



1234 Market St., 16th Floor, Philadelphia PA 19107
philadelphialandbank.org

Board of Director's Meeting – RESCHEDULED

November 27, 2018 – 4:00 PM

Agenda

1. Roll Call
2. Public Comment
3. Approval of Minutes for the Meeting of October 11, 2018
4. Property Dispositions
5. Resolution Amending the Bylaws of the Philadelphia Land Bank (Officer Nominations/
Appointment of Committee Members/Nomination of Eleventh Member)
6. Resolution Delegating Authority to Execute and Deliver Certificates of Completion, Lease
Agreements, and License Agreements, Subject to Certain Terms and Conditions
7. Resolution Approving Assignment and Assumption of Notes and Mortgages from the
Philadelphia Redevelopment Authority to the Philadelphia Land Bank
8. Resolution Accepting Philadelphia Land Bank Audited Financial Statements for Year Ending
June 30, 2018
9. Executive Director's Report (including update on property transfers, acquisition, and sales)
10. Adjournment

THIS MEETING IS OPEN TO THE PUBLIC

**PHILADELPHIA LAND BANK
BOARD MEETING MINUTES**

A Regular Meeting of the Board of Directors of the Philadelphia Land Bank was held on Thursday, October 11, 2018, 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

Mr. Dunbar called the meeting to order at 3:36 p.m.

ANNOUNCEMENT

Steve Cusano, Senior Counsel, announced that prior to today's Public Session, the Board did not hold an Executive Session.

Agenda Item 1

Roll Call

The following members of the Board of Directors reported present: Richard DeMarco, Christian Dunbar, Michael Koonce, Paulette Adams, Joshu Harris (entered at 3:45 p.m.), Jennifer Kates (left at 3:45 p.m.), Majeedah Rashid.

The following members of the Board of Directors were not present: Dominique Casimir, Rick Sauer, and Courtney Voss.

The following staff members were present: Angel Rodriguez, Steve Cusano, Esq., Andrea, Saah, Esq., Christi Jackson, Stephen Novotny, and Bradley Vassallo.

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, proceeded with business.

Agenda Item 2

Public Comment

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

Ms. Karen Minor asked about the purchase price for a property when a 501(c)(3) is involved, which Mr. Rodriguez answered.

There were no other comments from the public.

Agenda Item 3
Approval of Board Minutes

Ms. Adams asked why the September 20, 2018 minutes stated there were no comments from the public when there were comments. Mr. Cusano responded that the minutes should have stated that there were no other comments from the public.

Mr. Dunbar called for a motion to approve the minutes of the Board meeting of September 20, 2018 with the above referenced correction.

Mr. DeMarco made a motion to approve the minutes of the Board meeting of September 20, 2018 as corrected. The motion was seconded by Mr. Koonce.

Upon motion made and duly seconded, the Board unanimously approved the minutes of the September 20, 2018 Board meeting as corrected.

Agenda Item 4
Property Dispositions

A. Lease of 1420-22 Poplar Street

The lease for 1420 and 1422 Poplar Street was tabled.

Mr. Harris entered the meeting at 3:45 p.m.

Ms. Kates left the meeting at 3:45 p.m.

Agenda Items 5 and 6
Election of Officers

Resolutions for Appointments to the Finance Committee, Strategic Plan Committee, and the Policy Committee

Mr. Cusano provided a handout that set forth a proposed nomination and election process for the election of officers and committee members, which is attached to these minutes as Exhibit A. Rather than hold elections as done in the past, Mr. Cusano recommended that the Board utilize the proposed nomination and election process set forth on Exhibit A, which Mr. Cusano then explained. The Board had a lengthy deliberation about the nomination and election process and decided to postpone the election of officers and committee members to the November board meeting.

During deliberations, the Board requested several changes to the proposed process. Regarding the point permitting floor nominations, Mr. Koonce asked that the wording be changed to state that the person being nominated must be present to accept the nomination and must accept the nomination in order to stand for election.

Ms. Jackson asked about incorporating a provision regarding tie-breakers.

Mr. Dunbar asked that the vote be open and not anonymous, therefore the provision regarding counting votes following the meeting is not needed.

Mr. Dunbar also asked that the Bylaws be amended to reflect a new nomination process, which Mr. Cusano responded could be accomplished at the next Board meeting. Ms. Adams asked that any proposed amendment to the Bylaws be discussed with the Policy Committee before being presented to the Board.

Mr. Cusano then reiterated the requested changes to the nominations process as follows: (i) for permitted floor nominations the person being nominated must be present to accept the nomination and accepts the nomination; (ii) a tie-breaker provision will be added; and (iii) the vote will be open (*i.e.*, not anonymous). There being no other comments, questions, or suggested changes, the Board proceeded on to the next agenda item.

Agenda Item 7

Resolution Authorizing an Amendment to the Professional Services Agreement Between Philadelphia Land Bank and Interface Studio LLC for 2019 Strategic Plan

Mr. Cusano and Mr. Rodriguez explained the need to change the schedule of deliverables for the Fiscal Year 2019 Strategic Plan.

The Board deliberated about the proposed schedule and had several questions and comments, the majority of which focused on the importance of soliciting, receiving and incorporating public comment. The Board also discussed what would happen if City Council did not approve the Strategic Plan or required revisions. The Board asked that the schedule indicate the dates by which people must register to speak at the public hearing and deadline for submission of public comments.

Mr. Dunbar raised the question and the Board discussed whether the Land Bank should request changing the frequency of strategic plan updates under the ordinance due to the cost and staff capacity needed to provide an annual strategic plan.

Mr. Harris asked that the Resolution be amended to include that the Board will be notified of any modification to this Resolution.

Mr. Dunbar called for a motion to approve the Resolution Authorizing an Amendment to the Professional Services Agreement Between Philadelphia Land Bank and Interface Studio LLC for 2019 Strategic Plan with the following amendments: (i) addition of appropriate dates for registering to speak at the public hearing; (ii) deadline for submission of written testimony or public comments; and (iii) that the Board will be notified of any modifications to this Resolution.

Mr. Harris made a motion to approve this Resolution as amended. The motion was seconded by Mr. DeMarco.

Upon motion made and duly seconded, the Board unanimously approved the Resolution Authorizing an Amendment to the Professional Services Agreement Between Philadelphia Land Bank and Interface Studio LLC for 2019 Strategic Plan, as amended, which is attached as Exhibit B to these minutes.

Agenda Item 8

Resolution Authorizing a Memorandum of Understanding between the City of Philadelphia and the Philadelphia Land Bank Regarding VPRC Property Dispositions

Mr. Rodriguez explained this Resolution and answered questions from the Board. After some deliberation, the Board tabled this Resolution.

Agenda Item 9

Executive Director's Report

Mr. Rodriguez distributed the handouts attached as Exhibit C to these minutes.

Mr. Rodriguez reviewed acquisitions to date, including funds expended to date and funding requests submitted to the Finance Department, as well as dispositions to date and the status of RFPs in Council Districts 2 and 3, as presented in the handout. Mr. Rodriguez stated that the handout showing dispositions to date was incorrect and that a corrected handout would be provided at the next Board meeting. The Board had several questions regarding dispositions and acquisitions, which Mr. Rodriguez addressed.

Mr. Rodriguez informed the Board that the lease for the Poplar Street properties would be revised to include additional properties owned by the Land Bank. Mr. Rodriguez also informed the Board that Mr. Vassallo will be attending meetings of the Mayor's Task Force for the opioid crisis.

Mr. Koonce asked about the status of the 33rd and Berks St RPF, to which Mr. Rodriguez responded. Mr. Koonce then stated that he would like the staff to develop policies governing the Land Bank's disposition of properties with environmental issues, and Mr. Rodriguez indicated that he has begun that process.

Agenda Item 10

Adjournment

There being no further business to come before the Board, Mr. Dunbar called for a motion to adjourn the meeting.

Mr. Koonce made a motion to adjourn the meeting. Ms. Rashid seconded the motion.

Upon motion made and duly seconded, the Board approved to adjourn the meeting. The meeting was adjourned at 5:11 p.m.

SECRETARY TO THE BOARD

GUEST SIGN-IN SHEET



BOARD OF DIRECTORS
REGULAR MEETING

Thursday, October 11, 2018 at 3:30 PM
1234 Market Street, 17th Floor, Philadelphia, PA 19107

THIS SIGN-IN SHEET WILL BE PART OF THE MEETING MINUTES AND ANY INFORMATION CONTAINED HEREIN WILL BE MADE PUBLIC

ALL GUESTS ARE REQUIRED TO SIGN-IN

	NAME	COMPANY	EMAIL
1	Loren M. M. M.	Community Development	phillips@gmail.com
2	David M. M.	affiant wisconsin	devan@curhams.com
3	At Gray	PNC	d.j.hay@gmail.com
4	David M. M.	N/A	gradianco@gmail.com
5			
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EXHIBIT A



1234 Market St., 16th Floor, Philadelphia PA 19107
philadelphialandbank.org

MEMORANDUM

To: Board of Directors
From: Steve Cusano, Esq.
Date: October 11, 2018
Re: **Election of Officers and Committee Members**

I. BYLAWS.

Below are the applicable provisions of the Bylaws regarding election of officers and appointment of committee members.

201. Election

The Board shall elect from among its members a Chair, Vice Chair, Secretary, Treasurer and other officers as the Board determines at the Annual Meeting of the Board. The officers so duly elected shall hold office for one year or until their successors are appointed and qualified.

310. Committees

The Board may designate one or more standing and ad hoc committees, with each committee consisting of one or more members and may include individuals who are not members of the Board. The Board may designate one or more members as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee.

II. PROPOSED PROCESS.

- Nominations for officer and committee positions will be submitted to the Executive Director and Senior Counsel by email no later than October 31, 2018 at 5 pm.
- Board members can nominate themselves or a fellow Board member.
- Nominees will be contacted to confirm that they are interested in accepting the nomination before their name is added to the list of nominees.
- The Board is presented with a ballot listing all nominees and each member votes for their preferred candidates for each position.
- If there is no nominee for a position, any member of the Board may nominate themselves or a fellow Board member at the Board meeting so long as the person being nominated is present to accept the nomination.
- Following the meeting, the votes are counted and the Board is notified of the results via email. The newly elected officers and committee members shall assume their responsibilities immediately upon being notified. The election results will be presented at the next Board meeting for inclusion in the minutes.

III. CURRENT OFFICERS AND COMMITTEE MEMBERS.

Below is a list of the current officers and committee members.

<i>Chair</i> Christian Dunbar	<i>Vice Chair</i> Jennifer Kates	<i>Secretary</i> Vacant	<i>Treasurer</i> Michael Koonce
<i>Strategic Planning Committee</i>		Chair: Jennifer Kates Dominique Casimir Majeedah Rashid	
<i>Finance Committee</i>		Chair: Michael Koonce Paulette Adams Richard DeMarco Rick Sauer Christian Dunbar	
<i>Policy Committee</i>		Chair: Courtney Voss Paulette Adams Dominique Casimir Majeedah Rashid Rick Sauer	

EXHIBIT B

RESOLUTION NO. 2018 - 45 RESOLUTION AUTHORIZING AN AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN PHILADELPHIA LAND BANK AND INTERFACE STUDIO LLC FOR 2019 STRATEGIC PLAN

WHEREAS, the Board of Directors of the Philadelphia Land Bank (the "**Board**") deems it necessary and in the best interest of the Land Bank to amend the Professional Services Agreement between the Philadelphia Land Bank and Interface Studios LLC for preparation of the 2019 Strategic Plan (the "**Agreement**") pursuant to the terms of this Resolution.

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

1. The schedule set forth in the Scope of Services shall be amended to substantially conform to the schedule below.

Kick-off Meeting	Completed
First Round of Outreach Meetings	Completed
First Strategic Plan Draft Completed	November 29, 2018
Second Strategic Plan Draft Completed	December 11, 2018
Preliminary Strategic Plan Published for Public Comment	December 19, 2018
Second Round of Outreach Meetings	Week of January 7, 2019
Third Strategic Plan Draft Completed	January 17, 2019
Land Bank Public Hearing	Week of January 28, 2019
Final Strategic Plan Provided	February 7, 2019
Final Strategic Plan Adopted by Land Bank Board	February 14, 2019
Final Strategic Plan Introduced to City Council	February 21, 2019
Final Strategic Plan Adopted by City Council	February 28, 2019
Documentation of Process	March 8, 2019
Complete Wrap-Up	March 15, 2019

2. The Executive Director is further authorized to enter into and sign an amendment to the Agreement on behalf of the Land Bank, in form and substance acceptable to the Executive Director and Senior Counsel, in accordance with this Resolution.
3. The Executive Director with the advice of Senior Counsel may modify this Resolution as may be necessary or desirable to carry out its purposes and intents. The Executive Director or Senior Counsel will notify the Board of any modifications to this Resolution at the next Board meeting following the date of such modifications.
4. This Resolution shall take effect immediately upon adoption by the Board.

ADOPTED 10/11/2018

The above schedule (shown in the original Resolution) was amended as shown below (A) as requested by the Board at the meeting held on 10/11/2018 to (i) add dates for registering to speak at the public hearing; (ii) add a deadline for submission of written testimony or public comments; and (iii) to provide that the Board will be notified of any modifications to this Resolution; and (B) by the Executive Director with the advice of Senior Counsel as it was necessary or desirable to modify certain dates to carry out the purposes and intents of the Resolution.

Kick-off Meeting	Completed
First Round of Outreach Meetings	Completed
First Strategic Plan Draft Completed	November 29, 2018
Presentation of First Strategic Plan Draft to Individual Council Members	December 10-11, 2018
Land Bank and Interface/RES to present update at Housing Advisory Board Meeting	December 12, 2018
Second Strategic Plan Draft Completed (formatted, graphic version, incorporating planning committee edits and sessions with council, HAB, and PLB Board)	December 14, 2018
Preliminary Strategic Plan Published for Public Comment	December 21, 2018 (released with Save the Date for Public Hearing)
Second Round of Outreach Meetings	Week of January 7, 2019
Open Registration to Speak at Public Hearing and Begin Accepting Submission of Written Testimony	Week of January 7, 2019
Revised Strategic Plan Draft Published for Public Review	January 17, 2019
Deadline to Register to Speak at Public Hearing and Deadline for Submission of Written Testimony	Week of January 21, 2019
Land Bank Public Hearing	January 30, 2019
Compile Public Comment	Week of February 4, 2019
Final Strategic Plan Provided	Week of February 11, 2019
Final Strategic Plan Adopted by Land Bank Board	Mid-February, 2019
Final Strategic Plan Introduced to City Council	Mid-February, 2019
Final Strategic Plan Adopted by City Council	Mid-February/Early-March, 2019
Documentation of Process	Early-March, 2019
Complete Wrap-Up	Mid-March, 2019

Land Bank Update as of October 11, 2018

TAX ACQUISITIONS Status Report as of 10/11/2018:

FY 2019 ACQUISITION BUDGET	\$ 3,140,780.00	
SPENDING AUTHORITY THRU 12/31/2018	\$ 2,070,000.00	65.91%
ACQUISITION DRAWDOWN AS OF -	\$ 839,812.01	26.74%
BALANCE	\$ 1,230,187.99	

LAND BANK DRAW DOWN RECONCILIATION - FY 2019					
MONTH	ANTICIPATED EXPENSE	DRAWDOWN REQUEST	ACTUAL	BALANCE	BAL CHECK
Jul-19	\$ 664,047.26	\$ 664,047.26	\$ 271,714.82	\$ 392,332.44	
Aug-19	\$ 382,239.01	\$ 48,615.45	\$ 349,785.04	\$ 91,162.85	\$ 91,162.85
Sep-19	\$ 218,312.15	\$ 127,149.30	\$ 199,230.35	\$ 19,081.80	\$ 19,081.80
Oct-19					
TOTALS	\$ 1,264,598.42	\$ 839,812.01	\$ 820,730.21		

SUMMARY OF TAX ACQUISITIONS TO DATE (SEE ATTACHED FOR DETAIL):

TOTAL = 404
Housing = 179
Commercial/Mixed Use = 14
Gardens/Open Space = 20
Community Use = 10
Side yards = 181

DISPOSITIONS:

Currently PLB staff is processing 354 lots towards settlement. The attached report shows what stage and intended use, by council district the lots are.

