



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

Board of Director's Meeting

May 10, 2018

3:30 PM

Agenda

1. Roll Call
2. Public Comment
3. Approval of Minutes for the Meeting of April 12, 2018
4. Property Dispositions
 - 2201 N. 27th Street (2603-51 W. Susquehanna Avenue), 2219-21 N. 27th Street, 2223 N. 27th Street, 2225, N. 27th Street, 2227 N. 27th Street and 2610-16 W. Fletcher Street
 - 2022 Kimball Street
 - 2776-2778 Emerald Street
 - 2860 N. Leithgow Street
 - 1728 Marlton Ave
5. Resolution Authorizing an Amended and Restated Management Contract between the Philadelphia Land Bank and Philadelphia Housing Development Corporation
6. Executive Director's Report (including update on property transfers, acquisition, and sales)
7. 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, April 12, 2018, commencing at 3:37 p.m. in the offices of the Philadelphia Housing Development Corporation, being its regular meeting place, 17th Floor, 1234 Market Street, Philadelphia, Pennsylvania, pursuant to proper notices.

CALL TO ORDER

Mr. Dunbar called the meeting to order at 3:37 p.m.

ANNOUNCEMENT

Steve Cusano, Senior Counsel, announced that prior to today's Public Session, the Board held an Executive Session regarding (1) that certain litigation matter entitled "OCF Universal, LP v. Kenyatta Johnson, the Philadelphia Land Bank, and the City of Philadelphia", filed in the U.S. District Court for the Eastern District of Pennsylvania, case number 2017-CV03134 WB; and (2) that certain litigation matter entitled "City of Philadelphia v. Sinchi Brothers Construction, Inc." filed in the Philadelphia Court of Common Pleas, Case No. 1702T0276, involving a Petition to Set Aside Sheriff's Sale. During Executive Session, the Board was also provided with information regarding the 2018 Water Rate Board proceedings and information regarding U.S. Bank liens.

Agenda Item 1

Roll Call

The following members of the Board of Directors reported present: Christian Dunbar, Michael Koonce, Jennifer Kates, Paulette Adams, Rick Sauer, Dominique Casimir, and Blane Stoddard.

The following members of the Board of Directors were not present: Richard DeMarco, Lauren Vidas, Courtney Voss, and Majeedah Rashid.

The following staff members were present: Angel Rodriguez, Steve Cusano, Esq., Christi Jackson, Andrea Saah, Esq., Brian Romano, Marla Clark, Stephen Novotny, Bradley Vassallo, and Jamila Davis.

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. There were no comments from the public.

Agenda Item 3
Approval of Board Minutes

Mr. Dunbar called for a motion to approve the minutes of the Board meeting of April 12, 2018.

Michael Koonce made a motion to approve the minutes of the Board meeting of April 12, 2018. The motion was seconded by Jennifer Kates.

Upon motion made and duly seconded, the Board approved the minutes of the April 12, 2018 Board meeting as presented.

Agenda Item 4
(originally item 6 on the posted agenda)
Property Dispositions

The Board decided to address property dispositions before any other agenda items.

The Board tabled the Resolutions Authorizing Conveyance of 1728 Marlton Ave. and 1252 N. 25th Street since they had not yet been approved by City Council.

A. 2549 S. 3rd Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 2549 S. 3rd Street to Suqing Fan for \$80,500. Mr. Romano explained that this was a competitive bid and that the Land Bank received two bids. This bid scored the highest and most qualified. The applicant proposes to rehab the property into a single-family rental. The applicant has support from Councilman Squilla. The MBE/WBE will not apply, as this will be developed into a single-family home. The project received VPRC approval on February 13, 2018 and City Council approval on April 12, 2018. The applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved City or L&I violations. The applicant has some experience with rehabs in the City.

