



1234 Market St., 17<sup>th</sup> Floor, Philadelphia PA 19107  
philadelphialandbank.org

## **Board of Directors Meeting**

**May 14, 2015**

**3:30 p.m.**

**This meeting is open to the public**

### **Agenda**

- 1 Roll Call
- 2 Public Comment
- 3 Approval of Minutes
- 4 Updates
- 5 Financial Report
- 6 Modification of Drexel contract
- 7 PHDC Management Agreement
- 8 Selection of Pricing Model Provider
- 9 Adjournment

**FY 2015 Revenue & Expenses: July 1, 2014 to June 30, 2015**

	Revised Budget	YTD Through 3-31-2015	Available Balance
<b>Revenue</b>	\$ 3,154,520	\$ 2,079,000 (1)	\$ 1,075,520
<b>Expenses</b>			
<b>Payroll</b>			
Salaries	\$ 906,250	\$ 357,356 (4)	\$ 548,894
FICA	\$ 56,700	\$ 22,375	\$ 34,325
Fringe Benefits	\$ 432,820	\$ 98,488	\$ 334,332
	\$ 1,395,770	\$ 478,219	\$ 917,551
<b>Purchase of Services</b>			
Telephone	\$ 4,900	\$ 1,162	\$ 3,738
Training, Travel & Conferences	\$ 25,000	\$ 12,110	\$ 12,890
Parking & Mileage	\$ 17,600	\$ 3,530	\$ 14,070
Postage	\$ 5,100		\$ 5,100
Advertising & Promotions	\$ 30,000	\$ 4,557	\$ 25,443
Professional Services	\$ 642,000	\$ 330,274 (2)	\$ 311,726
Repair & Maintenance	\$ 317,500		\$ 317,500
Rent of Office Space	\$ 62,250	\$ 21,885	\$ 40,365
Insurance	\$ 311,400	\$ 9,050	\$ 302,350
	\$ 1,415,750	\$ 382,567	\$ 1,033,183
<b>Materials &amp; Supplies</b>			
Books & Other Publications	\$ 10,100	\$ 22	\$ 10,078
Office Material & Supplies	\$ 5,000	\$ 1,286	\$ 3,714
Printing	\$ 20,200	\$ 1,875	\$ 18,325
	\$ 35,300	\$ 3,184	\$ 32,116
<b>Equipment</b>			
Tools & Equipment	\$ 235,300	\$ 38,513 (3)	\$ 196,787
Auto	\$ 22,400		\$ 22,400
	\$ 257,700	\$ 38,513	\$ 219,187
<b>Real Estate Acquisition</b>	\$ 50,000	\$ -	\$ 50,000
	\$ 50,000	\$ -	\$ 50,000
<b>Total Costs</b>	\$ 3,154,520	\$ 902,483	\$ 2,252,037
<b>FY 2015 Net Revenue</b>	\$ -	\$ 1,176,517	\$ -

(1) \* Initial PRA funding of \$1,804,000 commitment received 10/10/2014  
\* \$275,000 City Of Philadelphia Commitment received 10/31/2014

(4) includes indirect PHDC salaries projected for January 15 - March 15

Philadelphia Land Bank  
4/9/2015 9:34

**Schedule of Assets, Liabilities and Net Position  
March 31, 2014**

**Assets**

**Current Assets**

Cash	\$	1,515,745
Accounts Receivable (PRA)	\$	876,583
<b>Total Current Assets</b>	<b>\$</b>	<b><u>2,392,329</u></b>

**Liabilities**

Accounts Payable (PHDC)		138,352
Accounts Payable (credit card)		1,939
<b>Total Liabilities</b>	<b>\$</b>	<b><u>140,292</u></b>

**Net Position**

Restricted Funding	\$	2,252,037
<b>Total Net Position</b>	<b>\$</b>	<b><u>2,252,037</u></b>



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## MEMORANDUM

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Date: May 14, 2015  
To: Board of Directors  
From: John Carpenter  
Re: Professional services contract with Drexel University

At our last board meeting, we approved a contract with Drexel University for the provision of student interns to support our deed review project. Today we are asking to expand the scope of this contract to include work in support of the next generation of our upfront pricing model and to explore the possible expansion of that model to include structures as well as land.

The team of interns assembled under Guy Thigpen has been guided since its inception with academic assistance from faculty at the University of Pennsylvania. This academic guidance also involves basic research that helps guide our work at the land bank, and provides academic opportunities for the students involved in the internship.