SUMMARY OF DISPOSITIONS TO DATE (SEE ATTACHED FOR DETAIL):

FISCAL YEAR	PARCELS	UNITS	AMOUNT
FISCAL YEAR 2016-2017	98	146	\$ 1,447,801.00
FISCAL YEAR 2017-2018	18	13	\$ 323,791.00

REQUESTS FOR PROPOSALS (RFP)

Councilmatic District X: 2

ISSUED: The RFP will be posted before November 2018.

GRAYS FERRY AFFORDABLE HOMEOWNERSHIP

The Philadelphia Land Bank ("Land Bank") is soliciting proposals from developers to acquire and develop twenty-four (24) parcels in the Grays Ferry neighborhood for affordable homeownership.

Councilmatic District 3:

RE-ISSUED: After the close of the initial posting requests came in the Land Bank and the Councilmatic Office. The RFP was re-posted on July 9, 2018.

5109, 5111, 5113, 5121-5125 Market Street

The Philadelphia Land Bank ("Land Bank") is soliciting proposals from developers to acquire and develop all parcels. The Land Bank expects competitive offer prices and invites proposals for the entire Development Site. There are no restrictions on the type of development proposed.

ZONING: CMX-2

SUBMISSIONS RECEIVED: 2

CURRENT STATUS: AWARDED

Water Rate Board

In September 2018 the Water Rate Board provided the PLB a refund of \$65,000.

Philadelphia Land Bank Strategic Planning Process

The Philadelphia Land Bank is currently working with Interface Studios LLC for preparation of the 2019 Strategic Plan. This plan will establish 5- year goals for the Land Bank.

Strategic Planning Committee has decided that we will need more time to complete the plan. Issues that have given rise to the need for more time are:

- Finalize the Outline for the Strategic Plan
 - Integrate the feedback from interest groups
- Committee members have asked the Land Bank Staff to propose systems for:
 - Applications for Tax Acquisitions
 - Processing of EOIs

We asked Interface to propose a revised timeline see below. We expect to complete February 2019, For next steps:

- Stake holders have been informed of the new schedule for the 2nd round of outreach.
- A resolution is before the Board today October 11, 2018.

BENCHMARKS	ORIGINAL TIMELINE	Push to FEBRUARY
Publish Draft for Comment <i>~ 2 weeks for review</i>	10/5/2018	12/19/2018
Round 2 Outreach <i>~ 1 week for edits</i>	10/17/2018 - 10/19/2018	week of 1/7
Publish Revised Draft <i>minimum 10 days before hearing</i>	10/26/2018	1/17/2019
Public Hearing <i>final edits</i>	11/7/2018-11/8/2018	week of 1/28
Deliver Final Plan to Board	11/12/2018	2/7/2019
PLB Board Meeting / Vote	11/15/2018	2/14/2019
Introduce at City Council	11/29/2018	2/21/2019
City Council Vote	12/6/2018	2/28/2019
Documentation of Process	12/14/2018	
Complete Wrap Up	12/21/2018	
City Council Break	12/17/2018-1/7/2019	

Other Issues

- The Land Bank is in negotiations with Live Nation regarding a lease for access to parcels owned by the Land Bank behind The MET to be used for staging and loading.
- The Land Bank has designated personnel to represent the Planning & Development Department to the Mayor's Opioid Crisis Taskforce

	CC District	Street Address	Proposed Use	OPA Market Value	
					CD1
1	1	1919 S 6TH ST	Market Rate	\$14,700.00	Housing = 2
2	1	2107 E DAKOTA ST	Market Rate	\$16,300.00	
					CD2
1	2	1201 S 26TH ST	Affordable Housing	\$22,200.00	Housing = 7
2	2	1516 S TANNEY ST	Affordable Housing	\$14,600.00	
3	2	1822R-34 POINT BREEZE AVE	Affordable Housing	\$75,600.00	
4	2	2326 PIERCE ST	Affordable Housing	\$20,600.00	
5	2	1554 S ETTING ST	Workforce Housing	\$17,300.00	
6	2	2521 ANNIN ST	Housing	\$5,300.00	
7	2	3124 TASKER ST	Workforce Housing	\$45,700.00	
	2	6048 KINGSESSING AVE	Community Garden	\$10,200.00	Gardens = 1
1	2	1952 S REDFIELD ST	Sideyard	\$8,100.00	Sideyards = 2
2	2	6038 ALLMAN ST	Sideyard	\$7,800.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CD3
1	3	1234 HANSON ST	Affordable Housing	\$9,800.00	Housing = 29
2	3	3844 FOLSOM ST	Affordable Housing	\$8,900.00	
3	3	4156 W GIRARD AVE	Affordable Housing	\$15,600.00	
4	3	4405 BROWN ST	Affordable Housing	\$4,600.00	
5	3	5137 DELANCEY ST	Affordable Housing	\$14,500.00	
6	3	624 N SHEDWICK ST	Affordable Housing	\$20,500.00	
7	3	682 BROOKLYN ST	Affordable Housing	\$6,700.00	
8	3	852 UNION ST	Affordable Housing	\$7,900.00	
9	3	892 N 49TH ST	Affordable Housing	\$23,700.00	
10	3	4020 CAMBRIDGE ST	Housing	\$8,900.00	
11	3	41 N PEACH ST	Housing	\$6,000.00	
12	3	45 N PAXON ST	Housing	\$20,900.00	
13	3	4900 BROWN ST	Housing	\$70,500.00	
14	3	4933 W STILES ST	Housing	\$4,500.00	
15	3	4980 KERSHAW ST	Housing	\$5,600.00	
16	3	5102 BOWMAN CT	Housing	\$9,400.00	
17	3	5111 RENO ST	Housing	\$20,300.00	
18	3	5223 HAVERFORD AVE	Housing	\$11,700.00	
19	3	5227 HAVERFORD AVE	Housing	\$10,800.00	
20	3	5523 BEAUMONT ST	Housing	\$8,200.00	
21	3	655 N 52ND ST	Housing	\$8,800.00	
22	3	805 N 40TH ST	Housing	\$9,700.00	
23	3	1116 N 42ND ST	Market Rate	\$9,100.00	
24	3	709 N DE KALB ST	Market Rate	\$7,800.00	
25	3	710 N 36TH ST	Market Rate	\$9,300.00	
26	3	3829 CAMBRIDGE ST	Development Site	\$16,000.00	
27	3	5327 PENTRIDGE ST	Development Site	\$17,400.00	
28	3	5329 PENTRIDGE ST	Development Site	\$17,900.00	
29	3	5331 PENTRIDGE ST	Development Site	\$17,400.00	
	3	4149 W GIRARD AVE	Community Garden	\$20,100.00	Gardens = 3
	3	4155 W GIRARD AVE	Community Garden	\$16,800.00	
	3	5103 CHESTER AVE	Community Garden	\$22,800.00	
	3	5440 LUDLOW ST	Community Use	\$19,800.00	Community Use = 3
	3	5442 LUDLOW ST	Community Use	\$19,800.00	
	3	5444 LUDLOW ST	Community Use	\$19,800.00	
1	3	1007 S FRAZIER ST	Sideyard	\$9,600.00	Sideyards = 49
2	3	103 N PEACH ST	Sideyard	\$7,100.00	
3	3	1221 S 53RD ST	Sideyard	\$36,100.00	
4	3	13 N PEACH ST	Sideyard	\$8,700.00	
5	3	1310 S LINDENWOOD ST	Sideyard	\$8,200.00	
6	3	1333 S 56TH ST	Sideyard	\$11,400.00	
7	3	1335 S RUBY ST	Sideyard	\$26,400.00	
8	3	144 N PEACH ST	Sideyard	\$7,200.00	
9	3	159 DEARBORN ST	Sideyard	\$4,500.00	
10	3	1760 S 60TH ST	Sideyard	\$10,500.00	
11	3	1823 S 57TH ST	Sideyard	\$6,000.00	
12	3	19 N PAXON ST	Sideyard	\$20,900.00	
13	3	19 N PEACH ST	Sideyard	\$8,700.00	
14	3	1961 S ITHAN ST	Sideyard	\$8,100.00	
15	3	225 N 54TH ST	Sideyard	\$12,200.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CD3
16	3	227 S 57TH ST	Sideyard	\$20,100.00	
17	3	36 N 51ST ST	Sideyard	\$26,300.00	
18	3	3818 POPLAR ST	Sideyard	\$15,600.00	
19	3	3842 WYALUSING AVE	Sideyard	\$10,900.00	
20	3	3855 WYALUSING AVE	Sideyard	\$28,600.00	
21	3	4034 CAMBRIDGE ST	Sideyard	\$8,800.00	
22	3	4230 W STILES ST	Sideyard	\$13,300.00	
23	3	4253 MANTUA AVE	Sideyard	\$8,400.00	
24	3	47 N PEACH ST	Sideyard	\$6,000.00	
25	3	49 N PEACH ST	Sideyard	\$6,000.00	
26	3	4900 WESTMINSTER AVE	Sideyard	\$33,700.00	
27	3	5 N 50TH ST	Sideyard	\$12,400.00	
28	3	5028 PARRISH ST	Sideyard	\$26,800.00	
29	3	5033 KERSHAW ST	Sideyard	\$7,100.00	
30	3	5052 PARRISH ST	Sideyard	\$26,800.00	
31	3	5100 WYALUSING AVE	Sideyard	\$5,800.00	
32	3	5127 RENO ST	Sideyard	\$20,300.00	
33	3	5144 HARLAN ST	Sideyard	\$6,300.00	
34	3	5224 W STILES ST	Sideyard	\$7,400.00	
35	3	5306 ADDISON ST	Sideyard	\$13,500.00	
36	3	5312 WARREN ST	Sideyard	\$19,000.00	
37	3	5429 NORFOLK ST	Sideyard	\$6,000.00	
38	3	5455 REGENT ST	Sideyard	\$7,100.00	
39	3	55 N PEACH ST	Sideyard	\$6,000.00	
40	3	5532 BEAUMONT ST	Sideyard	\$7,400.00	
41	3	5559 LOCUST ST	Sideyard	\$18,500.00	
42	3	5617 ELLIOTT ST	Sideyard	\$7,700.00	
43	3	58 N PEACH ST	Sideyard	\$6,500.00	
44	3	5811 BEAUMONT ST	Sideyard	\$10,700.00	
45	3	5933 WINDSOR ST	Sideyard	\$8,500.00	
46	3	5939 SPRINGFIELD AVE	Sideyard	\$10,200.00	
47	3	5941 WARRINGTON AVE	Sideyard	\$10,200.00	
48	3	626 N 53RD ST	Sideyard	\$4,100.00	
49	3	650 N 53RD ST	Sideyard	\$5,200.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CD4
1	4	3216 N NEWKIRK ST	Affordable Housing	\$7,900.00	Housing = 1
	4	1703 N 55TH ST	Community Garden	\$7,400.00	Gardens/Open Space = 4
	4	1711 N 55TH ST	Community Garden	\$7,400.00	
	4	2700 W SILVER ST	Community Garden	\$3,500.00	
	4	420 N DAGGETT ST	Garden/Open Space	\$16,800.00	
	4	1431 N FRAZIER ST	Community Use	\$4,000.00	Community Use = 2
	4	531 N 62ND ST	Community use	\$108,700.00	
	4	5525 MASTER ST	Mixed Use	\$51,600.00	Mixed Use = 1
1	4	119 N VOGDES ST	Sideyard	\$33,600.00	Sideyards = 52
2	4	2407 W ELKHART ST	Sideyard	\$4,100.00	
3	4	2407 W LEHIGH AVE	Sideyard	\$10,300.00	
4	4	2414 W TORONTO ST	Sideyard	\$3,700.00	
5	4	2432 W TORONTO ST	Sideyard	\$3,300.00	
6	4	2520 W SELTZER ST	Sideyard	\$3,400.00	
7	4	2532 W SELTZER ST	Sideyard	\$3,400.00	
8	4	2547 W SILVER ST	Sideyard	\$3,500.00	
9	4	2613 ROBERTS AVE	Sideyard	\$30,100.00	
10	4	2621 W SELTZER ST	Sideyard	\$3,200.00	
11	4	2627 W SELTZER ST	Sideyard	\$3,200.00	
12	4	2635 W SELTZER ST	Sideyard	\$2,900.00	
13	4	2639 W SELTZER ST	Sideyard	\$3,200.00	
14	4	2640 W SELTZER ST	Sideyard	\$2,400.00	
15	4	2650 N 33RD ST	Sideyard	\$11,700.00	
16	4	2654 W SELTZER ST	Sideyard	\$3,300.00	
17	4	2716 N NEWKIRK ST	Sideyard	\$2,800.00	
18	4	2718 N NEWKIRK ST	Sideyard	\$2,800.00	
19	4	2727 W STERNER ST	Sideyard	\$3,000.00	
20	4	2730 W SILVER ST	Sideyard	\$3,300.00	
21	4	2760 N RINGGOLD ST	Sideyard	\$5,100.00	
22	4	2769 N TAYLOR ST	Sideyard	\$2,300.00	
23	4	2817 N NEWKIRK ST	Sideyard	\$5,200.00	
24	4	2820 N 26TH ST	Sideyard	\$5,000.00	
25	4	2823 N BAILEY ST	Sideyard	\$2,800.00	
26	4	2851 N RINGGOLD ST	Sideyard	\$2,900.00	
27	4	2852 N RINGGOLD ST	Sideyard	\$2,600.00	
28	4	2857 N RINGGOLD ST	Sideyard	\$2,900.00	
29	4	2858 N TANEY ST	Sideyard	\$2,400.00	
30	4	2867 N TANEY ST	Sideyard	\$2,400.00	
31	4	2908 N BAILEY ST	Sideyard	\$2,800.00	
32	4	2913 N TANEY ST	Sideyard	\$3,100.00	
33	4	2915 N BAMBREY ST	Sideyard	\$2,900.00	
34	4	2917 N TANEY ST	Sideyard	\$3,100.00	
35	4	2920 N RINGGOLD ST	Sideyard	\$5,800.00	
36	4	2925 N RINGGOLD ST	Sideyard	\$3,300.00	
37	4	2928 N TAYLOR ST	Sideyard	\$3,300.00	
38	4	2929 N RINGGOLD ST	Sideyard	\$3,300.00	
39	4	2931 W CLEMENTINE ST	Sideyard	\$2,100.00	
40	4	2933 N STILLMAN ST	Sideyard	\$2,900.00	
41	4	2940 N TAYLOR ST	Sideyard	\$3,300.00	
42	4	2942 N RINGGOLD ST	Sideyard	\$3,300.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CD4
43	4	2946 N BAILEY ST	Sideyard	\$3,100.00	
44	4	2953 N BAILEY ST	Sideyard	\$3,100.00	
45	4	2955 N BAILEY ST	Sideyard	\$3,100.00	
46	4	2963 N TAYLOR ST	Sideyard	\$3,300.00	
47	4	2968 N RINGGOLD ST	Sideyard	\$3,300.00	
48	4	3100 N NAPA ST	Sideyard	\$5,700.00	
49	4	3122 N 27TH ST	Sideyard	\$6,300.00	
50	4	3128 N STILLMAN ST	Sideyard	\$3,300.00	
51	4	3323 W ALLEGHENY AVE	Sideyard	\$13,700.00	
52	4	5607 MASTER ST	Sideyard	\$4,400.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CDS
1	5	1402 N MARSTON ST	Affordable Housing	\$5,200.00	Housing = 107
2	5	1403 N PERTH ST	Affordable Housing	\$18,900.00	
3	5	1408 N MARSTON ST	Affordable Housing	\$5,200.00	
4	5	1421 W LETTERLY ST	Affordable Housing	\$5,600.00	
5	5	1432 N MARSTON ST	Affordable Housing	\$5,200.00	
6	5	1434 N 27TH ST	Affordable Housing	\$4,500.00	
7	5	1438 N MARSTON ST	Affordable Housing	\$5,200.00	
8	5	1441 N MARSTON ST	Affordable Housing	\$5,000.00	
9	5	1516 N 25TH ST	Affordable Housing	\$15,100.00	
10	5	1520 N 25TH ST	Affordable Housing	\$20,500.00	
11	5	1549 N 9TH ST	Affordable Housing	\$19,600.00	
12	5	1551 N 9TH ST	Affordable Housing	\$19,400.00	
13	5	1614 N BAILEY ST	Affordable Housing	\$7,000.00	
14	5	1724 N LAMBERT ST	Affordable Housing	\$10,000.00	
15	5	1725 N 26TH ST	Affordable Housing	\$6,200.00	
16	5	1729 N 26TH ST	Affordable Housing	\$6,200.00	
17	5	1747 N 26TH ST	Affordable Housing	\$6,200.00	
18	5	1747 SEYBERT ST	Affordable Housing	\$17,800.00	
19	5	1749 N 26TH ST	Affordable Housing	\$6,200.00	
20	5	1750 N CROSKEY ST	Affordable Housing	\$3,600.00	
21	5	1758 N LAMBERT ST	Affordable Housing	\$10,000.00	
22	5	1906 N 24TH ST	Affordable Housing	\$6,200.00	
23	5	1917 NICHOLAS ST	Affordable Housing	\$6,900.00	
24	5	1919 NICHOLAS ST	Affordable Housing	\$6,600.00	
25	5	1937 N 9TH ST	Affordable Housing	\$16,200.00	
26	5	1960 N DARIEN ST	Affordable Housing	\$10,500.00	
27	5	2024 N WOODSTOCK ST	Affordable Housing	\$26,100.00	
28	5	2041 N 19TH ST	Affordable Housing	\$37,400.00	
29	5	2045 N 19TH ST	Affordable Housing	\$37,400.00	
30	5	2113 N PERCY ST	Affordable Housing	\$15,400.00	
31	5	2113 W OXFORD ST	Affordable Housing	\$3,000.00	
32	5	2129 N 19TH ST	Affordable Housing	\$47,500.00	
33	5	2147 N 19TH ST	Affordable Housing	\$45,700.00	
34	5	2201 N 8TH ST	Affordable Housing	\$5,500.00	
35	5	2215 N 19TH ST	Affordable Housing	\$7,100.00	
36	5	2219 N UBER ST	Affordable Housing	\$9,300.00	
37	5	2227 N UBER ST	Affordable Housing	\$9,300.00	
38	5	2231 N 19TH ST	Affordable Housing	\$7,400.00	
39	5	2231 N UBER ST	Affordable Housing	\$17,300.00	
40	5	2237 INGERSOLL ST	Affordable Housing	\$6,300.00	
41	5	2237 N 19TH ST	Affordable Housing	\$7,200.00	
42	5	2245 INGERSOLL ST	Affordable Housing	\$6,900.00	
43	5	2246 N 19TH ST	Affordable Housing	\$5,900.00	
44	5	2247 N 19TH ST	Affordable Housing	\$7,200.00	
45	5	2253 N 19TH ST	Affordable Housing	\$7,200.00	
46	5	2255 N 19TH ST	Affordable Housing	\$7,200.00	
47	5	2265 N 19TH ST	Affordable Housing	\$7,200.00	
48	5	2326 SEYBERT ST	Affordable Housing	\$10,000.00	
49	5	2330 W MONTGOMERY AVE	Affordable Housing	\$7,400.00	
50	5	2332 W MONTGOMERY AVE	Affordable Housing	\$8,900.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CD5
51	5	2351 NICHOLAS ST	Affordable Housing	\$4,100.00	
52	5	2411 CLIFFORD ST	Affordable Housing	\$10,400.00	
53	5	2422 CLIFFORD ST	Affordable Housing	\$14,800.00	
54	5	2429 SEYBERT ST	Affordable Housing	\$6,000.00	
55	5	2434 CLIFFORD ST	Affordable Housing	\$14,800.00	
56	5	2443 SEYBERT ST	Affordable Housing	\$6,000.00	
57	5	2524 TURNER ST	Affordable Housing	\$4,300.00	
58	5	2606 W MONTGOMERY AVE	Affordable Housing	\$6,200.00	
59	5	2625 W MONTGOMERY AVE	Affordable Housing	\$6,400.00	
60	5	2806 CECIL B MOORE AVE	Affordable Housing	\$9,700.00	
61	5	2913 CECIL B MOORE AVE	Affordable Housing	\$8,200.00	
62	5	3029 CLIFFORD ST	Affordable Housing	\$7,100.00	
63	5	3134 W GORDON ST	Affordable Housing	\$2,800.00	
64	5	623 W NORRIS ST	Affordable Housing	\$23,300.00	
65	5	910 W SUSQUEHANNA AVE	Affordable Housing	\$20,900.00	
66	5	912 W SUSQUEHANNA AVE	Affordable Housing	\$6,200.00	
67	5	1213 N ETTING ST	Workforce Housing	\$2,400.00	
68	5	1240 N 27TH ST	Workforce Housing	\$2,300.00	
69	5	1318 N 27TH ST	Workforce Housing	\$10,400.00	
70	5	1400 N 27TH ST	Workforce Housing	\$3,300.00	
71	5	1409 N 28TH ST	Workforce Housing	\$11,900.00	
72	5	1411 N 28TH ST	Workforce Housing	\$11,900.00	
73	5	1418 N 27TH ST	Workforce Housing	\$4,500.00	
74	5	1422 N 27TH ST	Workforce Housing	\$4,500.00	
75	5	1437 OGDEN ST	Workforce Housing	\$35,800.00	
76	5	1450 N 27TH ST	Workforce Housing	\$11,000.00	
77	5	1451 N 28TH ST	Workforce Housing	\$11,900.00	
78	5	1455 N 28TH ST	Workforce Housing	\$11,900.00	
79	5	2346 N 21ST ST	Workforce Housing	\$7,100.00	
80	5	2700 W CABOT ST	Workforce Housing	\$5,100.00	
81	5	2704 JEFFERSON ST	Workforce Housing	\$6,100.00	
82	5	2706 JEFFERSON ST	Workforce Housing	\$6,100.00	
83	5	2720 JEFFERSON ST	Workforce Housing	\$11,300.00	
84	5	1330 N MARSTON ST	Housing	\$9,200.00	
85	5	1332 N MARSTON ST	Housing	\$5,200.00	
86	5	1334 N MARSTON ST	Housing	\$5,200.00	
87	5	1336 N MARSTON ST	Housing	\$27,600.00	
88	5	1425 N MARSTON ST	Housing	\$5,000.00	
89	5	1426 N MARSTON ST	Housing	\$5,200.00	
90	5	1443 N MARSTON ST	Housing	\$5,000.00	
91	5	1444 N 27TH ST	Housing	\$11,000.00	
92	5	1445 N MARSTON ST	Housing	\$5,000.00	
93	5	1447 N MARSTON ST	Housing	\$5,000.00	
94	5	1448 N 27TH ST	Housing	\$11,000.00	
95	5	1449 N MARSTON ST	Housing	\$5,000.00	
96	5	2713 W FLORA ST	Housing	\$7,600.00	
97	5	1431 OGDEN ST	Market Rate	\$35,800.00	
98	5	1513 N MARSTON ST	Market Rate	\$16,700.00	
99	5	1536 N MARSTON ST	Market Rate	\$13,600.00	
100	5	1635 N MARSTON ST	Market Rate	\$7,600.00	