B. 726 Emily Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 726 Emily to Neighborhood Gardens Trust. This parcel is already an existing garden, managed by The Growing Homes Garden, which NGT will acquire. The Growing Homes Garden is organized by the Nationalities Services Center in South Philadelphia, which affords individuals and families the opportunity to grow culturally relevant crops. This program has been highly successful in the community. Councilman Squilla has offered his support for NGT to acquire this garden.

This project received VPRC approval on March 13, 2018 and City Council approval on April 12, 2018. Applicant is compliant with the city of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved City or L&I violations.

C. 2210 Latona Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 2210 Latona Street to Wai Shek for \$105,000. This was a competitive bid and the Land Bank received four bid packages, of which three were incomplete. The applicant proposes to develop a two-story single-family rental. The applicant also has support from Councilman Johnson. The MBE/WBE will not apply, as this will be developed into a single-family home. The project received VPRC approval on February 13, 2018 and City Council approval on April 12, 2018. Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved City or L&I violations. The applicant has some experience with similar projects in the past, but none in the City.

D. 1936 N. Marshall Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 1936 N. Marshall Street to Neighborhood Gardens Trust. The North Marshall Garden was founded in 2001. The garden at 1934 N. Marshall Street was protected by NGT in 2007 and NGT is working to secure the balance of the garden. The garden participates in the PHS City Harvest Program which receives compost and seedlings in exchange for growing and donating fresh produce to low-income seniors in the community. The garden is used primarily for growing vegetables and a space in the back for sitting. NGT will continue to maintain this as a garden. This project received VPRC approval on March 13, 2018 and City Council approval on April 12, 2018. Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved City or L&I violations.

E. 415, 417 and 419 W. Berks Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 415, 417 and 419 W. Berks Street to LDC Development, LLC for \$226,000. The applicant owns 419-413 W. Berks Street and is proposing to develop three (3) duplexes (6 units) on the Land Bank-owned parcels. This conveyance is a direct sale. The properties in question are between N. Lawrence Street and N. Leithgow Street. Other than the Developer's properties and the Land Bank properties, no other properties are in the proposed development area. This project received VPRC approval on March 13, 2018 and City Council approval on April 12, 2018. Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved City or L&I violations.

The Board asked questions and discussed the conveyance of 2549 S. 3rd Street, 726 Emily Street, 2210 Latona Street, 1936 N. Marshall Street, and 415, 417 and 419 W. Berks Street.

At one point, Mr. Stoddard asked the applicant for 415, 417 and 419 W. Berks Street to utilize the Enterprise Center, but Mr. Cusano quickly interceded and made it clear that the applicant is not obligated to do so and any approval the Board may grant is not conditioned on such.

Mr. Dunbar called for a motion to approve the Resolutions Authorizing Conveyance of 2549 S. 3rd Street, 726 Emily Street, 2210 Latona Street, 1936 N. Marshall Street, and 415, 417 and 419 W. Berks Street pursuant to the respective resolutions in the Board package.

Upon motion made and duly seconded, the Board approved the Resolutions Authorizing Conveyance of 2549 S. 3rd Street, 726 Emily Street, 2210 Latona Street, 1936 N. Marshall Street, and 415, 417 and 419 W. Berks Street as follows:

RESOLUTION NO. 2018 – 12

**RESOLUTION AUTHORIZING CONVEYANCE OF
2549 S. 3rd STREET TO SUQING FAN**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 2549 S. 3rd Street (the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180326 adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Suqing Fan for Eighty Thousand Five Hundred Dollars (\$80,500.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

RESOLUTION NO. 2018 – 13

**RESOLUTION AUTHORIZING CONVEYANCE OF
726 EMILY STREET TO NEIGHBORHOOD GARDENS TRUST**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 726 Emily Street (the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180327 adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Neighborhood Gardens Trust for One Dollar (\$1.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

RESOLUTION NO. 2018 – 14

**RESOLUTION AUTHORIZING CONVEYANCE OF
2210 LATONA STREET TO WAI SHEK**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real

property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 2210 Latona Street (the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180309 adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Wai Shek for One Hundred Five Thousand Dollars (\$105,000.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

