	Sideyard
128	2535 N ORKNEY ST	7	Sideyard
129	2563 N LEITHGOW ST	7	Affordable Housing
130	2748 N 2ND ST	7	Sideyard
131	2821 N HOWARD ST	7	Sideyard
132	2916 MASCHER ST	7	Sideyard
133	2957 N ORKNEY ST	7	Affordable Housing

**FY19 (Q1 & Q2) Acquisitions**

7/1/18 - 12/31/18

Count	Address	Council District	Proposed End Use
134	2958 N ORKNEY ST	7	Sideyard
135	2967 N FAIRHILL ST	7	Community Garden
136	301 W SUSQUEHANNA AVE	7	Sideyard
137	3336 WATERLOO ST	7	Sideyard
138	3340 H ST	7	Sideyard
139	3432 N BODINE ST	7	Sideyard
140	4041 N 9TH ST	7	Sideyard
141	4205 N 9TH ST	7	Sideyard
142	428 DIAMOND ST	7	Sideyard
143	4422 ELIZABETH ST	7	Sideyard
144	505 DIAMOND ST	7	Sideyard
145	526 DIAMOND ST	7	Commercial Site Assembly
146	527 W MONTGOMERY AVE	7	Affordable Housing
147	536 DIAMOND ST	7	Commercial Site Assembly
148	2118-20 W GODFREY AVE	8	Workforce Housing
149	4560 N BOUVIER ST	8	Workforce Housing
150	5423-27 LENA ST	8	Affordable Housing
151	5618 HEISKELL ST	8	Sideyard
152	5655 SPRAGUE ST	8	Affordable Housing
153	6060 LIMEKILN PIKE	8	Affordable Housing



TABLE 23: Properties Conveyed by the Land Bank through FY19 Q2

**FY17 Dispositions**

Transactions	Number of Properties	Settlement Date	Address	Sale Price	Name of Buyer	Proposed Use	
1	1	1/9/2017	2919 W OAKDALE ST	\$12,500	P. Stamps	Single-Family Workforce Housing, Homeownership	
1	1	1/26/2017	1140 MOUNT VERNON ST	\$130,000	G. Clarke, R. Collins	Single-Family Market Rate, Homeownership	
1	7	3/21/2017	836 N 19TH ST	\$7,000	Civetta Property Group, LLC	Single-Family Workforce Housing, Homeownership	
			844 N 19TH ST				
			715 N 20TH ST				
			1907 BROWN ST				
			1909 BROWN ST				
			1917 BROWN ST				
			867 N UBER ST				
1	3	4/12/2017	1307 N NEWKIRK ST	\$89,000	RAZA Homes, LLC	Single-Family Market Rate, Homeownership	
			1437 DOVER ST				
			2715 CABOT ST				
1	1	4/13/2017	1314 N DOVER ST	\$45,000	SVM Development	Single-Family Market Rate, Homeownership	
1	1	5/4/2017	2329 MUTTER ST	\$6,283	J. Rosario	Side Yard	
1	1	5/4/2017	2341 N LEITHGOW ST	\$23,530	E. Sierra	Side Yard	
1	1	5/16/2017	2208 MASCHER ST	\$10,476	I. Santa	Side Yard	
1	2	6/28/2017	1938 N DARIEN ST	\$2	Yuhan Holdings, LLC	Single-Family Market Rate, Homeownership	
			1942 N DARIEN ST				
<b>9</b>	<b>18</b>						

7/1/16 - 6/30/17

Approximate Income of Households that will benefit from  
intended use if Sale Price was Nominal or ReducedSummary of Special Terms and Conditions of  
Conveyance

# of Units 30% AMI	# of Units 60% AMI	# of Units 120% AMI	# of Units Market	
		1		
			1	
		7		
			3	
			1	
				Self-amortizing mortgage, under old disposition policy
				Self-amortizing mortgage, under old disposition policy
				Self-amortizing mortgage, under old disposition policy
			2	Conveyance in connection with low-income (30% and 60% AMI) housing project
<b>8</b>		<b>7</b>		