	CC District	Street Address	Proposed Use	OPA Market Value	
					CDS
101	5	930 N 13TH ST	Market Rate	\$11,600.00	
102	5	932 N 13TH ST	Market Rate	\$11,600.00	
103	5	1820 N MARSHALL ST	Development Site	\$16,800.00	
104	5	2036 N 29TH ST	Development Site	\$5,000.00	
105	5	2236 N 7TH ST	Development Site	\$15,000.00	
106	5	2447 SEYBERT ST	Development Site	\$6,000.00	
107	5	2916 RIDGE AVE	Development Site	\$4,900.00	
	5	3222 GERMANTOWN AVE	Commercial	\$53,400.00	Commercial = 3
	5	1614-18 N 22ND ST	Commercial Expansion	\$17,100.00	
	5	2259-63 GERMANTOWN AVE	Commercial Site Assembly	\$12,400.00	
1	5	1333 N 27TH ST	Community Garden	\$5,100.00	Gardens/Open Space = 10
2	5	2506 N 11TH ST	Community Garden	\$14,800.00	
3	5	2526 N 10TH ST	Community Garden	\$4,300.00	
4	5	2532 N ALDER ST	Community Garden	\$10,400.00	
5	5	725 W CUMBERLAND ST	Community Garden	\$14,200.00	
6	5	727 W CUMBERLAND ST	Community Garden	\$14,200.00	
7	5	2534 RIDGE AVE	Garden/Open Space	\$7,700.00	
8	5	734 W ALLEGHENY AVE	Garden/Open Space	\$2,800.00	
9	5	3110 W YORK ST	Open Space	\$2,900.00	
10	5	3112 W YORK ST	Open Space	\$2,900.00	
	5	1826 N 22ND ST	Community Use	\$8,100.00	Community Use = 4
	5	1848 N 22ND ST	Community Use	\$8,600.00	
	5	1850 N 22ND ST	Community Use	\$8,600.00	
	5	2424 W LEHIGH AVE	Community Use	\$14,000.00	
1	5	1046 W INDIANA AVE	Sideyard	\$4,700.00	Sideyards = 30
2	5	1235 W CAMBRIA ST	Sideyard	\$34,300.00	
3	5	1516 N MYRTLEWOOD ST	Sideyard	\$14,000.00	
4	5	1727 N STILLMAN ST	Sideyard	\$3,100.00	
5	5	1741 N NEWKIRK ST	Sideyard	\$11,300.00	
6	5	1844 N TAYLOR ST	Sideyard	\$17,200.00	
7	5	1943 N CROSKY ST	Sideyard	\$7,000.00	
8	5	2140 N 30TH ST	Sideyard	\$5,600.00	
9	5	2166 N FRANKLIN ST	Sideyard	\$22,700.00	
10	5	2219 W SEDGLEY AVE	Sideyard	\$19,600.00	
11	5	2232 N GRATZ ST	Sideyard	\$4,900.00	
12	5	2314 W YORK ST	Sideyard	\$700.00	
13	5	2334 N 12TH ST	Sideyard	\$21,900.00	
14	5	2340 N 19TH ST	Sideyard	\$6,600.00	
15	5	2342 TURNER ST	Sideyard	\$5,900.00	
16	5	2434 N CHADWICK ST	Sideyard	\$5,300.00	
17	5	2514 NICHOLAS ST	Sideyard	\$6,600.00	
18	5	2540 RIDGE AVE	Sideyard	\$6,900.00	
19	5	2561 N MOLE ST	Sideyard	\$5,600.00	
20	5	2737 W MONTGOMERY AVE	Sideyard	\$5,900.00	
21	5	2831 W HAROLD ST	Sideyard	\$5,200.00	
22	5	2932 W YORK ST	Sideyard	\$2,200.00	
23	5	2937 N 8TH ST	Sideyard	\$10,000.00	
24	5	3526 N WARNOCK ST	Sideyard	\$10,700.00	
25	5	3750 N PERCY ST	Sideyard	\$7,100.00	
26	5	3902 N DELHI ST	Sideyard	\$7,100.00	

	CC District	Street Address	Proposed Use	OPA Market Value	
					CD5
27	5	614 W ALLEGHENY AVE	Sideyard	\$12,500.00	
28	5	903 W SELTZER ST	Sideyard	\$9,300.00	
29	5	920 W STERNER ST	Sideyard	\$14,400.00	
30	5	925 W DAUPHIN ST	Sideyard	\$23,500.00	

	CC District	Street Address	Proposed Use	OPA Market Value	CD7
1	7	258 DIAMOND ST	Affordable Housing	\$5,600.00	Housing = 16
2	7	264 DIAMOND ST	Affordable Housing	\$5,700.00	
3	7	270 DIAMOND ST	Affordable Housing	\$8,600.00	
4	7	515 W SUSQUEHANNA AVE	Affordable Housing	\$4,800.00	
5	7	2120 N REESE ST	Housing	\$7,000.00	
6	7	2122 N REESE ST	Housing	\$7,000.00	
7	7	2124 N REESE ST	Housing	\$7,000.00	
8	7	1910 N ORIANNA ST	Development Site	\$12,900.00	
9	7	1942 N 3RD ST	Development Site	\$17,000.00	
10	7	1944 N 3RD ST	Development Site	\$17,000.00	
11	7	1946 N 3RD ST	Development Site	\$17,000.00	
12	7	1952 N 3RD ST	Development Site	\$17,000.00	
13	7	1956 N 3RD ST	Development Site	\$17,000.00	
14	7	2017 N BODINE ST	Development Site	\$4,700.00	
15	7	2021 N 3RD ST	Development Site	\$14,700.00	
16	7	527 W MONTGOMERY AVE	Development Site	\$17,200.00	
	7	4731 DUFFIELD ST	Commercial Expansion	\$21,800.00	Commercial = 8
	7	2002 N RANDOLPH ST	Commercial Site	\$8,500.00	
	7	2012 N RANDOLPH ST	Commercial Site	\$8,500.00	
	7	2036 N RANDOLPH ST	Commercial Site	\$15,800.00	
	7	2042 N RANDOLPH ST	Commercial Site	\$18,200.00	
	7	2015 GERMANTOWN AVE	Commercial Site Assembly	\$5,400.00	
	7	526 DIAMOND ST	Commercial Site Assembly	\$5,200.00	
	7	536 DIAMOND ST	Commercial Site Assembly	\$5,300.00	
	7	2300 EMERALD ST	Community Garden	\$15,100.00	Gardens = 2
	7	4213 N 9TH ST	Community Garden	\$7,000.00	
1	7	110 E WISHART ST	Sideyard	\$3,800.00	Sideyard = 34
2	7	1944 N 5TH ST	Sideyard	\$17,600.00	
3	7	2032 N LEITHGOW ST	Sideyard	\$11,800.00	
4	7	2054 N 5TH ST	Sideyard	\$15,400.00	
5	7	2151 N RANDOLPH ST	Sideyard	\$7,400.00	
6	7	217 E LIPPINCOTT ST	Sideyard	\$4,600.00	
7	7	2309 PALETHORP ST	Sideyard	\$8,600.00	
8	7	2314 N 5TH ST	Sideyard	\$5,100.00	
9	7	237 W THAYER ST	Sideyard	\$6,700.00	
10	7	250 W THAYER ST	Sideyard	\$6,700.00	
11	7	2748 N 2ND ST	Sideyard	\$12,600.00	
12	7	2751 KENSINGTON AVE	Sideyard	\$60,000.00	
13	7	2821 N HOWARD ST	Sideyard	\$11,400.00	
14	7	2823 N SWANSON ST	Sideyard	\$7,300.00	
15	7	2832 N ORKNEY ST	Sideyard	\$1,800.00	
16	7	2901 N 6TH ST	Sideyard	\$3,800.00	
17	7	2923 N ORIANNA ST	Sideyard	\$7,000.00	
18	7	2950 N ORKNEY ST	Sideyard	\$48,700.00	
19	7	301 W SUSQUEHANNA AVE	Sideyard	\$7,200.00	
20	7	3067 N LAWRENCE ST	Sideyard	\$7,400.00	
21	7	3133 HURLEY ST	Sideyard	\$6,400.00	
22	7	3145 CUSTER ST	Sideyard	\$7,300.00	
23	7	3247 TAMPA ST	Sideyard	\$8,200.00	
24	7	3338 A ST	Sideyard	\$13,400.00	