RESOLUTION NO. 2018 – 15

RESOLUTION AUTHORIZING CONVEYANCE OF 1936 N. MARSHALL STREET TO NEIGHBORHOOD GARDENS TRUST

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 1936 N. Marshall Street (the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180303

adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Neighborhood Gardens Trust for One Dollar (\$1.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

RESOLUTION NO. 2018 – 16

RESOLUTION AUTHORIZING CONVEYANCE OF 415 W. BERKS STREET, 417 W. BERKS STREET AND 419 W. BERKS STREET TO LDC DEVELOPMENT, LLC

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 415 W. Berks Street, 417 W. Berks Street and 419 W. Berks Street (collectively, the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180312 adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to LDC Development, LLC for Two Hundred Twenty Six Thousand Dollars (\$226,000.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

The Board then considered the following dispositions with Ms. Casimir abstaining.

F. 3250 Hartville Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 3250 Hartville Street to the adjacent owner, Reinaldo Marin Martinez, who lives adjacent at 3251 Rorer Street. Mr. Martinez has been trying to maintain this lot free of trash and debris. This parcel is eligible as a side yard; therefore, the disposition price is \$1.00. This project received VPRC approval on March 13, 2018 and City Council Resolution on April 12, 2018. Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest or unresolved City or L&I violations.

G. 119 W. Cumberland Street

Brian Romano, Project Manager, requested that the Board authorize the disposition of 119 W. Cumberland Street to the adjacent owner, Pablo Rivera, who lives at 2508 Hope Street. Mr. Rivera has been to maintaining this lot for years. This parcel is eligible as a side yard; therefore, the disposition price is \$1.00. This project received VPRC approval on March 13, 2018 and City Council Resolution on April 12, 2018. Applicant is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest or unresolved City or L&I violations.

The Board asked questions and discussed the conveyance of 3250 Hartville Street and 119 W. Cumberland Street.

Mr. Dunbar called for a motion to approve the Resolutions Authorizing Conveyance of 3250 Hartville Street and 119 W. Cumberland Street pursuant to the respective resolutions in the Board package.

Mr. Sauer made a motion to approve these resolutions. Mr. Koonce seconded the motion.

Upon motion made and duly seconded, the Board (Ms. Casimir abstaining) approved the Resolutions Authorizing Conveyance of 3250 Hartville Street and 119 W. Cumberland Street as follows:

RESOLUTION NO. 2018 – 17

**RESOLUTION AUTHORIZING CONVEYANCE OF
3250 HARTVILLE STREET TO REINALDO MARIN MARTINEZ**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank (“Land Bank”) to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 3250 Hartville Street (the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180314 adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Reinaldo Marin Martinez for One Dollar (\$1.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

RESOLUTION NO. 2018 – 18

**RESOLUTION AUTHORIZING CONVEYANCE OF
119 W. CUMBERLAND STREET TO PABLO RIVERA**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 119 W. Cumberland Street (the "Property") at its public meeting held on March 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. 180313 adopted on April 12, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Pablo Rivera for One Dollar (\$1.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

Agenda Item 5
(originally item 4 on the posted agenda)
Executive Director Report

Mr. Rodriguez provided the Board with an update on acquisitions and upcoming sheriff tax sales and expected acquisitions through June 2018.

Mr. Rodriguez then explained to the Board how the FY 2018 acquisitions will affect the FY 2019 budget and expected funds from the City. In response to questions from Ms. Kates and Ms. Adams, Mr. Rodriguez provided clarification regarding the process for encumbering FY18 acquisition funds for properties approved for acquisition and whether there is any carry over of acquisition funds from FY18 to FY19.