FY18 Dispositions						
Transactions	Number of Properties	Settlement Date	Address	Sale Price	Name of Buyer	Proposed Use
1	60	7/12/2017	803 W BERKS ST	\$1	Philadelphia Housing Authority for Norris Choice Neighborhood Initiative	Multi-Family Low-Income (30% and 60% AMI), Rental
			805 W BERKS ST			
			807 W BERKS ST			
			809 W BERKS ST			
			811 W BERKS ST			
			813 W BERKS ST			
			1903 N DARIEN ST			
			1909 N DARIEN ST			
			1911 N DARIEN ST			
			1927 N DARIEN ST			
			1929 N DARIEN ST			
			2012 N DARIEN ST			
			2018 N DARIEN ST			
			2030 N DARIEN ST			
			2032 N DARIEN ST			
			2034 N DARIEN ST			
			2000-12 N FRANKLIN ST			
			2014 N FRANKLIN ST			
			2022 N FRANKLIN ST			
			2026 N FRANKLIN ST			
			2028 N FRANKLIN ST			
			2030 N FRANKLIN ST			
			2066 N FRANKLIN ST			
			804 W NORRIS ST			
			812 W NORRIS ST			
			814 W NORRIS ST			
			816 W NORRIS ST			
			818 W NORRIS ST			
			1914 N 7TH ST			
			1916 N 7TH ST			
			2050 N 7TH ST			
			2052 N 7TH ST			
			1900 N 8TH ST			
			1902 N 8TH ST			
			1904 N 8TH ST			
			1906 N 8TH ST			
			1910 N 8TH ST			
			1942 N 8TH ST			
			1960 N 8TH ST			
			2028 N 8TH ST			
			2053 N 8TH ST			
			2055 N 8TH ST			
			1901 N 9TH ST			

### Summary of Special Terms and Conditions of Conveyance



## FY18 Dispositions, continued

Transactions	Number of Properties	Settlement Date	Address	Sale Price	Name of Buyer	Proposed Use
con't	con't	7/12/2017	1903 N 9TH ST	con't	Philadelphia Housing Authority for Norris Choice Neighborhood Initiative	Multi-Family Low-Income (30% and 60% AMI), Rental
			1905 N 9TH ST			
			1915 N 9TH ST			
			1917 N 9TH ST			
			1925 N 9TH ST			
			1933 N 9TH ST			
			1943 N 9TH ST			
			1945 N 9TH ST			
			1947 N 9TH ST			
			1951 N 9TH ST			
			1955 N 9TH ST			
			1959 N 9TH ST			
			1961 N 9TH ST			
			1963 N 9TH ST			
			2041 N 9TH ST			
			2043 N 9TH ST			
			2045 N 9TH ST			
1	1	8/23/2017	138 W THOMPSON ST	\$55,245	BMK Properties, LLC	Single-Family Market Rate, Homeownership
1	8	8/24/2017	1206 N ETTING ST	\$151,000	Etting Street Holdings, LLC	Mixed Single-Family and Multi-Family Workforce Housing (120% AMI) and Market Rate, Homeownership
			1207 N ETTING ST			
			1214 N ETTING ST			
			1219 N ETTING ST			
			1221 N ETTING ST			
			1222 N ETTING ST			
			1225 N ETTING ST			
			1214 N 27TH ST			
1	1	8/24/2017	616 EMILY ST	\$65,000	Red Brick Homes, LLC	Single-Family Market Rate, Homeownership
1	1	8/28/2017	2440 WATERLOO ST	\$18,624	M. Melendez	Side Yard
1	3	9/14/2017	832 N 16TH ST	\$435,000	SDG N 16th St, LLC	Mixed Single-Family and Multi-Family Workforce Housing (120% AMI) and Market Rate, Homeownership
			836N 16TH ST			
			838N 16TH ST			
1	1	11/9/2017	819 N UBER ST	\$302,500	LDC Development, LLC	Multi-Family Market Rate, Homeownership
1	1	12/12/2017	1824 RIDGE AVE	\$175,000	Celia 2008, LLC	Multi-Family Market Rate, Homeownership
1	1	3/2/2018	1443 N DOVER ST	\$1	O. Johnson	Side Yard
1	1	3/19/2018	2933 DIAMOND ST	\$14,826	Kornegay Properties, LLC	Multi-Family Market Rate Rental