We would like to continue some of that same academic research in our contract with Drexel University, and propose to expand the scope of services to include the work necessary to support our 2015 pricing modeling for properties listed on the Phillylandworks website.

Our original pricing model looked only at land values, excluding consideration of structures. We would also like to add some preliminary research into the development of data and price modeling for the structures in our inventory, supported by Dr. Kevin Gillen who is now affiliated with Drexel University.

We request that you authorize the attached resolution that effectively replaces the resolution you approved last month, with one that more broadly describes the work that we would like to undertake with Drexel.

**RESOLUTION NO. 2015 -**

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

**WHEREAS**, on April 9, 2015, the Board adopted Resolution No. 2015-13 which authorized a Professional Services Contract with Drexel University in their Lindy Institute for Urban Innovation for the purpose of providing student assistance and research for the transfer of property from the City land-holding agencies to the Land Bank (the "Initial Drexel Contract");

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

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

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

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

**FURTHER RESOLVING:**

1. Resolution No. 2015-13 adopted April 9, 2015 is hereby rescinded.
2. The Drexel Contract, revised as stated herein, shall provide for an initial maximum compensation, including out-of-pocket expenses, in an amount not to exceed Forty Thousand Dollars (\$40,000) with a termination date of June 30, 2015.

3. The Land Bank shall have the option to extend the Drexel Contract in its sole discretion for an amount not to exceed, including out-of-pocket expenses, an additional Seventy Thousand Dollars (\$70,000) with a termination date of December 31, 2015.
4. The Executive Director is authorized to prepare, execute and deliver a contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Land Bank.



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## MEMORANDUM

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Date: May 14, 2015  
To: Board of Directors  
From: John Carpenter  
Re: Land Bank – PHDC Management Agreement

In December of 2013, the City authorized the creation of the Philadelphia Land Bank, and asked the Philadelphia Housing Development Corporation (PHDC) to support the Land Bank's operations with staff and administrative resources. The decision to house the Land Bank's operations within PHDC was taken with care, with the intent to minimize the administrative overhead of an entirely new agency in a city government where resources are scarce. Over the past year PHDC has worked closely with the Land Bank as it hired its first staff, and established procedures for sharing resources and related expenses.

The management agreement before you today documents the proposed working relationship between PHDC and the Land Bank. It is designed to respect the Land Bank's autonomous governance by its board of directors, while recognizing and sharing the cost of supporting a new organization. Much of the cost sharing in this agreement is guided by federal regulations related to the Community Development Block Grant program, as PHDC is primarily funded by those resources, and the Land Bank is not. This agreement will allow PHDC to clearly document its compliance with federal regulations.

I respectfully request that you approve this agreement.

**Philadelphia Land Bank / PHDC  
Management Agreement  
Summary of Major Terms**

<p>Delegation of Authority By Land Bank Board to PHDC</p>	<p>PHDC may, without further LB Board approval</p> <ul style="list-style-type: none"> <li>• Manage the everyday activities of the LB</li> <li>• Hire and dismiss PHDC staff to support the Land Bank, consistent with the approved LB budget, with notice to the LB Board upon such hiring/dismissal</li> <li>• Organize PHDC staff to efficiently support the LB</li> <li>• Maintain accounting systems and records</li> <li>• Pay LB expenses</li> <li>• File reports and tax returns, as approved by a LB authorized employee or Board member</li> <li>• Make presentations to the LB Board when requested</li> </ul> <p>PHDC may perform other duties and responsibilities which are authorized by the State enabling legislation, as and when directed by the LB Board.</p> <p>PHDC may, in consultation with the LB Board, appoint the Executive Director of the Land Bank</p>
<p>Term</p>	<p>July 1, 2014 to June 30, 2015, with 4 one-year renewals unless terminated by either party 90 days in advance of the yearly end date</p>
<p>Compensation</p>	<p>LB will pay:</p> <ul style="list-style-type: none"> <li>• A pro-rata share of specifically identified PHDC administrative expenses</li> <li>• Staff costs of those PHDC employees serving the LB</li> <li>• All direct LB expenses</li> </ul>
<p>Indemnifications</p>	<p>Mutual indemnification by LB and PHDC, <i>i.e.</i>, LB indemnifies PHDC for all actions taken by PHDC staff on behalf of the LB and PHDC indemnifies LB for all PHDC-related actions</p>
<p>Records</p>	<p>PHDC will maintain LB records, data, business plans, financial materials and similar information separate from PHDC's records</p> <p>LB Board will have access to, and full use and control over, all LB records, etc.</p> <p>PHDC retains control of HR records of its staff working for the LB</p>
<p>Insurance</p>	<p>LB and PHDC will each add the other as an additional insured on their liability policies.</p> <p>PHDC will indemnify the LB from any claim by a PHDC employee to the extent that such claim is covered by PHDC's insurance policies</p>