	CC District	Street Address	Proposed Use	OPA Market Value	
CD7					
25	7	3340 H ST	Sideyard	\$9,200.00	
26	7	3415 TAMPA ST	Sideyard	\$5,400.00	
27	7	3432 N BODINE ST	Sideyard	\$6,800.00	
28	7	3465 DILLMAN ST	Sideyard	\$4,300.00	
29	7	3515 N 7TH ST	Sideyard	\$12,500.00	
30	7	428 DIAMOND ST	Sideyard	\$5,500.00	
31	7	4830 N PENN ST	Sideyard	\$25,600.00	
32	7	611 W VENANGO ST	Sideyard	\$57,600.00	
33	7	631 W TIOGA ST	Sideyard	\$7,000.00	
34	7	644 E LIPPINCOTT ST	Sideyard	\$7,300.00	
CD8					
1	8	1740 W ERIE AVE	Affordable Housing	\$6,300.00	Housing = 15
2	8	3235 N WOODSTOCK ST	Affordable Housing	\$3,900.00	
3	8	4317 N HICKS ST	Affordable Housing	\$4,300.00	
4	8	6119 N BEECHWOOD ST	Affordable Housing	\$16,500.00	
5	8	1430-32 W GLENWOOD AVE	Housing	\$3,400.00	
6	8	1434 W GLENWOOD AVE	Housing	\$2,400.00	
7	8	1736 W COURTLAND ST	Housing	\$6,100.00	
8	8	1826 W ONTARIO ST	Housing	\$8,500.00	
9	8	206 E PRICE ST	Housing	\$58,200.00	
10	8	2118-20 W GODFREY AVE	Housing	\$37,000.00	
11	8	343-45 SHEDAKER ST	Housing	\$7,300.00	
12	8	5062 N 7TH ST	Housing	\$11,100.00	
13	8	2247 W SOMERSET ST	Development Site	\$2,800.00	
14	8	4560 N BOUVIER ST	Development Site	\$5,900.00	
15	8	5320 WAYNE AVE	Development Site	\$17,100.00	
	8	4817 OLD YORK RD	Commercial Site	\$15,000.00	Comm/Mixed Use = 2
	8	6060 LIMEKILN PIKE	Mixed Use	\$126,500.00	
1	8	1743 W ONTARIO ST	Sideyard	\$7,400.00	Sideyard = 12
2	8	1820 W ROCKLAND ST	Sideyard	\$7,600.00	
3	8	2821 JUDSON ST	Sideyard	\$1,100.00	
4	8	2919 N 23RD ST	Sideyard	\$2,400.00	
5	8	2953 N HICKS ST	Sideyard	\$4,000.00	
6	8	3018 N WOODSTOCK ST	Sideyard	\$1,600.00	
7	8	3312 N 21ST ST	Sideyard	\$5,700.00	
8	8	4465 N 19TH ST	Sideyard	\$6,800.00	
9	8	4807 N FRANKLIN ST	Sideyard	\$10,000.00	
10	8	5540 DEVON ST	Sideyard	\$16,700.00	
11	8	5618 HEISKELL ST	Sideyard	\$4,400.00	
12	8	5642 HEISKELL ST	Sideyard	\$4,300.00	

	CC District	Street Address	Proposed Use	OPA Market Value	
					CD9
1	9	6605 N UBER ST	Housing	\$8,100.00	Housing = 2
2	9	6607 N UBER ST	Housing	\$8,100.00	
	9	1937 67TH AVE	Sideyard	\$10,400.00	Sideyard = 2
	9	6710 WOOLSTON AVE	Sideyard	\$8,400.00	
					CD10
	10	10929 ELLICOTT RD	Community Use	\$50,000.00	Community Use = 1
					TOTAL = 404
					Housing = 179
					Commercial/Mixed Use = 14
					Gardens/Open Space = 20
					Community Use = 10
					Sideyards = 181

Report Date: 10/11/2018 YEAR 2 DISPOSITIONS - IN PROGRESS 7/1/2017 - 6/30/2018											
Disposition Type	COUNCIL DISTRICT										TOTAL
	1	2	3	4	5	6	7	8	9	10	
Side Yard	0	1	0	0	6	0	5	1	0	0	13 Lots
Pre-Planning	0	1	0	0	4	0	1	0	0	0	6
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	0	0	0	0	0	0	2	0	0	0	2
Disposition Approvals	0	0	0	0	2	0	0	0	0	0	2
Settlement	0	0	0	0	0	0	2	1	0	0	3
Cancelled	0	0	0	0	1	0	1	0	0	0	2
Housing/Mixed Use	1	24	8	0	168	0	94	0	0	0	295 Units
30% or below of AMI	0	0	0	0	20	0	5	0	0	0	25
Pre-Planning	0	0	0	0	0	0	0	0	0	0	0
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	0	0	0	0	0	0	5	0	0	0	5
Disposition Approvals	0	0	0	0	20	0	0	0	0	0	20
Settlement	0	0	0	0	0	0	0	0	0	0	0
Cancelled	0	0	0	0	0	0	0	0	0	0	0
31 % to 60% of AMI	0	0	0	0	101	0	45	0	0	0	146
Pre-Planning	0	0	0	0	0	0	0	0	0	0	0
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	0	0	0	0	0	0	45	0	0	0	45
Disposition Approvals	0	0	0	0	17	0	0	0	0	0	17
Settlement	0	0	0	0	84	0	0	0	0	0	84
Cancelled	0	0	0	0	0	0	0	0	0	0	0
61% to 120% of AMI	0	20	7	0	34	0	6	0	0	0	67
Pre-Planning	0	0	0	0	0	0	6	0	0	0	6
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	0	0	0	0	0	0	0	0	0	0	0
Disposition Approvals	0	0	0	0	8	0	0	0	0	0	8
Settlement	0	20	7	0	26	0	0	0	0	0	53
Cancelled	0	0	0	0	0	0	0	0	0	0	0
Non-Income Restricted	1	4	1	0	13	0	38	0	0	0	57
Pre-Planning	0	0	0	0	1	0	1	0	0	0	2
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	1	0	1	0	0	0	37	0	0	0	39
Disposition Approvals	0	4	0	0	8	0	0	0	0	0	12
Settlement	0	0	0	0	4	0	0	0	0	0	4
Cancelled	0	0	0	0	1	0	0	0	0	0	1
Business Expansion	0	1	1	1	2	0	2	0	0	0	7 Lots
Pre-Planning	0	1	0	1	0	0	0	0	0	0	2
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	0	0	1	0	2	0	0	0	0	0	3
Disposition Approvals	0	0	0	0	0	0	0	0	0	0	0
Settlement	0	0	0	0	0	0	2	0	0	0	2
Cancelled	0	0	0	0	0	0	0	0	0	0	0
Garden/Open Space	1	0	2	0	4	0	11	0	0	0	18 Lots
Pre-Planning	1	0	1	0	1	0	8	0	0	0	11
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	0	0	0	0	0	0	0	0	0	0	0
Developer Selection	0	0	1	0	1	0	2	0	0	0	4
Disposition Approvals	0	0	0	0	1	0	0	0	0	0	1
Settlement	0	0	0	0	1	0	1	0	0	0	2
Cancelled	0	0	0	0	0	0	2	0	0	0	2
Unknown	6	48	1	0	8	0	2	0	0	0	65 Lots
Pre-Planning	0	46	0	0	2	0	2	0	0	0	50
Package Preparation	0	0	0	0	0	0	0	0	0	0	0
Posting	6	0	1	0	5	0	0	0	0	0	12
Developer Selection	0	2	0	0	1	0	0	0	0	0	3
Disposition Approvals	0	0	0	0	0	0	0	0	0	0	0
Settlement	0	0	0	0	0	0	0	0	0	0	0
Cancelled	0	0	0	0	0	0	0	0	0	0	0
Total Pipeline	8	74	12	1	188	0	114	1	0	0	398


Dispositions to Date

Philadelphia Land Bank

10/11/2018

Property Address / Project Name	Council District	Purchaser	No. of Lots	Housing Units	Date Settled	Price	Notes
1 1119 W Cumberland St	7	P. Rivera	1	NA	8/31/2018	\$1	sideyard
2 and 663 N 11th St, 1022 Melon St, 1110-14 Wallace	5	WP Homes, LLC	13	22	8/24/2018	\$4,600	(120% AMI) homeownership
3 4546 N Marvline St	8	I. Elijah	1	NA	8/22/2018	\$1	sideyard
4 3250 Hartville St	7	R. Martinez	1	NA	8/1/2018	\$1	sideyard
5 415, 417 and 419 W Berks St	7	LDC Development LLC	3	6	7/13/2018	\$226,000	multi-family market rate homeownership
6 2860 N Leithgow St	7	J. Matos-Castro	1	NA	7/13/2018	\$1	sideyard
7 2033 Diamond St	5	Komegay Properties, LLC	1	2	3/19/2018	\$14,826	multi-family market rate rental
8 1443 N Dover St	5	O. Johnson	1	NA	3/2/2018	\$1	sideyard
9 1824 Ridge Ave	5	Celia 2008, LLC	1	3	12/12/2017	\$175,000	multi-family market rate homeownership
10 819-21 N Uber St	5	LDC Development LLC	1	6	11/9/2017	\$302,500	multi-family market rate homeownership
11 832, 836 and 838 N 16th St	5	SDC N 16th St, LLC	3	7	9/14/2017	\$435,000	mixed single-family and multi-family workforce housing
12 2440 Waterloo St	7	M. Melendez	1	NA	8/28/2017	\$18,624	sideyard
13 616 Emily St	1	Red Brick Homes, LLC	1	1	8/24/2017	\$65,000	single-family market rate homeownership
14 St, 1214 N 27th St	5	Etting Street Holdings, LLC	8	9	8/24/2017	\$151,000	(120% AMI) and market rate homeownership
15 138 W Thompson St	5	BMK Properties, LLC	1	1	8/23/2017	\$55,245	single-family market rate homeownership
803, 805, 807, 809, 811 and 813 W Berks St, 1903, 1909, 1911, 1927, 1929, 2012, 2018, 2030, 2032 and 2034 N Darien St, 2000-12, 2014, 2022, 2026, 2028, 2030 and 2066 N Franklin St, 804, 812, 814, 816 and 818 W Norris St, 1914, 1916, 2050 and 2052 N 7th St, 1900, 1902, 1904, 1906, 1910, 1942, 1960, 2028, 2053 and 2055 N 8th St, 1901, 1903, 1905, 1915, 1917, 1925, 1933, 1943, 1945, 1947-49, 1951, 1955, 1959, 1961, 1963, 2041, 2043, 2045 N 9th St	5	Philadelphia Housing Authority, for Norris Choice Neighborhood Initiative	60	89	7/12/2017	\$1	multi-family low-income (30% and 60% AMI) rentals
16 1961, 1963, 2041, 2043, 2045 N 9th St	5	Yuhan Holdings, LLC	2	NA	6/28/2017	\$2	(AMI) housing project
17 1938 and 1942 N Darien St	7	I. Santa	1	NA	5/16/2017	\$10,476	sideyard
18 2208 Mascher St	7	J. Rosario	1	NA	5/4/2017	\$6,283	sideyard
19 2329 Muller St	7	E. Sierra	1	NA	5/4/2017	\$23,530	sideyard
20 2341 Leithgow St	5	SVW Development	1	1	4/13/2017	\$45,000	single-family market rate homeownership
21 1314 N Dover St	5	RAZA Homes, LLC	3	3	4/12/2017	\$89,000	single-family market rate homeownership
22 1307 N Newkirk St, 1437 Dover St, 2715 Cabot St	5	Civetta Property Group, LLC	7	7	3/21/2017	\$7,000	single-family workforce housing homeownership
23 1917 Brown St, 867 N Uber St	5	G. Clarke, R. Collins	1	1	1/26/2017	\$130,000	single-family market rate homeownership
24 1140 Mount Vernon St	5	P. Stamps	1	1	1/9/2017	\$12,500	single-family workforce housing (120% AMI)
25 2919 W Oakdale St	5		1	1			
TOTALS			116	159		\$1,771,592	
FISCAL YEAR 2016-2017			98	146		\$ 1,447,801.00	
FISCAL YEAR 2017-2018			18	13		\$ 323,791.00	

MEMORANDUM

To: Board of Directors
From: Steve Cusano, Esq. 
Date: November 13, 2018
Re: **Resolution Amending the Bylaws of the Philadelphia Land Bank (Officer Nominations/Appointment of Committee Members/Nomination of Eleventh Member)**

Each member of the Board was provided a copy of the attached Resolution by email on November 2, 2018, which is at least ten (10) days prior to today's meeting as required by Article VI of the Bylaws.

The attached Resolution proposes certain amendments to the Bylaws of the Philadelphia Land Bank ("Bylaws"). **All words in the Resolution shown with a strikethrough (~~strikethrough~~) are deletions and all words underlined and italicized (*underlined and italicized*) are additions.**

Below is a summary of these amendments

Section 101

- This change is to define the term "Eleventh Member".

Section 201

- Establishes a process for nominating a Chair, Vice Chair, Secretary, and Treasurer, which will be managed by a newly formed Nominating Committee (see 310(c) below), in accordance with the following.
 - Nominations must be received no later than two (2) weeks prior to elections.
 - Board members can nominate themselves or another Board member.
 - Board members nominated by another Board member must accept their nomination to be a candidate.
 - Each Board member will vote for their preferred candidate for each position.
 - This is subject to Section 301, which provides that members may only participate in meetings by being physically present. Conference telephone or similar communications equipment, any Internet application, and voting by proxy are not permitted.
 - The candidate receiving the most votes for each position will be the winner.
 - In the event of a tie for any position, a tie breaker vote will be held between the tied candidates. Any tie following a tie-breaker vote will be decided by a coin flip.
 - If an office is vacated, the position may be filled during a regular meeting of the Board in accordance with this Section 201.

Section 310(a)

- The deleted portion is now included in Section 310(b).