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7/1/17 - 6/30/18

Approximate Income of Households that will benefit from  
intended use if Sale Price was Nominal or ReducedSummary of Special Terms and Conditions of  
Conveyance

# of Units 30% AMI	# of Units 60% AMI	# of Units 120% AMI	# of Units Market	
con't	con't			
			1	
		6	3	
			1	
				Self-amortizing mortgage, under old disposition policy
		3	4	
			6	
			3	
			2	
<b>9</b>	<b>80</b>	<b>9</b>	<b>20</b>	

## FY19 (Q1-Q2) Dispositions

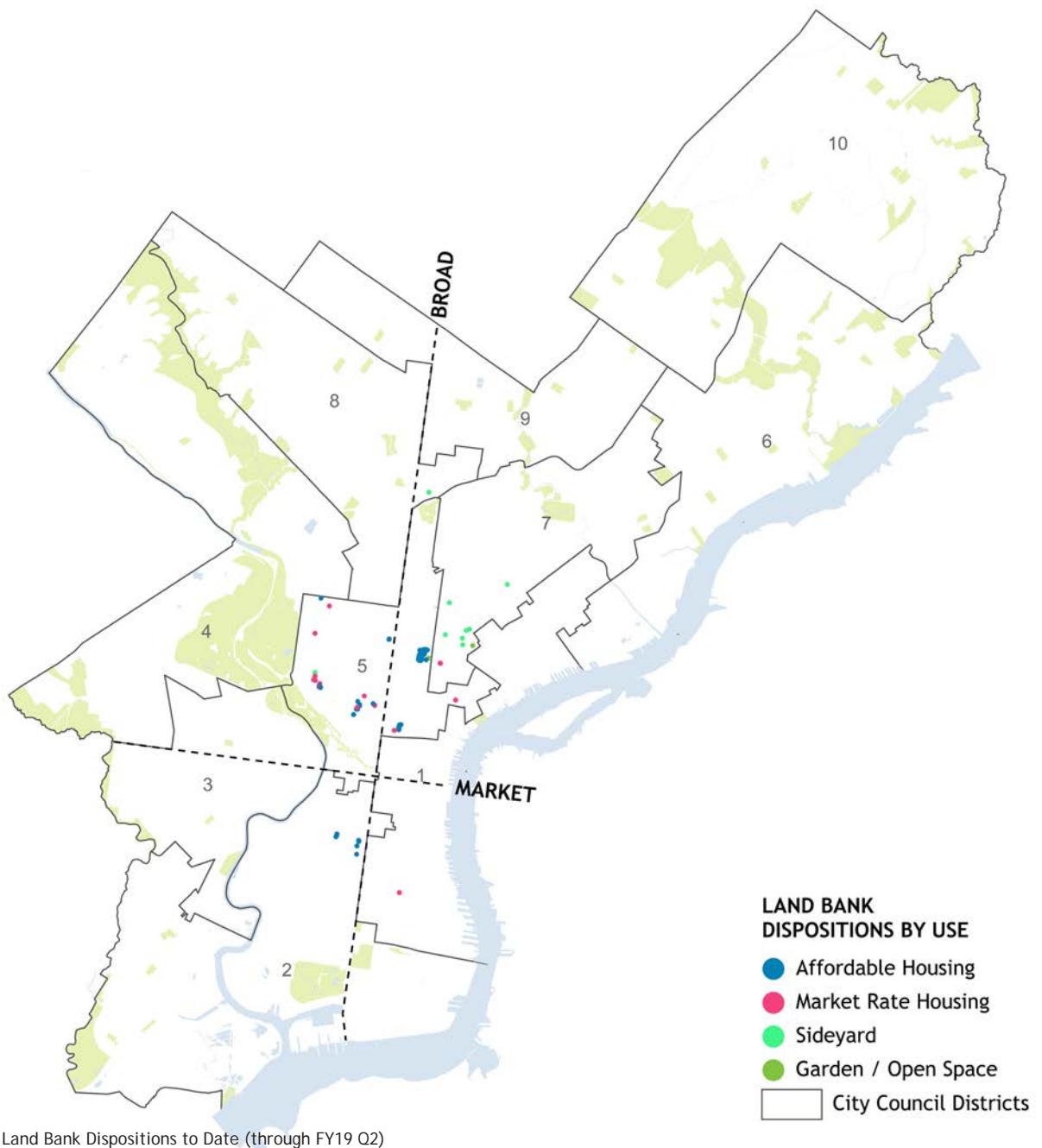
Transactions	Number of Properties	Settlement Date	Address	Sale Price	Name of Buyer	Proposed Use	
1	3	7/13/2018	415 W BERKS ST	\$226,000	LDC Development LLC	Multi-Family Market Rate, Homeownership	
			417 W BERKS ST				
			419 W BERKS ST				
1	1	7/13/2018	2860 N LEITHGOW ST	\$1	J. Matos-Castro	Side Yard	
1	1	8/1/2018	3250 HARTVILLE ST	\$1	R. Martinez	Side Yard	
1	1	8/22/2018	4546 N MARVINE ST	\$1	I. Elijah	Side Yard	
1	13	8/27/2018	623 N 11TH ST	\$4,600	WP Homes, LLC	Mixed Single-Family and Multi-Family Workforce Housing, Homeownership	
			625 N 11TH ST				
			627-29 N 11TH ST				
			632 N 11TH ST				
			634 N 11TH ST				
			640 N 11TH ST				
			645-47 N 11TH ST				
			655 N 11TH ST				
			659 N 11TH ST				
			661 N 11TH ST				
			663 N 11TH ST				