Mr. Rodriguez then discussed the status of outstanding Expressions of Interest (EOIs). Ms. Kates asked for a regularly updated spreadsheet regarding the status of EOIs. Mr. Rodriguez then stated that over the course of the summer, the Land Bank and VPRC will consider reaching out to residents who might be eligible to acquire an adjacent property owned by the Land Bank or the Department of Public Property.

Next, Mr. Rodriguez discussed the purchase of project management software and indicated that staff will soon be trained on using this software.

Mr. Stoddard asked about the Land Bank's policy regarding collaboration with the Philadelphia Redevelopment Authority on property acquisition and disposition. Mr. Rodriguez explained that the PRA is the conduit for the disposition of properties owned by the Department of Public Property, and that both the Land Bank and the VPRC work with the PRA on RFPs for development projects managed by the PRA.

Mr. Koonce and Ms. Kates then had some questions regarding LAMA and asked if Darshna Patel, GIS Manager with the City Planning Commission, could come to the next Board meeting to give an update. Multiple members of the Board indicated that they wished to have a dashboard that would allow Council members and Board members to review proposed acquisitions and dispositions on a real-time basis, with automated reminders to complete those reviews.

Agenda Item 6
(originally item 5 on the posted agenda)
Discussion of U.S. Bank Liens

The memo entitled "Discussion Regarding Satisfaction of U.S. Bank Liens" attached to these minutes was distributed.

Mr. Rodriguez provided an introduction and Mr. Cusano explained the substantive portions of the memo. The Board had a lengthy discussion regarding the points in the memo and concluded that the Acquisition Policy as currently formulated with respect to U.S. Bank Liens (third-party liens) hinders the Land Bank in fulfilling its mission of promoting redevelopment.

The Board discussed that the Acquisition Policy needs to be amended for resolving U.S. Bank Liens. Mr. Koonce asked that Land Bank staff propose changes to the Acquisition and Disposition Policies.

Agenda Item 7
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. Casimir seconded the motion.

Upon motion made and duly seconded, the Board approved to adjourn the meeting. Mr. Dunbar declared the meeting adjourned at 4:47 p.m.

SECRETARY TO THE BOARD

PHILADELPHIA LAND BANK

Board of Directors

Regular Meeting Thursday, April 12, 2018

3:30 PM

GUEST SIGN-IN SHEET

NAME	COMPANY	E-MAIL ADDRESS
1) K. Murre	CPD.	PMURR33@gmail.com
2) H. Minsinger	WU	HW741825@wu-pa.edu
3) K. Maehr	Row Chamberl. Trust	KennethC.pitts@rowchambers.org
4) W. Brantley	Brantley Strategies	whanting@brantleystrategies.com
5) Frank C. Hill	LDX Development	frank.c.hill@ldx.com
6) Tobias Anderson	ITA Entrepreneur	Tobias@ita-ny.com
7) Michael Long	Enquirer	
8) M. Long	WYNN	
9) Michael Long	Strataphore Investments	Michael@strataphore.com
10) Michael Boglin	Strataphore Invest. Fund	MBoglin@strataphore.com
11) Feboso Nelson	Strataphore ES	Feboso@strataphore.com

NAME	E-MAIL ADDRESS	COMPANY
12) Tyne May	Tyne7429@gmail.com	Talent Tyne Exchange
13) _____	_____	_____
14) _____	_____	_____
15) _____	_____	_____
16) _____	_____	_____
17) _____	_____	_____
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28) _____	_____	_____

MEMORANDUM

Date: April 12, 2018
To: Board of Directors
CC: Angel Rodriguez, Christi Jackson, Andrea Saah
From: Steve Cusano, Esquire
Re: Discussion Regarding Satisfaction of U.S. Bank Liens

Members of City Council have asked the Land Bank to acquire certain properties encumbered with a U.S. Bank Lien a/k/a 1997 Lien ("1997 Lien"). However, before the Land Bank can proceed, a discussion with the Board is necessary.