November 13, 2018

Resolution Amending the Bylaws of the Philadelphia Land Bank (Officer Nominations/Appointment of Committee Members/Nomination of Eleventh Member)

Section 310(b)

- Establishes a process for which the Chair appoints persons and alternates to serve on each committee in consultation with the Vice Chair, Secretary, and Treasurer. This does not apply to the Nominating Committee (see 310(c) below).
 - Number of Board members serving on a committee must always be less than a quorum of the Board.
 - The Chair shall endeavor, as is reasonably possible, to appoint an equal distribution of those Board members appointed by the Mayor and those appointed by City Council on each committee.
 - No Board member shall serve on more than two (2) standing committees excluding the Nomination Committee.
 - The members of each committee shall determine the committee chairperson in their discretion, except that the Treasurer shall serve as chairperson of the Finance Committee.

Section 310(b)

- Establishes a Nominating Committee as a standing committee with the purpose of establishing a process by which nominations for Chair, Vice Chair, Secretary, Treasurer, and the Eleventh Member will be made and accepted and to oversee all elections in accordance with Sections 101 and 201 of the Bylaws.
- The members consist of: (i) the highest-ranking officer appointed to the Board by City Council; (ii) the highest-ranking officer appointed to the Board by the Mayor; and (iii) the Eleventh Member. For purposes of this Section 310(c), the officer ranking beginning with the highest is as follows: Chair, Vice Chair, Secretary, and Treasurer.

RESOLUTION NO. 2018 - ____

RESOLUTION AMENDING THE BYLAWS
OF THE PHILADELPHIA LAND BANK

WHEREAS, section 309 of the Bylaws of the Philadelphia Land Bank (the "**Bylaws**") provides that the Bylaws may be amended by a majority of the entire Board of Directors.

WHEREAS, the Board of Directors of the Philadelphia Land Bank (the "**Board**") deems it necessary and in the best interest of the Philadelphia Land Bank to amend the Bylaws pursuant to this Resolution.

WHEREAS, each member of the Board was provided this Resolution at least ten (10) days prior to the meeting at which this Resolution is to be voted upon in accordance with Article VI of the Bylaws.

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

1. All words shown with a strikethrough (~~strikethrough~~) are hereby removed from the Bylaws. All words underlined and italicized (*underlined and italicized*) are hereby added to the Bylaws.

2. Section 101 of the Bylaws is hereby amended as follows:

“The affairs and activities of the Philadelphia Land Bank ("**Land Bank**") shall be managed and controlled and its powers exercised by a Board of Directors (the "**Board**"), except as otherwise provided by statute or these Bylaws. The Board shall be composed of eleven (11) members: five (5) members shall be appointed by the Mayor of the City of Philadelphia ("**Mayor**"); five (5) members shall be appointed by majority vote of all the members of the Council of the City of Philadelphia ("**City Council**"); and one (1) member shall be appointed by majority vote of the other members of the Board ("*Eleventh Member*"). As used in these bylaws, (i) the phrase "**entire Board of Directors**" means the total number of Board members that the Land Bank would have if there were no vacancies.”

3. Section 201 of the Bylaws is hereby amended as follows:

“The Board shall elect from among its members a Chair, Vice Chair, Secretary, Treasurer and other officers as the Board determines at the Annual Meeting of the Board. The officers so duly elected shall hold office for one year or until their successors are appointed and qualified. *Nominations for Chair, Vice Chair, Secretary, and Treasurer must be submitted to the Nominating Committee, as established pursuant to Section 310(c), no later than two (2) weeks prior to elections. Board members can nominate themselves or another Board member. Board members nominated by another Board member must accept their nomination to be a candidate. Subject to Section 301 of these Bylaws, each Board member will vote for their preferred candidate for each position. The candidate receiving the most votes for each position will be the*

winner. In the event of a tie for any position, a tie breaker vote will be held between the tied candidates. Any tie following a tie-breaker vote will be decided by a coin flip. If an office is vacated, the position may be filled during a regular meeting of the Board in accordance with this Section 201. Any officer may be removed from office by a majority vote of the entire Board of Directors for failure to fulfill his or her duties as an officer.”

4. Section 310 of the Bylaws is hereby amended as follows:

“(a) The Board may designate one or more standing and ad hoc committees, with each committee consisting of one or more Board members and may include individuals who are not members of the Board. ~~The Board may designate one or more members as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee.~~

(b) Except for the Nomination Committee which is established pursuant to Section 310(c), the Chair shall appoint persons to serve on each committee (and may designate one or more persons as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee) in accordance with the following: (i) appointments to each committee shall be made in consultation with the Vice Chair, Secretary, and Treasurer; (ii) the number of Board members serving on a committee must always be less than a quorum of the Board; (iii) the Chair shall endeavor, as is reasonably possible, to appoint an equal distribution of those Board members appointed by the Mayor and those appointed by City Council on each committee; (iv) no Board member shall serve on more than two (2) standing committees excluding the Nomination Committee; and (v) the members of each committee shall determine the committee chairperson in their discretion, except that the Treasurer shall serve as chairperson of the Finance Committee.

(c) A Nomination Committee is hereby established as a standing committee. The members of the Nominating Committee shall consist of the following: (i) the highest-ranking officer appointed to the Board by City Council; (ii) the highest-ranking officer appointed to the Board by the Mayor; and (iii) the Eleventh Member. For purposes of this Section 310(c), the officer ranking beginning with the highest is as follows: Chair, Vice Chair, Secretary, and Treasurer. The Nomination Committee shall establish a process by which nominations for Chair, Vice Chair, Secretary, Treasurer, and the Eleventh Member will be made and accepted. The Nomination Committee shall also oversee all elections in accordance with Sections 101 and 201 of these Bylaws.

5. This Resolution shall take effect immediately upon adoption by the Board.

RESOLUTION NO. 2018 – ____

**RESOLUTION DELEGATING AUTHORITY TO EXECUTE AND DELIVER
CERTIFICATES OF COMPLETION, LEASE AGREEMENTS, AND LICENSE
AGREEMENTS, SUBJECT TO CERTAIN TERMS AND CONDITIONS**

WHEREAS, from time to time, it may be necessary or desirable to grant an individual or entity the exclusive right for a term to access and utilize real property owned by the Philadelphia Land Bank ("**Land Bank**") pursuant to a written agreement (each "**Lease**");

WHEREAS, from time to time, it may be necessary or desirable to allow an individual or entity non-exclusive, revocable access and use of real property owned by the Land Bank pursuant to a written agreement (each "**License Agreement**");

WHEREAS, the Land Bank's Purchase and Development Agreement (the "**PDA**") provides that after the developer's completion of the improvements in accordance with the PDA and compliance with certain other requirements contained in the PDA, the Land Bank shall record a certificate of completion (each "**Certificate of Completion**"), subject to certain terms and conditions.

WHEREAS, the Board recognizes the need for prompt and timely management decisions and believes that the efficiency of the Land Bank's operations will be enhanced if the Board delegates to the Executive Director, subject to the terms and conditions of this Resolution, the authority to approve, execute, deliver, and, as necessary, record (i) any and all Leases, License Agreements, and Certificates of Completion; (ii) any and all agreements, contracts, instruments, certifications, attestations, and other documents incidental to any Lease, License Agreement, or Certificate of Completion (each "**Transaction Document**"); and (iii) any and all amendments, modifications, extensions, and supplements to any Lease, License Agreement, Certificate of Completion, and Transaction Document (each "**Amendment**").

NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Philadelphia Land Bank (the "**Board**") that:

1. Subject to the terms and conditions of this Resolution, the Executive Director is hereby authorized, from time to time, on behalf of the Land Bank to approve, execute, deliver, and, as necessary, record Leases, License Agreements, Certificates of Completion, Transaction Documents, and Amendments, which the Executive Director deems necessary or desirable.
2. Each Lease, License Agreement, Certificate of Completion, Transaction Document, and Amendment shall contain such terms and conditions which the Executive Director, with the advice of Senior Counsel, deems necessary or desirable.
3. Each Lease is subject to the following:
 - a. A Lease shall be for a term of no more than one (1) year including any extensions. Any and all extensions after the expiration of the initial (1) year period requires Board approval.
 - b. As applicable, compliance with Section 16-707(1) and 16-707(6) of the Philadelphia Code.
 - c. The authority granted in this Resolution with respect to each Lease is limited by Section 108 of the Bylaws and Section 16-707(3) of the Philadelphia Code.
 - d. Senior Counsel has approved the form and substance of the Lease.

4. Each License Agreement is subject to the following:
 - a. A License Agreement shall be for a term of no more than one (1) year including any extensions. Any and all extensions after the expiration of the initial (1) year period requires Board approval.
 - b. Each License Agreement must (i) provide that possession is non-exclusive; (ii) be revocable at will upon no more than thirty (30) days written notice; (iii) be drafted in such a way as to not convey any estate, title, or interest in real estate.
 - c. Senior Counsel has approved the form and substance of the License Agreement.
5. Each Certificate of Completion is subject to the following:
 - a. The Executive Director must receive a completed inspection report signed off by, at least, the inspector; the project manager; and the Land Bank legal department indicating, at a minimum, (i) whether all improvements have been completed in accordance with the PDA; (ii) whether there are any defaults by the developer/purchaser under the PDA or any other document applicable to the Land Bank; and (iii) whether any outstanding issues were noted by the Department of Licenses & Inspections with respect to the improvements.
 - b. The Executive Director may, in his sole discretion, grant a Certificate of Completion if the developer/purchaser guarantees, with adequate assurance, that all defaults under the PDA and all outstanding issues noted by the Department of Licenses & Inspections will be promptly addressed.
 - c. Senior Counsel has approved the form and substance of the Certificate of Completion.
6. The Executive Director or Senior Counsel shall report at each regular Board meeting, on a cumulative basis, any Leases, License Agreements, Certificates of Completion, and Amendments executed and delivered pursuant to this Resolution since the immediately preceding regular Board meeting.
7. The Executive Director may permit any of those Land Bank staff authorized to execute and deliver certain documents on behalf of the Land Bank pursuant to Resolution 2017-43 to execute and deliver any Lease, License Agreement, Certificate of Completion, Transaction Document, and Amendment pursuant to, and in accordance with, this Resolution.
8. The Executive Director, with the advice of Senior Counsel, may modify this Resolution as may be necessary or desirable to carry out its purposes and intents. The Executive Director or Senior Counsel will notify the Board of all modifications to this Resolution at the next Board meeting following the date of such modifications.
9. The approval, execution, delivery, and recording of any Lease, License Agreement, Certificate of Completion, and Transaction Document by the Executive Director, or the Director of Real Estate, prior to the effectiveness of this Resolution is hereby ratified and confirmed.
10. Resolution 2017-53 is hereby rescinded.
11. This Resolution shall take effect immediately upon adoption by the Board.



1234 Market St., 16th Floor, Philadelphia PA 19107
philadelphialandbank.org

MEMORANDUM

To: Board of Directors

From: Steve Cusano, Esq.

Date: November 13, 2018

Re: **Resolution Approving Assignment and Assumption of Notes and Mortgages from the Philadelphia Redevelopment Authority to the Philadelphia Land Bank**

The Philadelphia Redevelopment Authority ("PRA") is granted notes and mortgages in connection with the conveyance of real estate by PRA or the City of Philadelphia (collectively, "Notes and Mortgages").

The purpose of the attached Resolution is to authorize the Executive Director, from time to time, to enter into assignment and assumption agreements so that these Notes and Mortgages can be assigned to, and assumed by, the Land Bank.

The Resolution further authorizes the Executive Director to execute and deliver all agreements, contracts, instruments, certifications, attestations, and other documents necessary or desirable (collectively, "Transaction Documents") to consummate an assignment and assumption of any Notes and Mortgages. The Transaction Documents will contain such terms and conditions which the Executive Director, with the advice of Senior Counsel, deems necessary or desirable.

Lastly, the assignment and assumption of any Notes and Mortgages shall be at no cost to the Land Bank, except for those costs to prepare and record the Transaction Documents.

I recommend that the Board approve the attached Resolution.

RESOLUTION NO. 2018 - _____

**RESOLUTION APPROVING ASSIGNMENT AND ASSUMPTION OF
NOTES AND MORTGAGES FROM THE PHILADELPHIA REDEVELOPMENT
AUTHORITY TO THE PHILADELPHIA LAND BANK**

WHEREAS, the Philadelphia Redevelopment Authority ("**PRA**") is granted notes and mortgages in connection with the conveyance of real estate by PRA or the City of Philadelphia (collectively, "**Notes and Mortgages**").

WHEREAS, PRA wishes, from time to time, to assign Notes and Mortgages to the Philadelphia Land Bank ("**Land Bank**").

WHEREAS, the Board of Directors of the Philadelphia Land Bank ("**Board**") has determined that accepting assignments of Notes and Mortgages from PRA is in the best interests of the Land Bank.

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

1. The Executive Director is hereby authorized, from time to time, to execute and deliver on behalf of the Land Bank all agreements, contracts, instruments, certifications, attestations, and other documents necessary or desirable (collectively, "**Transaction Documents**") to consummate the assignment and assumption of any Notes and Mortgages in accordance with this Resolution. The Transaction Documents shall contain such terms and conditions which the Executive Director, with the advice of Senior Counsel, deems necessary or desirable.
2. The assignment and assumption of any Notes and Mortgages pursuant to this Resolution shall be at no cost to the Land Bank, except for those costs to prepare and record the Transaction Documents.
3. The Executive Director with the advice of Senior Counsel may modify this Resolution as may be necessary or desirable to carry out its purposes and intents. The Executive Director or Senior Counsel will notify the Board of all modifications to this Resolution at the next Board meeting following the date of such modifications.
4. This Resolution shall take effect immediately upon adoption by the Board.



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

MEMORANDUM

To: Board of Directors
From: Marla Clark
Date: November 7, 2018
Re: Approval of FY 2018 Audited Financial Statements

Mercadien, P.C., the Land Bank's independent auditors, has finalized the annual financial audit for the year ending June 30, 2018.

- Mercadien issued an Unqualified "Clean" Opinion of the Land Bank's financial statements
- No Findings were reported
- No material weaknesses were noted in internal controls
- The Land Bank complied with all Governmental Auditing Standards

Staff requests that the Board accept Mercadien's Independent Audit Report.

RESOLUTION NO. 2018 - ____

**RESOLUTION ACCEPTING PHILADELPHIA LAND BANK
AUDITED FINANCIAL STATEMENTS FOR YEAR ENDING JUNE 30, 2018**

WHEREAS, the Land Bank Act, 68 Pa.C.S.A. § 2101, *et seq.*, requires the Philadelphia Land Bank to prepare an annual financial audit for submission to the Department of Community and Economic Development and Philadelphia City Council;

WHEREAS, the Land Bank has engaged the audit firm of Mercadien, P.C., Certified Public Accountants, to audit the Land Bank's financial statements for Fiscal Year 2018;

WHEREAS, Mercadien has issued its Independent Auditor's Report; and

WHEREAS, the Land Bank Board has reviewed, and desires to accept, the Independent Auditor's Report.

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

1. The Independent Auditor's Report of the Philadelphia Land Bank issued by Mercadien, P.C., Certified Public Accountants for Year Ended June 30, 2018 is hereby accepted.
2. Land Bank staff is directed to submit the Auditor's Report to the Department of Community and Economic Development and to Philadelphia City Council as required by the Land Bank Act.
3. This Resolution shall take effect immediately upon adoption by the Board.