			1022 MELON ST				
			1110-14 WALLACE ST				
1	3	8/30/2018	2145 N 15TH ST	\$3	Susquehanna Square, LP	Multi-Family Very Low-Income and Low-Income and Accessible, Rental (facilitating development of 37 units)	
			2147 N 15TH ST				
			2149 N 15TH ST				
1	1	8/31/2018	119 W CUMBERLAND ST	\$1	P. Rivera	Side Yard	
1	1	11/7/2018	2544 N MARSTON ST	\$6,042	One Better, LLC	Single-Family Market Rate, Homeownership (rehab)	
1	1	11/19/2018	1936 N MARSHALL ST	\$1	Neighborhood Gardens Trust	Community Garden Preservation	
1	2	11/19/2018	2304 EMERALD ST	\$2	Neighborhood Gardens Trust	Community Garden Preservation	
			2306 EMERALD ST				
1	9	12/18/2018	1533 LATONA ST	\$9	Innova Redevelopment, LLC - agreement assigned to separate LLCs	Multi-Family Workforce Housing, Homeownership	
			1138 S SYDENHAM ST				
			1145 S SYDENHAM ST				
			1153 S SYDENHAM ST				
			1521 REED ST				
			1110-12 S 20TH ST				
			1118 S 20TH ST				
			1124 S 20TH ST				
			2002-04 ANNIN ST				

7/1/18 - 12/31/18

Approximate Income of Households that will benefit from  
intended use if Sale Price was Nominal or ReducedSummary of Special Terms and Conditions of  
Conveyance

# of Units 30% AMI	# of Units 60% AMI	# of Units 120% AMI	# of Units Market	
			6	
		22		
26	11			
			1	
		20		
<b>26</b>	<b>11</b>	<b>42</b>	<b>7</b>	