Acquisition Policy

- The Land Bank's Acquisition Policy provides that "[w]here a third party owns the public lien, if applicant resolves this issue independently, properties can be considered for acquisition".¹ In this case, the 1997 Liens are owned by U.S. Bank.
- This means that the 1997 Lien must be satisfied by a party other than the Land Bank. And, the only party willing to satisfy such a lien is a party that has some assurance that the property will be acquired by the Land Bank and then conveyed to them.
- Under the Disposition Policy, the only way a party has assurance that a specific property would be conveyed to them is under the direct sale provisions, which allow:
 - (i) a sale to a for-profit entity when the entity has acquired property adjacent to City property and intends to develop all of the property together or for a business expansion when an entity operates a business adjacent to or across the street from City property, all subject to certain conditions (must be at FMV)²;
 - (ii) a sale to a non-profit entity furthering DHCD's or CPC's plans or goals for building sustainable and opportunity rich communities (may be eligible for nominal)³;
 - (iii) a sale under the side/rear yard program (may be eligible for nominal)⁴; or
 - (iv) a sale pursuant to an RFP (may be eligible for nominal).⁵ Please note that all applicable requirements under the Disposition Policy must be satisfied in addition to the direct sale requirements.

¹ Acquisition Policy at 1.

² Disposition Policy at 5.

³ Disposition Policy at 6.

⁴ Disposition Policy at 6. 9.

⁵ Disposition Policy at 6.

- Even if the applicant is assured acquisition of the property, the pricing policies in the Disposition Policy discourage an applicant from satisfying the 1997 Lien.
 - (i) In a direct sale to a for-profit entity (see (i) above), the property must be sold at FMV. It is unlikely that an applicant would satisfy the lien only to then pay FMV for the property. The applicant would likely request a discounted price, which is not available in a direct sale to a for-profit entity.
 - (ii) In a direct sale to a non-profit entity (see (ii) above), the property may qualify for nominal pricing. However, requiring a non-profit entity to pay off a 1997 Lien defeats the purpose of nominal pricing. Furthermore, the non-profit entity may not have the financial resources to pay off the lien. Currently, about 52% of all 1997 Liens are over \$5,000; 24% are between \$5,000 and \$10,000, 14% are between \$10,000 and \$15,000, and 14% are over \$15,000.
 - (iii) In a direct sale under the side/rear yard program (see (iii) above), the property may qualify for nominal pricing. However, requiring a homeowner to pay off a 1997 Lien defeats the purpose of nominal pricing. Furthermore, the homeowner may not have the financial resources to pay off the lien (see (ii) directly above).
 - (iv) In a direct sale pursuant to an RFP (see (iv) above), the Land Bank would not be able to issue an RFP if the property is privately owned; so this scenario does not apply.
- Based on the foregoing, the pricing policies in the Disposition Policy are not fully aligned with the Acquisition Policy with respect to paying off 1997 Liens.
- Another item to consider is whether, as the Acquisition Policy is written, the Land Bank has the authority to pay off 1997 Liens since the policy seems to require it be done by the applicant.

1997 Lien Sale

- A 1997 Lien sale is held monthly at which properties are bid on just as any other delinquent-tax judicial sale. The only difference is that the proceeds of the winning bid will go first to pay off the 1997 Lien.
- Assuming that the Land Bank has (or can obtain) the authority to pay off a 1997 Lien, it is likely that the Land Bank can use its priority bid power to acquire properties at a 1997 Lien sale, but further research is being conducted to confirm.
- The Land Bank's bid would be pursuant to the MOU plus the full amount of the 1997 Lien unless the Land Bank is able to negotiate a lesser amount with U.S. Bank outside of the sale. Therefore, without an agreement with U.S. Bank, the Land Bank would pay the full amount of the 1997 Lien PLUS amounts due for real estate taxes, water, PGW, and sheriff's costs under the MOU.