PHILADELPHIA LAND BANK
City of Philadelphia,
Commonwealth of Pennsylvania

Financial Statements
and
Supplementary Information

June 30, 2018

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

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PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of the financial performance of the Philadelphia Land Bank ("Land Bank") provides an overview of the Land Bank's significant financial activities for the fiscal years ended June 30, 2018 and 2017. Please read it in conjunction with the attached financial statements for a comprehensive understanding of the reports.

Overview and Use of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the basic financial statements of the Land Bank. The annual financial report is comprised of three components: management's discussion and analysis, the basic financial statements (including related notes to the financial statements), and supplemental schedules required by the City of Philadelphia (the "City").

The financial statements are designed to provide readers with a broad overview of the finances of the Land Bank in a manner similar to private-sector business. These statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units on the accrual basis. Under this basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period they are incurred. Depreciation of capital assets is recognized in the statement of revenues, expenses and changes in net position.

The Land Bank is considered to be a governmental unit. As a result, the format of the attached financial statements conforms with GAAP as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The statements of net position present information on all of the Land Bank's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the Land Bank's net position are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the Land Bank, you need to also consider non-financial factors such as the Land Bank's ability to continue receiving funding from the City, City Council's willingness to transfer properties into the Land Bank inventory, and the Administration's willingness to provide resources to facilitate the operations of the Land Bank.

The statements of revenues, expenses and changes in net position present information on how the Land Bank's net position at June 30, 2018 and 2017, is derived.

The statements of cash flows provide information about the sources and uses of cash during the fiscal year.

Basic Financial Statements

The Land Bank's audited Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position, and Statements of Cash Flows are presented on pages 14 through 16.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**Assets**

The Land Bank's total assets as of June 30, 2018, 2017 and 2016, consisted of the following:

	2018	2017	2016	% Change
<u>Current</u>				
Cash	\$ 2,437,517	\$ 3,040,536	\$ 1,307,054	-20%
Accounts Receivable	864,026	349,353	793,242	147%
Prepaid Assets	-	-	210	0%
<u>Non-Current</u>				
Property Held for Development or Sale	25,590,211	25,884,936	9,702,134	-1%
Capital Assets	23,959	35,373	46,788	-32%
Total Assets	\$ 28,915,713	\$ 29,310,198	\$ 11,849,428	-1%

2018

Total assets at June 30, 2018, reflected a net decrease of approximately \$394 thousand from the prior year. The Land Bank acquired 43 properties during the fiscal year from the City of Philadelphia's Department of Public Property (1) from the Philadelphia Redevelopment Authority ("PRA") (7), from Sheriff Sales – tax foreclosure (35), totaling a book value of approximately \$843 thousand. Property held for development or sale accounts for approximately 88% of total assets with a valuation of approximately \$25.6 Million. The Land Bank sold eighteen (18) properties during the fiscal year. The Land Bank continues to utilize the City of Philadelphia's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties. This methodology will be reassessed in 2019, coupled with consideration for establishing an impairment allowance, if the Land Bank continues to maintain ownership of these properties for an extended period of time.

Total properties acquired and the entity of origin as of the years ended June 30, 2018, 2017 and 2016, consisted of the following:

	2018	2017	2016
<u>Properties Acquired</u>			
PHDC	-	134	585
PRA	7	162	-
City of Philadelphia (Public Properties)	1	673	427
Sheriff Sales	35	30	-
Private	-	1	-
Total Properties	43	1,000	1,012

Cash on hand decreased by approximately 20% from June 30, 2017, to approximately \$2.4 million. Accounts receivable accounted for approximately \$864 thousand and 3% of total assets. Approximately \$108 thousand of this balance is due from the PRA and pertains to net sales proceeds from the Vacant Property Review Committee ("VPRC") and personnel costs for shared employee. PRA administered this program which controls the disposition of city owned property during the fiscal year on behalf of Land Bank.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Assets (Continued)

The remaining receivable balance of approximately of \$756 thousand pertains to 72 VPRC purchase money mortgages totaling approximately \$701 thousand transferred from PRA. With twenty-eight (28) purchase money mortgages issued during the fiscal year totaling approximately \$336 thousand for fiscal year 2018 (with the expectation that minimal proceeds will be received as these mortgages are self-amortizing over a ten-year period.).

2017

Total assets at June 30, 2017, reflected a net increase of approximately \$17.5 million from the prior year. The Land Bank acquired 1,000 properties with a book value of approximately \$16.2 million accounting for approximately 88% of total assets. The Land Bank adopted the City of Philadelphia's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties.

Cash on hand increased by approximately 133% from June 30, 2016, to \$3 million. Accounts receivable accounted for approximately \$349 thousand and 1% of total assets. Approximately \$288 thousand of this balance is due from the PRA and pertains to net sales proceeds from the VPRC. PRA administered this program which controls the disposition of city owned property from January 1 through June 30, 2017, on behalf of Land Bank. The remaining receivable balance of approximately \$61.5 thousand is derived from four purchase money mortgages issued during the fiscal year totaling approximately \$44 thousand.

The remaining receivable balance of approximately \$756 thousand pertains to 72 VPRC purchase money mortgages totaling approximately \$701 thousand transferred from PRA. With twenty-eight (28) purchase money mortgages issued during the fiscal year totaling approximately \$336 thousand for fiscal year 2018 (with the expectation that minimal proceeds will be received as these mortgages are self-amortizing over a ten-year period.).

Liabilities

The Land Bank's total liabilities as of June 30, 2018, 2017 and 2016, consisted of the following:

	2018	2017	2016	% Change
<u>Current</u>				
Accounts Payable	\$ 2,136	\$ 126,261	\$ 167,388	-98%
Escrows Payable	31,611	14,000	-	100%
Accrued Liabilities	390,860	46,652	286,121	738%
Compensated Absences	58,036	42,061	31,907	38%
Intercompany Payable	-	-	156,385	0%
Unearned Revenue	1,578,353	2,836,642	1,455,495	-44%
Total Liabilities	\$ 2,060,996	\$ 3,065,616	\$ 2,097,296	-33%

2018

At June 30, 2018, total liabilities decreased by approximately \$1 million (33%) to approximately \$2.1 million, primarily consisting of:

- Accounts payable obligations of approximately \$2 thousand which is primarily timing difference from recording of deeds payments.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Liabilities (Continued)

- Escrow payables increased by approximately \$18 thousand. Land Bank received twenty-three security escrow deposits totaling \$29 thousand which will be repaid to the developer(s) upon the issuance of construction completion certificates.
- Accrued administrative expenses and contractual obligations as of June 30, 2018, for approximately \$390 thousand. Comprised of \$232 thousand in payroll costs which include Land Bank's direct payroll accrual, PRA and PHDC salary direct and indirect costs. \$97 thousand legal and appraisal fees, and \$39 thousand audit fees, and \$15 thousand due to the Department of Housing and Community Development ("DHCD") for reimbursable operating expenses and \$7 thousand for stormwater charges.
- Compensated absences increased by approximately 38% to \$58 thousand as the Land Bank's staff increased by four full time employees and existing staff accrued additional time.
- Approximately \$1.6 million of unearned revenue at June 30, 2018, went unexpended. The balance of this funding will remain under the Land Bank's budget authority and will be rolled over into Fiscal Year 2019's approved funding allocation. This represents a 44% decrease from the period ending June 30, 2017.

2017

At June 30, 2017, total liabilities increased by approximately \$968 thousand (46%) to approximately \$3.1 million, primarily consisting of:

- Accounts payable obligations of approximately \$126 thousand. Of which \$123 thousand is due to PHDC for reimbursement of June 2017 monthly salary and indirect cost allocation.
- The Land Bank received nine security escrow deposits totaling \$14 thousand which will be repaid to the developer(s) upon the issuance of construction completion certificates.
- Accrued administrative expenses and contractual obligations as of June 30, 2017, for approximately \$47 thousand. Comprised of \$38 thousand in audit fees and \$6 thousand due to the Department of Housing and Community Development ("DHCD") for reimbursable operating expenses.
- Compensated absences increased by approximately 32% to \$42 thousand as the Land Bank's staff increased by one full time employee and existing staff accrued additional time.
- The Land Bank did not have an intercompany payable with the PRA at June 30, 2017, but rather a receivable of \$288 thousand. The \$156 thousand payable due to the PRA for reimbursement of expenses incurred on behalf of Land Bank's for the period of January 1 through June 30, 2016 was recovered during the fiscal year.
- Approximately \$2.8 million of unearned revenue at June 30, 2017, went unexpended. The balance of this funding will remain under the Land Bank's budget authority and will be rolled over into Fiscal Year 2018's approved funding allocation. This represents a 95% increase from the period ending June 30, 2016.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Revenues

The Land Bank's total revenues at June 30, 2018, 2017 and 2016, consisted of the following:

	2018	2017	2016	% Change
Revenues applicable to:				
City of Philadelphia	\$ 850,000	\$ 450,000	\$ 350,000	89%
Philadelphia Redevelopment Authority	2,300,192	2,146,953	1,831,939	7%
Other - City Agencies	-	45,218	-	-100%
Other - Developer's Escrow	-	44,259	3,000	-100%
Total Operating Revenues	\$ 3,150,192	\$ 2,686,430	\$ 2,184,939	17%

2018

In Fiscal Year 2018, the Land Bank generated revenue of \$3,150,192, coupled with unearned revenue rolled over from Fiscal Year 2017, \$850,000 from the City in general funds and \$2,300,192 from the PRA. As of June 30, 2018, the Land Bank recorded \$3,150,192 in total revenue and had an unearned revenue balance of \$1,578,353. This represents an approximate decrease of 44%.

As the Land Bank continues to record the transfer of incoming properties from other City land holding agencies, donated property revenue is generated to offset the recording of assets on the Land Bank's statement of net position. These are synthetic transactions with no offsetting consideration. Consequently, in the initial year when properties are first recorded, revenue artificially increases the Land Bank's net position. During Fiscal Year 2018 eighteen (18) properties were sold below market value with and/or without subsidy generating net sales proceeds of approximately \$701 thousand, the book value of these properties was approximately \$1.2 million so an annual non-operating loss of approximately \$485 thousand associated with these dispositions will be reported.

For Fiscal Year 2019, a funding commitment is expected from the City of Philadelphia, as property sales are not expected to fully subsidize the Land Bank's operating budget and land acquisitions as detailed in the strategic plan.

2017

In Fiscal Year 2017, the Land Bank received \$2,642,171 in new funding, coupled with unearned revenue rolled over from Fiscal Year 2016, \$450,000 from the City in general funds, \$2,146,953 from the PRA and \$45,218 from the Department of Health. As of June 30, 2017, the Land Bank recorded \$1,846,544 in total revenue and had an unearned revenue balance of \$2,836,642. This represents an approximate increase of 18% and \$500 thousand in *operating* revenue on Fiscal Year 2016.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**Expenses**

The Land Bank's total expenses for the years ended June 30, 2018, 2017 and 2016, consisted of the following:

	2018	2017	2016	% Change
Personnel	\$ 1,431,211	\$ 1,631,267	\$ 1,178,942	-12%
Office rental	38,229	81,514	59,921	-53%
Outside service fees	2,655,951	929,600	927,775	186%
Depreciation and amortization	15,840	11,414	9,674	39%
Total Operating Expenses	\$ 4,141,231	\$ 2,653,795	\$ 2,176,312	56%

2018

Total operating expenses increased by approximately \$1.5 million (56%) driven primarily by outside service fees. For fiscal year 2018, 64% of total expenses incurred pertained to outside contracts and service fees which include primarily tax lien acquisitions \$1.23 million, legal fees \$384 thousand, insurance \$127 thousand, stormwater charges \$456 thousand, and \$455 thousand for other administrative and technology expenses. Personnel expenses decreased by 12% to \$1.43 million. The Land Bank received cost saving as PRA assigned employees were replaced with PHDC employees with lower fringe rates, as well as fringe benefits decreased by \$300 thousand as an employee entered the DROP program this fiscal year. Personnel at June 30, 2018 includes fourteen (14) full-time assigned staff compared to (9) in fiscal year 2017 and an indirect allocation of support staff expenses from PHDC as approved by the inter-agency memorandum of understanding.

Office rental decreased by approximately 53% to \$38,229. This can be attributed to payment to PRA based on square footage utilized as opposed to the revised computation outlined in the memorandum of understanding which utilizes total hours worked by the Land Bank staff which significantly increased as staff was added, over total PHDC hours worked to calculate reimbursable amounts.

An inter-agency memorandum of understanding also exists with DHCD. For Fiscal year 2018, approximately \$165 thousand was expended to reimburse DHCD for services and contracts entered into on behalf of the Land Bank.

2017

Total operating expenses increased by approximately \$478 thousand (22%) driven by personnel costs. For FY 2018, 61% of total expenses incurred pertain to personnel expenses, approximately \$1.63 million. Personnel at June 30, 2018 includes nine full time assigned staff (two employees were terminated during the fiscal year and two additional vacant positions) and an indirect allocation of support staff expenses from PHDC as approved by the inter-agency memorandum of understanding.

Office rental increased by approximately 36% to \$81,514, this can be attributed to the revised computation outlined in the memorandum of understanding which utilizes total hours worked by the Land Bank staff which significantly increased as staff was added, over total PHDC hours worked to calculate reimbursable amounts.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Expenses (Continued)

The majority of other expenses \$929,600 (35%) are attributed to outside contracts and services and are predominately technology related, approximately \$320 thousand for the Drexel University fellows, who assist with Land Bank parcel reconciliations and pricing model analysis, approximately \$286 thousand for Land Bank insurance policies, approximately \$71 thousand pertaining to real estate activities, approximately \$45 thousand to maintain Land Bank owned properties. Approximately \$38 thousand for audit fees and approximately \$55 thousand for technological consulting pertaining to LAMA. (Land Bank's property management enterprise solution).

An inter-agency memorandum of understanding also exists with DHCD. For Fiscal year 2018 approximately \$116 thousand was expended to reimburse DHCD for services and contracts entered into on behalf of the Land Bank.

Net Position

The Land Bank's net position is derived for FY 2018 by the difference between revenue and expense. Through June 30, 2018, the Land Bank's net position of \$26,854,717 represents approximately (103%) of revenue generated as a result of the Land Bank recording the ownership of 2,055 properties (\$26,590,211) and primarily the net loss of \$485,017 on FY 2018 property dispositions coupled with cumulative net capital assets purchased. In subsequent years the Land Bank's net position surplus/deficit will be contingent on how many properties the Land Bank acquires and disposes of and changes to the City of Philadelphia land disposition policy.

The Land Bank's net position for the period ended June 30, 2017 of \$26,244,583 represents approximately (103%) of revenue generated as a result of the Land Bank recording the ownership of 2,012 properties (\$27,001,836) and primarily the net loss of \$839,886 on FY 2017 property dispositions coupled with cumulative net capital assets purchased.

Alternative Funding

The Land Bank has been the recipient of funds made available directly or indirectly from the City to support the Land Bank's initial startup. As property is transferred into the Land Bank and tax foreclosure properties are acquired, the Land Bank strives to reduce the dependency on the City for subsidy and within five years be able to finance its own activities and operation.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the statements and should be thoroughly read for a complete detailed understanding of the financial position and activities of the Land Bank.