**RESOLUTION NO. 2015 -**

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

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

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

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

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

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



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## MEMORANDUM

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Date: May 14, 2015  
To: Board of Directors  
From: John Carpenter  
Re: Professional services contract with Meyers Research

In 2012, when the city first published its website listing properties for sale, it included for the first time ever, an upfront price for most of the properties listed on the site. That price was established using an automated valuation model developed by Econsult's Kevin Gillen, working closely with our Guy Thigpen and a team of interns. In late 2014 the automated valuation model and our prices were updated by Mr. Gillen and Mr. Thigpen.

Two months ago we advertised for a third update to this model, and received two proposals in response, one from Econsult, and the other from Meyers Research, Mr. Gillen's current employer. We evaluated both proposals carefully and even though the Meyers proposal was on its face slightly more expensive, we recommend the selection of Meyers for this work for two reasons. The approach proposed by Meyers research is somewhat more responsive to our needs, and they offered three additional refreshes of the data over the following two years at no additional charge.

Meyers also offered to produce a land price index, similar to commercially available housing price indices, tailored to Philadelphia for an additional charge of \$5,000. We believe that this is a good idea and ask that it be included in this contract.

We respectfully request your approval to enter into a contract with Meyers Research for this purpose.

**RESOLUTION NO. 2015 -**

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

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

**FURTHER RESOLVING:**

1. The Executive Director is authorized to prepare, execute and deliver a contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Land Bank, but shall include:
  - a) Approximately 40 locally and temporally stabilized land pricing models;
  - b) Four semi-annual price updates; and
  - c) Quarterly updates of the land pricing index.
2. The Contract shall provide for maximum compensation, including out-of-pocket expenses, in an amount not to exceed Sixty-Five Thousand Dollars (\$65,000).

# **PHILADELPHIA LAND BANK**

## **BOARD MEETING MINUTES**

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A meeting of the Board of Directors of the Philadelphia Land Bank was held on Thursday, April 9, 2015 commencing at 3:35 p.m. in the offices of the Philadelphia Housing Development Corporation, being its regular meeting place, 17th Floor, 1234 Market Street, Philadelphia, Pennsylvania, pursuant to proper notices.

### **CALL TO ORDER**

Ms. Rashid called the meeting to order at 3:35 p.m.

### **ROLL CALL**

The following members of the Board of Directors reported present: Majeedah Rashid, Chair; Paul L. Badger, Jr., Vice Chair; Jennifer Kates, Secretary; Deborah McColloch, Treasurer; Anjali Chainani; Christian Dunbar; Nora Lichtash; Angel Rodriguez; Jennifer Rodriguez; and Courtney Voss.

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

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

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



### **Agenda Item 2**

#### **Public Comment**

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

Mr. Holt expressed concern regarding a pre-Board meeting being conducted before the public is admitted. Mr. Wayne Byrd asked if the meeting was being recorded.



### **Agenda Item 3**

#### **Approval of Board Minutes**

Ms. Rashid called for a motion to approve the minutes of the Board meeting of March 12, 2015.

Upon motion made and duly seconded, the minutes of March 12, 2015 were approved as presented.



### **Agenda Item 4**

#### **Updates**

Ms. Rashid asked Mr. Koonce to present his update on Land Bank activities. Mr. Koonce reported on the recently introduced Land Bank Ordinance.

Ms. Kates stated that this ordinance was needed to authorize a process to transfer land from the City to the Land Bank. The proposed legislation will allow land to pass from City to PRA to Land Bank without additional restrictions. She stated that Charter requires that land pass through PRA.

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

Mr. Carpenter updated the Board on the new website which does not change the current website, but continues to refine the content and function. Also a determination of who the stakeholders will be is in process. The website is expected to be launched in late April or early May.

Mr. Carpenter stated that the budget is in the process of being developed for the fiscal year ending June 30, 2016, and that the City is allocating \$500,000. However, the bulk of the budget is coming from PRA.

Ms. Kates requested that the Board be notified of any Land Bank budget related hearings.

Mr. Carpenter also reported that the City and PRA have hired additional staff that will review deeds prior to execution and recording by each agency.