April 12, 2018

Discussion Regarding Satisfaction of U.S. Bank Liens

- Any decision to pay a 1997 Lien must make financial sense. This depends on the amount of the 1997 Lien, the amount due under the MOU, the property's FMV, the anticipated sales price, and the property's proposed use.
- There is, however, a question as to whether the Land Bank has the authority to acquire properties encumbered with 1997 Liens.

Action Items

- Complete research to determine if the Land Bank can use its priority bid power to acquire properties at a 1997 Lien sale.
- Discuss with U.S. Bank the possibility of entering into an agreement in which the Land Bank can pay off a 1997 Lien for less than its asking price.
- Revise the Acquisition Policy and the Disposition Policy so that they are in sync with respect to paying off 1997 Liens and clearly allow the Land Bank to pay 1997 Liens.

Name of Applicant(s):	Philadelphia Housing Authority
Legal Entity, if applicable:	N/A
Applicant Mailing Address:	3100 Penrose Ferry Road, Philadelphia, PA 19145
Application Date:	March 14, 2018
Property Addresses:	2201 N. 27 th Street (approved as 2603-51 W. Susquehanna Avenue), 2219-21 N. 27 th Street, 2223 N. 27 th Street, 2225 N. 27 th Street, 2227 N. 27 th Street and 2610-16 W. Fletcher Street
Council District & Zoning:	Council District #5; RSA-5
Accepted Sale Price*:	(\$6.00) Price determined by: <input type="checkbox"/> Appraisal <input type="checkbox"/> OPA <input checked="" type="checkbox"/> Other: Affordable Housing

**Unless extraneous conditions apply, sale price and accepted price are the same.*

STRATEGIC PLAN GOAL	<input checked="" type="checkbox"/> Housing (84 rental units) <input type="checkbox"/> Business Expansion <input type="checkbox"/> Side yard <input type="checkbox"/> Garden/Open Space
PROPOSED DEVELOPMENT	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Rehab
PLANNED USE:	<input checked="" type="checkbox"/> Residential <input type="checkbox"/> Commercial <input type="checkbox"/> Mixed Use
IF RESIDENTIAL:	<input type="checkbox"/> Single Family <input checked="" type="checkbox"/> Multi-Unit & # of Units (84 rental units along with a Community Life Center)
TOTAL SQ FT	86,805 sq. ft.
CONSTRUCTION COSTS:	\$ 16,500,000
TOTAL PROJECT COSTS:	\$ 20,500,000
TOTAL PROJECT FUNDING*:	\$ 20,500,000 Documentation: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**Applicant must submit Commitment Letter from lender or provide evidence of access to funding prior to Land Bank approval.*

Check one: ☐ Owner Occupied ☐ For Sale to Homebuyer ☒ Rental /Tenant

Applicant is proposing to enter into a land lease with Net Zero Housing LP who will develop approximately (84) rental units consisting of (68) one and two bedroom apartments for ages 55 and older, (12) two and three bedroom townhouses and (4) two bedroom flats. There will also be a Community Life Center adjacent to the building housing the age 55 and older population. The units will be affordable to families earning below 60%, 50% and 20% AMI. The Community Life Center will be open to families of the newly planned development and area residents. The project will be developed with LIHTC financing and will receive project based vouchers from PHA. PHA will require HUD approval for this transaction. As such, the Purchase and Development Agreement will need to meet HUD standards including, without limitation, removing the reverter provision and certain restrictions regarding transfer in order to allow the ground lease.

The MBE/WBE will apply.