Issues That May Have a Significant Impact

A renewal of Memorandum of Understanding between the School District of Philadelphia, the City of Philadelphia, Philadelphia Gas Works, and Philadelphia Land Bank. The Land Bank sought and received a resolution to renew the Memorandum of Understanding ("MOU") reached with the School District, City, and PGW last year which expires on September 15, 2018. The MOU establishes a process for acquiring properties at Sheriff Sale as well as satisfying and clearing past due taxes and municipal liens on those properties. If all parties agree, the Land Bank also proposes to have the MOU renew automatically each year unless one party provides notice of termination.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Issues That May Have a Significant Impact (Continued)

The Land Bank plans to acquire 325-350 privately-owned, delinquent vacant properties each year (*less than 0.5% of all delinquent properties in the City*). Properties will be targeted primarily for affordable, workforce, and market rate housing, with a smaller portion of projects related to side yards, community gardens, and business expansion.

The Land Bank has paid the School District approximately \$1,150,000 between October 2017 and July 2018 relating to the acquisition of 306 properties at Sheriff Sale.

PLB successfully submitted testimony and a brief to the Water Rate Board in May 2018, requesting relief from storm water management fees, an approximate expense of \$300,000 per fiscal year. In June 2018 the Water Rate Board approved a zero rate for Land Bank, the rate will take effect in September of 2018 (FY 2019). We are expecting an approximate refund of over \$60,000.

The fiscal 2019 budget was presented and approved at the July Land Bank Board after the passage of the City of Philadelphia's budget. The Land Bank has \$4,168,000 allocated for operations and acquisitions. PLB met with the Revenue and Budget Departments and agreed upon a process of reviewing and approving operational cash flow precluding Land Bank's need for a line of credit. With the approval of continued spending authority by the Land Bank Board, the Land Bank will continue to acquire properties through the next fiscal quarter.

Beginning July 2018, the Land Bank will follow the following procedure:

- The week before the scheduled monthly Sheriff sales the Land Bank will submit an invoice to the Department of Revenue and Budget.
- The invoice will consist of a cover sheet detailing the total amount for that month's Sheriff sale.
 - The invoice will be accompanied by a detailed spreadsheet identifying
 - The address
 - OPA Value
 - All City Liens (RE Taxes, Water, PGW, Other)
 - Bid Amount
 - Sheriff Costs
 - Final Amount Due from the Land Bank per the MOU
- On a quarterly basis the Land Bank will provide Revenue and Budget financial statements explaining the Land Bank's financial position.

The Land Bank entered into a Professional Services Agreement between the Land Bank and Interface Studios LLC for preparation of the 2019 Strategic Plan. This plan will establish 5-year goals for the Land Bank. Below is the timeline for completion:

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**Issues That May Have a Significant Impact (Continued)**

Item	Completion Date
Kick-off Meeting	No later than July 23, 2018
First Round of Outreach Meetings	Early-August 2018, but to be completed no later than August 17, 2018
First Strategic Plan Draft Completed	September 14, 2018
Preliminary Strategic Plan Published for Public Comment	October 12, 2018
Second Round of Outreach Meetings	Mid/late October, 2018, but to be completed no later than October 19, 2018
Second Strategic Plan Draft Completed	October 26, 2018
Land Bank Public Hearing	No later than November 2, 2018
Final Strategic Plan Provided	November 9, 2018
Final Strategic Plan Adopted by Land Bank Board	November 15, 2018
Final Strategic Plan Introduced to City Council	November 29, 2018
Final Strategic Plan Adopted by City Council	December 6, 2018

As of June 30, 2018, the Land Bank was over its 2018 acquisitions budget by \$27 thousand based on the acquisitions of \$2.577 million and authorized budget as \$2.550 million. See the chart below for additional information related to property acquisitions as compared to the strategic plan goals.

FY 2018 ACTUAL AND ESTIMATED ACQUISITIONS	Acq. to Date	Strategic Plan Goals	Difference
Sideyards (LOTS)	5	81	-76
Total Housing/Mixed Use (LOTS)(GOAL IS IN UNITS)	15	205	-190
<i>Workforce/Affordable</i>	13	154	-141
<i>Market Rate</i>	2	51	-49
Commercial and Business Expansion (LOTS)	1	6	-5
Gardens/Open Space (LOTS)	2	33	-31
Community Use	1	0	1
TBD	256	0	256
TOTAL	280	325	-45

The Philadelphia Land Bank is currently staffed at 94% capacity based on the approved previously approved organization chart. In the last quarter of FY 2018, PLB Staff conducted a time study for all disposition processes:

- RFP,
- Competitive Bid,
- Side Yard,
- Business Expansion,
- Garden Open Space.

Because of the study we realized that the organization needed more Clerk III. To balance the budget, the Special Project Coordinator has been removed from the organization chart and we have inserted two (2) additional Clerk III positions. We have also begun the interview process for a third Sr. Development Specialist.

PHILADELPHIA LAND BANK


City of Philadelphia, Commonwealth of Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Contacting the Land Bank's Management

If you have any questions about this report or need additional information, you can contact the Philadelphia Land Bank at 1234 Market Street, 16th Floor, Philadelphia, PA 19107, (215) 448-3040 or visit our website at www.philadelphialandbank.org.

Sincerely,


Angel Rodriguez
Executive Director


Darren Williams
Director of Finance

INDEPENDENT ACCOUNTANTS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Philadelphia Land Bank
City of Philadelphia, Commonwealth of Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the Philadelphia Land Bank (the "Land Bank"), City of Philadelphia, Commonwealth of Pennsylvania as of and for the years ended June 30, 2018 and 2017, and the related notes to financial statements, which comprise the Land Bank's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Land Bank as of June 30, 2018 and 2017, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages one through ten be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Land Bank's basic financial statements. The accompanying schedules of payments to other City agencies and capital assets are presented for purposes of additional analysis as required by the City of Philadelphia and are not a required part of the basic financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2018, on our consideration of the Land Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Land Bank's internal control over financial reporting and compliance.

Mercadien, P.C.

Certified Public Accountants

October 29, 2018

BASIC FINANCIAL STATEMENTS

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

STATEMENTS OF NET POSITION

June 30, 2018 and 2017

	2018	2017*
Assets		
Current Assets		
Cash	\$ 2,437,517	\$ 3,040,536
Accounts receivable, net of allowance for doubtful accounts	864,026	349,353
Total Current Assets	<u>3,301,543</u>	<u>3,389,889</u>
Noncurrent Assets		
Property held for development or sale	25,590,211	25,884,936
Capital assets, net of accumulated depreciation	23,959	35,374
Total Noncurrent Assets	<u>25,614,170</u>	<u>25,920,310</u>
Total Assets	<u>\$ 28,915,713</u>	<u>\$ 29,310,199</u>
Liabilities		
Current Liabilities		
Accounts payable	\$ 2,136	\$ 126,261
Escrows payable	31,611	14,000
Accrued liabilities	390,860	46,652
Compensated absences	58,036	42,061
Unearned revenue	1,578,353	2,836,642
Total Current Liabilities	<u>2,060,996</u>	<u>3,065,616</u>
Total Liabilities	<u>2,060,996</u>	<u>3,065,616</u>
Net Position		
Net investment in capital assets	25,614,170	25,920,310
Unrestricted	1,240,547	324,273
Total Net Position	<u>26,854,717</u>	<u>26,244,583</u>
Total Liabilities and Net Position	<u>\$ 28,915,713</u>	<u>\$ 29,310,199</u>

*Certain account balances have been reclassified to conform with current year presentation

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years Ended June 30, 2018 and 2017

	2018	2017
Operating Revenues		
Revenues applicable to:		
City of Philadelphia	\$ 850,000	\$ 450,000
Philadelphia Redevelopment Authority	2,300,192	2,146,953
Other - City Agencies	-	45,218
Other - Developer's Escrow	-	44,259
Total Operating Revenues	3,150,192	2,686,430
Operating Expenses		
Personnel	1,431,211	1,631,267
Office rental	38,229	81,514
Outside services fees	2,655,951	929,600
Depreciation and amortization	15,840	11,414
Total Operating Expenses	4,141,231	2,653,795
Operating (Loss) Income	(991,039)	32,635
Net Gain/(Loss) on sales and transfers of land	1,279,043	(839,886)
Miscellaneous fees	8,630	-
Capital contributions	313,500	17,299,702
Total Non-Operating Revenues	1,601,173	16,459,816
Changes in Net Position	610,134	16,492,451
Net Position, Beginning of year	26,244,583	9,752,132
Net Position, End of year	\$ 26,854,717	\$ 26,244,583

See notes to financial statements.

PHILADELPHIA LAND BANK
City of Philadelphia, Commonwealth of Pennsylvania

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows From Operating Activities		
Receipts from contracts with the City of Philadelphia and other agencies	\$ 1,137,594	\$ 4,111,225
Payments to employees for wages and benefits	(1,209,353)	(1,404,567)
Payments to suppliers for other costs	(2,442,023)	(1,266,007)
Net cash provided by operating activities	(2,513,782)	1,440,651
Cash Flows From Non-Capital and Related Financing Activities		
Proceeds from sale of property held for development or sale	1,910,763	292,831
Net cash non-capital and related financing activities	1,910,763	292,831
Net (Decrease)/Increase in Cash	(603,019)	1,733,482
Cash, Beginning of year	3,040,536	1,307,054
Cash, End of year	<u>\$ 2,437,517</u>	<u>\$ 3,040,536</u>
Reconciliation of Operating (Loss) Income to Net Cash		
Provided by Operating Activities		
Operating (loss) income	\$ (991,039)	\$ 32,635
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:		
Depreciation and amortization	15,840	11,414
Changes in operating assets and liabilities:		
Accounts receivable	(514,673)	443,889
Other current assets	-	210
Accounts payable	(124,125)	(41,127)
Accrued liabilities	344,208	(239,469)
Unearned revenue	(1,259,968)	1,379,330
Compensated absences	15,975	10,154
Intergovernmental payable	-	(156,385)
Net Cash Provided by Operating Activities	<u>\$ (2,513,782)</u>	<u>\$ 1,440,651</u>

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Reporting Entity

The Philadelphia Land Bank ("Land Bank") is an independent governmental unit. In December 2012, the Commonwealth of Pennsylvania enacted the *Pennsylvania Land Bank Act*, 68 Pa.C.S.A. §§ 2101-2120, authorizing the creation of "land banks" by municipalities as tools to facilitate the return of vacant, abandoned and tax delinquent land/properties to productive use. In December 2013, City Council unanimously passed the ordinance which created the Philadelphia Land Bank, which Mayor Nutter signed into law. In July 2014, the Land Bank was incorporated.

The Land Bank is a new agency whose mission is to return vacant and tax delinquent property to productive reuse. The Land Bank will consolidate many of the land acquisition and disposition processes of the City under one umbrella, making it easier for private individuals and organizations to acquire properties that contribute to neighborhood disinvestment and turn them into assets for the community in which they are located. The Land Bank possesses a number of tools that will enable it to help return derelict properties to productive use. The Land Bank can:

- Acquire tax-delinquent properties through tax foreclosure.
- With the City's consent, clear the title to those properties so that new owners are not burdened by old liens.
- Consolidate properties owned by multiple public agencies into single ownership to speed property transfers to new private owners.
- Assist in the assemblage and disposition of land for community, nonprofit and for-profit uses.

The Land Bank is governed by a board of directors composed of eleven members, five appointed by the Mayor and five by City Council, with the eleventh appointed by the ten. All board members' terms end with the end of the administration and council's term in January 2020, although they will serve until they are replaced. Members serve at the pleasure of their appointing authority.

The Land Bank is funded both directly and indirectly through the City of Philadelphia (the "City"). In its inaugural year, the Land Bank received general fund dollars directly from the City and through the Philadelphia Redevelopment Authority ("PRA") at the Mayor's request. As of June 30, 2018, the City has not indicated any intention to suspend or terminate its funding relationship with the Land Bank.

Financial Reporting

The Land Bank is considered to be a governmental organization. As such, the Land Bank presents its financial statements in conformity with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Land Bank considers itself to be a special purpose governmental organization engaged only in business type activities.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related Party and Memorandum of Understanding

There are no organizations or agencies that should be included in the Land Bank's financial statements. Through a Management Contract with the Philadelphia Housing Development Corporation ("PHDC"), PHDC manages, oversees and operates the everyday activities of the Land Bank, which includes the authority to act on behalf of the Land Bank, hiring dedicated full time Land Bank staff, and organizing administrative and clerical support staff. PHDC personnel are also responsible for maintaining accurate financial records, facilitating the payment of operational expenses and debts, and all external financial reporting.

Component Unit

The City of Philadelphia is considering the Land Bank as a potential Component Unit of the City, with its annual financial information being consolidated into the City's Comprehensive Annual Financial Report ("CAFR"). As of June 30, 2018, no formal decision has been determined to its component unit status; however, the Land Bank will comply with the City's guidelines in terms of both mandated required submissions and the implementation of GASB Statement No.'s 68, 69 and 70, if applicable.

Measurement Focus and Basis of Accounting

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. All pass-through funding is recognized as revenue when the related costs are incurred. Such costs could include costs of acquisition and rehabilitation of certain real property to be alternately conveyed to program beneficiaries.

Land Bank records all revenues derived and related expenses incurred from its programs and activities as operating revenues and expenses since they are generated from the Land Bank's daily operations needed to carry out its purposes.

In its accounting and financial reporting, the Land Bank follows the pronouncements of the GASB and other entities that promulgate accounting principles. GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance that a governmental entity should apply. Per the Statement, the sources of authoritative generally accepted accounting principles ("GAAP") are categorized in descending order of authority as follows: GASB Statements and Interpretations, GASB Technical Bulletins, GASB Implementation Guides, and literature of the American Institute of Certified Public Accountants ("AICPA") cleared by the GASB. Authoritative GAAP is incorporated periodically into the *Codification of Governmental Accounting and Financial Reporting Standards* ("Codification"), and when presented in the Codification, it retains its authoritative status. If the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP described above, a governmental entity should first consider accounting principles for similar transactions or other events within a source of authoritative GAAP described above and then may consider non-authoritative accounting literature from other sources. These include GASB Concepts Statements; pronouncements and other literature of the Financial Accounting Standards Board, Federal Accounting

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Standards Advisory Board, International Public Sector Accounting Standards Board, and International Accounting Standards Board, and AICPA literature not cleared by the GASB; practices that are widely recognized and prevalent in state and local government; literature of other professional associations or regulatory agencies; and accounting textbooks, handbooks and articles.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosure of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable generally represent amounts due under terms of grants and contracts for expenditures incurred or services provided prior to year-end. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off. The Land Bank had no such balances at June 30, 2018. See Note D.

Revenue Recognition - Government Grants and Contracts

The Land Bank records funding received in advance under contracts with the PRA and the City as unearned (deferred) revenue until the related costs are incurred or services performed, at that time they are recognized as revenue. In accordance with the terms of the PHDC Management Contract, Land Bank reimburses PHDC for all eligible and allowable costs incurred on behalf of the Land Bank and recognizes revenue accordingly.