**FIGURE 26:** Land Bank Dispositions to Date (through FY19 Q2)  
*Source: Philadelphia Land Bank*

TABLE 24: Properties Held or Reserved by the Land Bank

Land Banked or Held for Interim Use				as of 2/21/19
Count	Address	Current or Intended use	User or Intended User	Term of Hold Period
1	100 EMILY ST	Individual Garden Agreement		1 year
2	1106 NORTH ST	Side/Rear yard	Approved for disposition as side yard 7/12/2018	1 year
3	12 E MONTGOMERY AVE	Individual Garden Agreement		1 year
4	1207 W CAMBRIA ST	Vacant Lot		1 year
5	1209 W CAMBRIA ST	Vacant Lot		1 year
6	1302 S CLEVELAND ST	NO LONGER OWNED	Sold to Daniel McLaughlin 2/12/2019	1 year
7	1308-14 N ORIANNA ST	Vacant Lot		1 year
8	131 E WILLARD ST	Individual Garden Agreement		1 year
9	1402 N MARSTON ST	Individual Garden Agreement		1 year
10	1532 SEYBERT ST	Individual Garden Agreement		1 year
11	158 W WYOMING AVE	Individual Garden Agreement		1 year
12	1812 LATONA ST	Individual Garden Agreement		1 year
13	1907 E STERNER ST	Individual Garden Agreement		1 year
14	2027 N ORKNEY ST	Individual Garden Agreement		1 year
15	2036 N 29TH ST	Side/Rear yard		1 year
16	2131 N ORIANNA ST	Individual Garden Agreement		1 year
17	2144 E BIRCH ST	Individual Garden Agreement		1 year
18	2147 E MONMOUTH ST	Individual Garden Agreement		1 year
19	2150 N 4TH ST	Vacant Lot		1 year
20	2229 W SERGEANT ST	Individual Garden Agreement		1 year
21	2324 MCCLELLAN ST	Individual Garden Agreement		1 year
22	2340 N 19TH ST	Individual Garden Agreement	Approved for disposition as side yard 6/14/2018	1 year
23	2345 MUTTER ST	Vacant Lot		1 year
24	2347 N ORKNEY ST	Individual Garden Agreement		1 year
25	2349 N ORKNEY ST	Individual Garden Agreement		1 year
26	2449 N MARSTON ST	Individual Garden Agreement		1 year
27	250 W THAYER ST	Side/Rear yard		1 year
28	2511 N ORKNEY ST	Individual Garden Agreement		1 year
29	2514 NICHOLAS ST	Side/Rear yard		1 year
30	2518 HOPE ST	Individual Garden Agreement		1 year
31	2533 N 02ND ST	Individual Garden Agreement		1 year
32	2561 N MOLE ST	Side/Rear yard		1 year
33	2637 WATERLOO ST	Existing Garden		1 year
34	266 W WENSLEY ST	Individual Garden Agreement		1 year
35	2714 OAKFORD ST	Individual Garden Agreement		1 year
36	2716 OAKFORD ST	Individual Garden Agreement		1 year
37	2727 WATERLOO ST	Individual Garden Agreement		1 year
38	2831 W HAROLD ST	Side/Rear yard		1 year
39	2840 N WATER ST	Vacant Lot		1 year
40	2855 N WATTS ST	Individual Garden Agreement		1 year
41	2932 W YORK ST	Side/Rear yard		1 year
42	2934 GRANSBACK ST	Individual Garden Agreement		1 year
43	2937 N 8TH ST	Individual Garden Agreement		1 year
44	3015 N AMERICAN ST	Individual Garden Agreement		1 year

## Land Banked or Held for Interim Use, continued

as of 2/21/19

Count	Address	Current or Intended use	User or Intended User	Term of Hold Period
45	3054 N DARIEN ST	Side/Rear yard		1 year
46	3133 HURLEY ST	Side/Rear yard		1 year
47	3134 GORDON ST	Side/Rear yard		1 year
48	3215 SHELBOURNE ST	Proposed Garden		1 year
49	3221 SHELBOURNE ST	Proposed Garden		1 year
50	3223 SHELBOURNE ST	Proposed Garden		1 year
51	3247 N 6TH ST	Vacant Lot		1 year
52	3519 N MARSHALL ST	Individual Garden Agreement		1 year
53	362 E INDIANA AVE	Individual Garden Agreement		1 year
54	3902 N DELHI ST	Individual Garden Agreement		1 year
55	4546 N MARVINE ST	NO LONGER OWNED	sold to Isaiah Elijah 8/22/2018	1 year
56	6060 REINHARD ST	Individual Garden Agreement		1 year
57	614 W ALLEGHENY AVE	Side/Rear yard		1 year
58	901 E WESTMORELAND ST	Vacant Lot		1 year
59	905 E WESTMORELAND ST	Vacant Lot		1 year