Prepared by: Brian Romano
Reviewed by: Christi Jackson



RESOLUTION NO. 2018 – _____

**RESOLUTION AUTHORIZING CONVEYANCE OF
2201 N. 27th STREET (AKA 2603-51 W. SUSQUEHANNA AVENUE), 2219-21 N. 27th
STREET, 2223 N. 27th STREET, 2225 N. 27th STREET, 2227 N. 27th STREET and 2610-16 W.
FLETCHER STREET TO PHILADELPHIA HOUSING AUTHORITY**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 2201 N. 27th Street (aka 2603-51 W. Susquehanna Avenue), 2219-21 N. 27th Street, 2223 N. 27th Street, 2225 N. 27th Street, 2227 N. 27th Street and 2610-16 W. Fletcher Street (collectively, the "Property") at its public meeting held on April 10, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. _____ adopted on May 10, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Philadelphia Housing Authority for Six Dollars (\$6.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

Name of Applicant(s):	Vincent S. Viney
Legal Entity, if applicable:	V2 Properties LLC
Applicant Mailing Address:	144 Buckwalter Road, Royersford, PA 19468
Application Date:	February 19, 2018
Property Addresses:	2022 Kimball Street
Council District & Zoning:	Council District #2; RSA-5
Accepted Sale Price*:	(\$175,000.00) Price determined by: <input type="checkbox"/> Appraisal <input type="checkbox"/> OPA <input checked="" type="checkbox"/> Other: Competitive Sale

**Unless extraneous conditions apply, sale price and accepted price are the same.*

STRATEGIC PLAN GOAL	<input checked="" type="checkbox"/> Housing (Single-family home) <input type="checkbox"/> Business Expansion <input type="checkbox"/> Side yard <input type="checkbox"/> Garden/Open Space
PROPOSED DEVELOPMENT	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Rehab
PLANNED USE:	<input checked="" type="checkbox"/> Residential <input type="checkbox"/> Commercial <input type="checkbox"/> Mixed Use
IF RESIDENTIAL:	<input checked="" type="checkbox"/> Single Family <input type="checkbox"/> Multi-Unit & # of
TOTAL SQ FT	Total development: 2100 Sq. Ft. (includes finished basement)
CONSTRUCTION COSTS:	\$210,000
TOTAL PROJECT COSTS:	\$401,605 (includes acquisition price)
TOTAL PROJECT FUNDING*:	\$401,605 Documentation: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**Applicant must submit Commitment Letter from lender or provide evidence of access to funding prior to Land Bank approval.*

Check one: ☐ Owner Occupied ☒ For Sale to Homebuyer ☐ Rental /Tenant

Staff Recommendation:

Applicant is proposing to develop a single family home for sale to a homebuyer. Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

The MBE/WBE will not apply as this is a single-family home.

Prepared by: Brian Romano
Reviewed by: Christi Jackson



RESOLUTION NO. 2018 – _____

**RESOLUTION AUTHORIZING CONVEYANCE OF
2022 KIMBALL STREET TO V2 PROPERTIES LLC**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 2022 Kimball Street (collectively, the "Property") at its public meeting held on April 10, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. _____ adopted on May 10, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to V2 Properties LLC for One Hundred Seventy Five Thousand Dollars (\$175,000.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

Name of Applicant(s):	Brett Brand
Legal Entity, if applicable:	Elton Enterprises
Applicant Mailing Address:	17 Christian Street
Application Date:	February 22, 2018
Property Addresses:	2776-2778 Emerald Street
Council District & Zoning:	Council District #7; RSA-1
Accepted Sale Price*:	(\$62,000.00) Price determined by: <input checked="" type="checkbox"/> Appraisal <input type="checkbox"/> OPA <input type="checkbox"/> Other:

**Unless extraneous conditions apply, sale price and accepted price are the same.*

STRATEGIC PLAN GOAL	<input type="checkbox"/> Housing <input checked="" type="checkbox"/> Business Expansion <input type="checkbox"/> Side yard <input type="checkbox"/> Garden/Open Space
PROPOSED DEVELOPMENT	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Rehab
PLANNED USE:	<input type="checkbox"/> Residential <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Mixed Use
IF RESIDENTIAL:	<input type="checkbox"/> Single Family <input type="checkbox"/> Multi-Unit & # of Units
TOTAL SQ FT	1500 Sq. Ft.
CONSTRUCTION COSTS:	\$ 45,000
TOTAL PROJECT COSTS:	\$ 110,000 (includes acquisition costs)
TOTAL PROJECT FUNDING*:	Documentation: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**Applicant must submit Commitment Letter from lender or provide evidence of access to funding prior to Land Bank approval.*

Check one: ☒ Owner Occupied ☐ For Sale to Homebuyer ☐ Rental /Tenant

Staff Recommendation:

Applicant is proposing to develop a 30' x 50' prefabricated warehouse with a concrete pad for their custom graphics company. Applicant has a support letter from Councilwoman Sanchez. Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

The MBE/WBE will apply.