Property Held for Sale

Property held for development or sale will be stated at the lower of the cost of acquisition (or equivalent valuation) or an impaired value, which reflects the land/property true valuation in accordance with GASB Statement No.'s 34, 42 and 72. This methodology will be applied to long-held vacant properties, as well as units recently acquired for sale. As of June 30, 2017, the Land Bank owned 2,012 total properties, 719 acquired from PHDC, 1,100 acquired from the City of Philadelphia Department of Public Property, 162 acquired from the Philadelphia Redevelopment Authority, 30 from sheriff sale, and one private acquisition. As of June 30, 2018, the Land Bank owned 2,055 total properties, 719 acquired from PHDC, 1,101 acquired from the City of Philadelphia Department of Public Property, 169 acquired from the Philadelphia Redevelopment Authority, 65 from sheriff sale, and one private acquisition. The Land Bank utilized the City of Philadelphia's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties as the equivalent of the cost of acquisition. This methodology will be reassessed in 2019, coupled with consideration for establishing an impairment allowance, if the Land Bank maintains ownership of these properties for an extended period of time.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

**A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)****Capital Assets and Depreciation**

Capital assets are carried at cost or estimated historical cost, less accumulated depreciation. Capital assets are defined by the Land Bank as assets with a cost of more than \$750 and an estimated useful life in excess of one year. Depreciation is provided on the straight-line method over the estimated useful lives of the related assets as follows:

Buildings (operating real estate)	30 years
Leasehold improvements	10 years
Vehicles, furniture and equipment	10 years
Computer equipment and hardware	5 years

As of July 1, 2017, the Land Bank adopted an addendum to SAP E-72-002 (personal property perpetual inventory) which increased the minimum purchase price from \$500 to \$750 for an expenditure to be considered a capital asset.

Lease Obligations

The Land Bank has two lease agreements as of June 30, 2018. Both are thirty-six-month leases with Ford Credit for the lease of two vehicles. Lease payments will not be capitalized and will be expensed monthly. The first lease was entered into in October 2016, for a total of \$12,459 with an outstanding balance of \$5,936. The second lease was entered into in June 2017, for a total of \$14,138 with an outstanding balance of \$10,582 as of June 30, 2018.

Compensated Absences

Land Bank staff are employed by PHDC and accrue leave time in accordance with PHDC personnel policies. PHDC employees accumulate sick and vacation time in accordance with their applicable contracts. Employees are not compensated for unused sick leave upon termination unless termination is due to retirement. Retiring employees are entitled to 30% of their accumulated sick time. Employees may carry over unused vacation on January 1 of each year, up to 560 hours. Compensated absences are accrued when incurred and reported as a liability. A corresponding entry is recorded to accounts receivable, since all such amounts are reimbursable by the respective agencies. The accrued liability for compensated absences is also reflected in PHDC's financial statements.

Other Post-employment Benefits

On behalf of Land Bank, PHDC accounts for other post-employment benefits under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. This statement requires governmental agencies to recognize an expense under the accrual basis for the annual required other post-employment benefits contributions, regardless of amounts paid into your plan annually. The cumulative difference between amounts expensed and paid creates a liability (asset) similar to net pension obligations. For the year ended June 30, 2018 and 2017, the Land Bank did not incur costs for other post-employment benefits.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets and property held for development or sale, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position invested in capital assets net of related debt excludes unspent debt proceeds. Net position is reported as restricted when limitations on their use are imposed through external restrictions by creditors, grantors or laws or regulations of other governments. Unrestricted net position consists of all other net position not included in the above categories.

Income Taxes

The Land Bank is exempt from federal income taxes under Section 115 [1] of the Internal Revenue Code. Accordingly, no provision for income taxes is presented in these financial statements. In addition, properties held for development are exempt from real estate taxes.

B. BUDGETARY INFORMATION

Annual budgets are adopted based upon approved funding commitments with outside grantor(s) (The City of Philadelphia, PRA) on a basis consistent with U.S. GAAP. All budgets continue to exist for the period defined in the scope of the funding management agreement. In December of each year, the Land Bank prepares a subsequent year budget and submits it to the City for consideration. The Mayor and Council decide the level of support and origin of funds the Land Bank receives.

The appropriated budget is prepared by account and function. Once the budget is funded, the Land Bank may make transfers of appropriations within the agency without written authorization from the grantor.

C. CASH AND CASH EQUIVALENTS

Legal and Contractual Restrictions

City of Philadelphia agencies are authorized by statute to deposit funds in depositories that are either banks, banking institutions or trust companies located in the Commonwealth of Pennsylvania. To the extent that such deposits exceed federal insurance, the depositories must pledge as collateral (with their trust department or other custodians) obligations of the United States, the Commonwealth of Pennsylvania or any political subdivision of the Commonwealth. Under Pennsylvania Act 72 of 1971 ("Act 72"), as amended, the depositories may meet this collateralization requirement by pooling appropriate securities to cover all public funds on deposit. The Land Bank has no investments and receives no interest income for cash on deposit.

Analysis of Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Land Bank's deposits may not be returned to it. The Land Bank maintains its cash balances in accounts at a financial institution. The Federal Deposit Insurance Corporation ("FDIC") provides insurance coverage up to \$250,000. The financial institution secures Land Bank deposits in excess of FDIC with a pledge of collateral in accordance with Act 72. The pool of assets applicable to the financial institution's collateralization consists of Government National Mortgage Association (GNMA) securities and other collateral eligible under the U.S. Treasury Tax and Loan Program as in effect on the effective date of Act 72.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

D. ACCOUNTS RECEIVABLE

Accounts Receivable as of June 30, 2018 and 2017, are as follows:

	<u>2018</u>	<u>2017</u>
PRA and Net VPRC proceeds	\$ 108,153	\$287,594
Private Developers	-	17,500
Purchase Money Mortgages	<u>755,873</u>	<u>44,259</u>
	<u>\$ 864,026</u>	<u>\$349,353</u>

The VPRC ("vacant property review committee") program is administered directly by Land Bank staff coordinating the disposition of City-owned properties. Effective April 2018, the Land Bank processes all VPRC sales and directly collects the sales proceeds. Previously, PRA would administer the process and the Land Bank would receive the net sales proceeds. The PMM receivable will likely be unrealized.

E. CAPITAL ASSETS

Capital assets activity as of June 30, 2018 and 2017, was:

	<u>2018</u>	<u>2017</u>
Computers and equipment	\$ 55,637	\$ 55,638
Furniture and equipment	<u>2,870</u>	<u>2,870</u>
Total Capital Assets	58,507	58,508
Less - accumulated depreciation	<u>(34,549)</u>	<u>(23,134)</u>
Total Capital Assets	<u>\$ 23,959</u>	<u>\$ 35,373</u>

Depreciation expenses for capital assets were \$11,414 and \$11,414 for the years ended June 30, 2018 and 2017, respectively.

F. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at June 30, 2018 and 2017, consist of the following:

	<u>2018</u>	<u>2017</u>
Accounts Payable	\$ 2,136	\$126,261
Escrows payable	31,611	14,000
Accrued Administrative Expenses	390,860	46,652
Compensated Absences	<u>58,036</u>	<u>42,061</u>
	<u>\$482,643</u>	<u>\$228,974</u>

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

G. COMMITMENTS AND CONTINGENCIES

Litigation

The Land Bank is not a named defendant in any pending lawsuits.

H. RELATED-PARTY TRANSACTIONS

Related parties of the Land Bank include the City, PHDC and the PRA. Net Accounts (payable)/receivable from PRA are (\$1,726) and \$287,594 and Net amounts receivable/(payable) from PHDC are \$65,940 and (\$123,165) as of June 30, 2018 and 2017, respectively. Substantially all assets, liabilities, revenues and expenses as of and for the years ended June 30, 2018 and 2017, are included under and dependent upon contracts and management agreements with the City and its agencies.

I. PENSION PLAN

Plan Description

Land Bank staff can participate in the City of Philadelphia Municipal Public Employee Retirement System, a cost-sharing, multiple-employer Public Employees Retirement System ("PERS"). The City of Philadelphia issues a publicly available financial report that includes the applicable financial statements and required supplementary information for the PERS. The report may be obtained by contacting the Director of Finance of the City of Philadelphia. All full-time employees are eligible and required to participate in the PERS. The PERS provides pension benefits, deferred allowances and death and disability benefits. PHDC employees hired prior to January 1, 2002, participate in the J Plan. Under this plan, if an employee terminates his or her employment after at least 10 years of service but before reaching the age of 55, he or she may receive a refund of total contributions or defer pension benefits until reaching retirement age. Employees who retire after age 55 with at least one year of credited service are entitled to receive pension benefits for the rest of their lives equal to 2-1/2% of their final average compensation times the number of years for which they were employed by a participant in the PERS. After the first 20 years of service, the percentage of average final compensation to which an employee is entitled for each year of credited service decreases from 2-1/2% to 2%. Under Plan J, the highest maximum allowable benefit is 80%.

Participants in PERS may opt for early retirement with a reduced benefit. The Deferred Retirement Option Plan was initiated on October 1, 1999. Under this plan, employees who reach retirement age may accumulate their monthly service retirement benefit in an interest-bearing account at the Board of Pensions for up to four years and continue to be employed by PHDC.

PHDC employees hired after December 31, 2001, participate in Plan Y. Under this plan, employees with 10 years credited service may retire at age 60. Employees retiring after 60 are entitled to receive pension benefits for the rest of their lives equal to 2.2% of their final average compensation times the number of years for which they were employed by a participant in the PERS. After 10 years of service, the percentage of average final compensation to which an employee is entitled for each year of credited service decreases from 2.2% to 2%. Under Plan Y, the highest maximum allowable benefit is 100%.

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

NOTES TO FINANCIAL STATEMENTS

I. PENSION PLAN (CONTINUED)**Plan Description (Continued)**

Employees under Plan Y who are not eligible to be represented by a union must vest their retirement benefits in five years rather than the normal 10-year vesting period. Members of the 5-year vesting (the Y5 Plan) are required to pay a higher contribution rate of .62 of one percent in addition to the normal Plan Y rate for five years. Their contribution rate then reverts to the normal Y Plan rate for the remainder of their employment.

Under each plan, provisions include death benefits, whereby the surviving beneficiary is entitled to receive 50% of monthly retirement payments. Additionally, the plans provide for disability benefits under which the disabled employee is entitled to receive benefits computed as if the employee were receiving a regular service pension. All Land Bank pension obligations and post-employment benefits are included in PHDC's financial statements.

Contributions Required and Made

Employees of PHDC were required to pay 4.75%, 3.14% (4.14% if hired after 11/14/2014), 3.63% and 3.10% of their gross earnings to the pension plan for the J Plan, Y Plan, Y5 Plan and Y10 Plan, respectively, for 2018; compared to 4.75%, 3.02% (4.02% if hired after 11/14/2014), 3.63% and 3.47% of their gross earnings to the pension plan for the J Plan, Y Plan, Y5 Plan and Y10 Plan, respectively, for 2017. Employees of the higher DC-33 plan pay based on a tiered system.

PHDC was required to contribute at actuarially determined rates, which were 253.103% and 221.990% of covered payroll for the J Plan for 2018 and 2017, respectively; and 10.180% and 9.422% of covered payroll for the Y Plan for 2018 and 2017, respectively. PHDC contributed 1.440% and 1.243% of covered payroll for Plan 10 for 2018 and 2017, respectively. PHDC makes quarterly payments to the City PERS within 30 days of the end of each quarter. The Land Bank reimbursed PHDC for \$58,220 and \$326,607 in pension related expenses for the years ended June 30, 2018 and 2017, respectively. There were no eligible J Plan employees in 2018.

J. RISK MANAGEMENT

The Land Bank is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Land Bank carries insurance.

K. PURCHASE MONEY MORTGAGES

The Land Bank has the authority to enter into PMM agreements with potential property buyers to subsidize the agreed purchase price which consequently protects the Land Bank's financial interest. These PMMs are self-amortizing over a period of ten years. The Land Bank will recognize the PMM as a receivable and revenue in the agreement year and amortize annually, until forgiven. Upon default, the PMM principal and accrued interest calculated at 4% annually, is due in full immediately. The Land Bank recorded new PMM receivables of \$716 thousand in 2018.

SUPPLEMENTARY INFORMATION

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

SCHEDULE OF PAYMENTS TO OTHER CITY AGENCIES

*** Philadelphia Housing Development Corporation (PHDC)**

FY 2018 PHDC labor expensesJuly 2017 - April 2018 \$ 677,791**6/30/2018 Accrued labor expenses**May & June 2018 labor expenses 59,255**Other payment reimbursements**Vehicle Insurance 7,167Insurance Broker Fee 23,842Computer Supplies 2,688Other 52634,223**Total reimbursed PHDC expenses**\$ 771,269*** Philadelphia Redevelopment Authority (PRA)**

Accrued labor & reimbursable expensesNet September 2017 activity \$ 5,339Annual Rent 38,229**Total PRA expenses**\$ 43,568*** Division of Housing & Community Development (DHCD)**

Support ServicesQ1 & Q2 of FY 2018 \$ 60,439Q3 & Q4 of FY 2018 89,663150,102**FY 2018 Reimbursable direct expenses**14,584**Total DHCD expenses**\$ 164,686*** City of Philadelphia - Survey District**

Accrued Survey fees (Bodine St) \$ 6,440**Total City of Philadelphia expenses**\$ 6,440

PHILADELPHIA LAND BANK

City of Philadelphia, Commonwealth of Pennsylvania

SCHEDULE OF CAPITAL ASSETS

As of June 30, 2018

Computer Equipment (5 years)	Amount	Date Purchased	Useful Life (months)	FY 2018 Depreciation	Accumulated Depreciation	Net Book Value
Dell Latitude E74400	\$ 1,429	3/22/2015	60	\$ 286	\$ 936	\$ 493
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
Dell Optiplex 7020 MT	669	3/20/2015	60	134	439	230
IBM 16GB Memory Kit (Server)	11,610	3/23/2015	60	2,322	7,596	4,014
Dell Precision T1700 GIS 42710-120	1,449	6/9/2015	60	290	886	563
Dell Precision T1700 GIS 42710-120	1,449	6/9/2015	60	290	886	563
Dell Precision T1700 GIS 42710-120	1,449	6/9/2015	60	290	886	563
Dell Latitude E7450	1,644	9/30/2015	60	329	904	740
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Optiplex 7020 MT 210-ACRY 17.3	860	9/20/2015	60	172	478	382
Dell Precision 3620 XCTO	1,652	6/5/2016	60	330	683	969
Dell Precision 3620 XCTO	1,652	6/5/2016	60	330	683	969
Dell Optiplex 5040	1,197	6/1/2016	60	239	497	700
Dell Optiplex 5040	1,197	6/1/2016	60	239	497	700
Dell Optiplex 5040	1,197	6/1/2016	60	239	497	700
	<u>39,875</u>			<u>7,975</u>	<u>23,243</u>	<u>16,633</u>
Computer Software (5 years)	Amount	Date Purchased	Useful Life (months)	FY 2018 Depreciation	Accumulated Depreciation	Net Book Value
Microsoft Dynamics SL 2015	15,762	3/10/2015	60	3,152	10,424	5,338
	<u>15,762</u>			<u>3,152</u>	<u>10,424</u>	<u>5,338</u>
Equipment (10 years)	Amount	Date Purchased	Useful Life (months)	FY 2018 Depreciation	Accumulated Depreciation	Net Book Value
Widmer S-3 Check Signer	975	5/7/2015	120	97	307	668
Epson Home Cinema Projector	1,896	6/18/2015	120	190	575	1,321
	<u>2,870</u>			<u>287</u>	<u>882</u>	<u>1,989</u>
TOTAL	\$ 58,507			\$ 11,414	\$ 34,549	\$ 23,959

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Philadelphia Land Bank
City of Philadelphia, Commonwealth of Pennsylvania

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Philadelphia Land Bank (the "Land Bank"), City of Philadelphia, Commonwealth of Pennsylvania, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which comprise the Land Bank's basic financial statements, and have issued our report thereon dated October 29, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Land Bank's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Land Bank's internal control. Accordingly, we do not express an opinion on the effectiveness of the Land Bank's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Land Bank's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Land Bank's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Land Bank's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mercadion, P.C.

Certified Public Accountants

October 29, 2018