# APPENDIX III: Acquisition Policies



Placeholder:

*At this time, updates to the policies are still under consideration.*

*A draft of the revised policies will be submitted for approval by City Council concurrent with this plan.*

# APPENDIX IV: Disposition Policies

Placeholder:

*At this time, updates to the policies are still under consideration.*

*A draft of the revised policies will be submitted for approval by City Council concurrent with this plan.*

# APPENDIX V: Ethics Policies

## ETHICS POLICIES

A Member of the Land Bank Board who in the discharge of the Member's official duties has one of the following "Conflict Issues":

- (1) an adverse interest as defined in the State Adverse Interest Act (71 P.S. § 776.1 et seq.);
- (2) a conflict of interest as defined in the Public Officials and Employees Ethics Act (65 Pa.C.S.A. § 1101 et seq.); or
- (3) a conflict of interest or representation involving a business colleague as prohibited by the City Ethics Code (Philadelphia Code §§ 20-602(5), 20-607, 20-608(c))

shall take the following actions as soon as possible and before Land Bank action occurs to make public the nature and extent of the financial interest, contract interest, or business relationship at issue:

- (a) Prepare a letter that:
  - 1) includes the Member's name and position;
  - 2) identifies the relevant matter on which the Land Bank is taking action (such as specific property being considered for transfer);
  - 3) describes the circumstances (including relevant relationships and financial interests) giving rise to the Conflict Issue;
  - 4) describes the relevant duties that would normally require the Member or the Land Bank to take official action;
  - 5) includes a statement that the Member disqualifies himself/herself from official action related to the Conflict Issue, including participating in preliminary discussions and review as well as final votes and decisions.
- (b) Cause one (1) copy of such letter to be delivered by certified mail to each of the following: the Chair of the Land Bank; the Executive Director of the Land Bank; the General Counsel of the Board of Ethics; and the Commissioner of the Department of Records.
- (c) Abstain from taking official action and remove himself/herself from the opportunity to influence in any manner the Land Bank's actions related to the Conflict Issue. This includes leaving the room while the Land Bank Board considers the matter.

The Chair of the Land Bank shall cause such letters to be read at the first public meeting after the disclosure letter has been sent and also to be attached to the meeting minutes. At subsequent meetings on which action is taken relating to the Member's Conflict Issue, the Chair shall note the Member's disclosed Conflict Issue and disqualification from related official action. The Chair shall exclude the Member from any participation, including votes, deliberations, and other official action related to the Member's Conflict Issue. When the Chair of the Land Bank is the individual filing a disclosure and disqualification letter, another officer of the Land Bank shall carry out the duties described for the Chair in this Paragraph.

The agenda for Land Bank meetings is set 10 days before the Board meeting. Upon receipt of a copy of the agenda, Members should review it for potential Conflict Issues, and if they discover any, should immediately follow this public disclosure and disqualification procedure.

In the event that a Member becomes aware of a conflict just before the Board meeting, that Member shall publicly announce his/her financial interest in the matter, state that he/she will not participate in the matter, leave the room during consideration of the matter and file the required letters within 5 days after the Board meeting.

Any Member who is unsure whether he or she has a Conflict Issue or who has questions about this procedure should contact the Land Bank's General Counsel.



# APPENDIX VI: Summary of Public Comment

Placeholder:  
Following Public Hearing

JUNE 2019

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PREPARED FOR:

THE PHILADELPHIA LAND BANK

PREPARED BY:

INTERFACE STUDIO LLC

REAL ESTATE STRATEGIES, INC.

draft