## **Agenda Item 5**

### **Information Items**

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

Mr. Carpenter reported that an RFP is being released in late April or early May to secure firms to provide property maintenance services.

Ms. Voss requested that all contractors be required to have appropriate licensing.



## **Agenda Item 6**

### **Selection of Bradley & Bradley Associates**

Mr. Carpenter reported that an RFP for insurance services was advertised in numerous formats and venues. One response was received from Bradley & Bradley Associates, Inc., who also handles PHDC's insurance issues.

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

#### **RESOLUTION 2015 - 12**

#### **RESOLUTION SELECTING BRADLEY & BRADLEY ASSOCIATES, INC. AS THE INSURANCE BROKER FOR THE LAND BANK**

**WHEREAS**, the Philadelphia Land Bank intends to engage an insurance broker to assist Land Bank Board and staff with placing and managing the insurance policies for the Land Bank;

**WHEREAS**, the Land Bank issued a competitive Request for Proposals (RFP) from qualified insurance brokers to perform these services;

**WHEREAS**, Land Bank staff has reviewed and evaluated the response submitted by Bradley & Bradley Associates, Inc. and has determined that Bradley & Bradley Associates, Inc. meets all selection criteria and has the experience and qualifications to perform the services stated in the RFP; and

**WHEREAS**, Land Bank staff has recommended that Bradley & Bradley Associates, Inc. by awarded this contract.

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

1. The Land Bank may enter into a professional services contract with Bradley & Bradley Associates, Inc. to provide insurance brokerage services to the Land Bank, for an initial term of one year with the Land Bank's option to renew the contract for two additional one-year periods.
2. That the initial term of the contract shall be for a maximum compensation, including out-of-pocket expenses, of Thirty Seven Thousand Dollars (\$37,000)
3. That the first option term of the contract, if exercised, shall be for a maximum compensation, including out-of-pocket expenses, of Forty Thousand Dollars (\$40,000) and the second option term of the contract, if exercised, shall be for a maximum compensation, including out-of-pocket expenses, of Forty Four Thousand Dollars (\$44,000).

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



### **Agenda Item 7**

#### **Proposal Submitted by Drexel University**

Mr. Carpenter reported that the University of Pennsylvania's Fels Institute is no longer interested in providing intern services to the Land Bank. An RFP was issued in March and one proposal was received from Drexel University's Lindy Institute.

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

**RESOLUTION 2015 - 13**

**RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH  
DREXEL UNIVERSITY  
LINDY INSTITUTE FOR URBAN INNOVATION**

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Philadelphia Land Bank that authorization is hereby given for the Land Bank to enter into a professional services contract with Drexel University in their Lindy Institute for Urban Innovation (“Contract”) to provide graduate level students to assist in the review, analysis and preparation of land records for properties owned by Philadelphia Redevelopment Authority, the City of Philadelphia and Philadelphia Housing Development Corporation in preparation for transfer of properties to the Philadelphia Land Bank.

**FURTHER RESOLVING:**

1. The Contract shall provide for an initial maximum compensation, including out-of-pocket expenses, in an amount not to exceed Forty Thousand Dollars (\$40,000) with a termination date of June 30, 2015.
2. The Land Bank shall have the option to extend the Contract in its sole discretion for an amount not to exceed, including out-of-pocket expenses, for an additional Seventy Thousand Dollars (\$70,000) with a termination date of December 31, 2015.
3. The Executive Director is authorized to prepare, execute and deliver the Contract necessary to effectuate the purposes of this Resolution which shall contain such terms and conditions as the Executive Director and General Counsel shall deem necessary or appropriate to protect the interests of the Land Bank.

**ADJOURNMENT**

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

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SECRETARY TO THE BOARD



PHILADELPHIA LAND BANK

Board of Directors

Thursday, April 9, 2015

3:30pm

GUEST SIGN-IN SHEET

NAME

E-MAIL ADDRESS

COMPANY

1) Wayne Byrd

Wynnebyrd@yahoo.com

S.W.D.S.

2) *[Signature]*

SENATOR.HOLT@GMAIL.COM

S.W.D.S.

3) *[Signature]*

CESTRELL@AOL.COM

S.W.D.S.

4) Winnie Branton

wbranton@brantonstrategies.com

Branton Strategies

5) Michael J. Harvey

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—

6) Christ Jackson

P.L.B.

7) MALIK MAHDESS BEY

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S.W.D.S.

8)

9)

10)

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