Prepared by: Brian Romano
Reviewed by: Christi Jackson



RESOLUTION NO. 2018 – _____

**RESOLUTION AUTHORIZING CONVEYANCE OF
2776-2778 EMERALD STREET TO ELTON ENTERPRISES LLC**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 2776-2778 Emerald Street (collectively, the "Property") at its public meeting held on April 10, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. _____ adopted on May 10, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Elton Enterprises LLC for Sixty Two Thousand Dollars (\$62,000.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

Name of Applicant(s):	Jackeline Matos-Castro
Applicant's Primary Residency Address:	2853 N. Lawrence Street
Application Date & Project Case #:	September 28, 2016
Number of EOIs Received:	2
Address of Property:	2860 N. Leithgow Street
Zoning & Council District:	RM-1 CD# 7
OPA Value:	\$ 1,800.00 (will pay nominal due to exception)
STRATEGIC PLAN GOAL:	<input type="checkbox"/> Housing <input type="checkbox"/> Business Expansion <input checked="" type="checkbox"/> Side yard <input type="checkbox"/> Garden/Open Space
PLANNED USE:	<input checked="" type="checkbox"/> Yard <input type="checkbox"/> Garden <input type="checkbox"/> Parking
ESTIMATED IMPROVEMENT COSTS:	\$500.00

Staff Recommendation:

Applicant is eligible under the exception for the side yard program as this parcel is directly behind her house and she has owned and lived in her house for more than 7 years and has tried to maintain the lot for several years. The requested property had one other expression of interest and that applicant was not adjacent to the parcel.

Improvements to the vacant lot will commence within 3 months of obtaining the property. Applicant is compliant and in good standing with the City of Philadelphia.

Image and map attached.

NOTE: Council District #7 (Councilwoman's Sanchez) office has provided support for the applicant.

Prepared by: Brian Romano
 Reviewed by: Christi Jackson





RESOLUTION NO. 2018 – _____

**RESOLUTION AUTHORIZING CONVEYANCE OF
2860 N. LEITHGOW STREET TO JACKELINE MATOS-CASTRO**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 2860 N. Leithgow Street (collectively, the "Property") at its public meeting held on October 10, 2017 and Philadelphia City Council approved conveyance of the Property by Resolution No. _____ adopted on May 10, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to Jackeline Matos-Castro for One Dollar (\$1.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

Name of Applicant(s):	Elina Naydovich
Legal Entity, if applicable:	1213 N 41 LLC
Applicant Mailing Address:	PO Box 39175, Philadelphia, PA 19136
Application Date:	October 31, 2017
Property Addresses:	1728 Marlton Avenue
Council District & Zoning:	Council District #3; RSA-5
Accepted Sale Price*:	(\$14,500.00) Price determined by: <input type="checkbox"/> Appraisal <input checked="" type="checkbox"/> OPA <input type="checkbox"/> Other:

**Unless extraneous conditions apply, sale price and accepted price are the same.*

STRATEGIC PLAN GOAL	<input checked="" type="checkbox"/> Housing (<u>7 unit rental</u>) <input type="checkbox"/> Business Expansion <input type="checkbox"/> Side yard <input type="checkbox"/> Garden/Open Space
PROPOSED DEVELOPMENT	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Rehab
PLANNED USE:	<input checked="" type="checkbox"/> Residential <input type="checkbox"/> Commercial <input type="checkbox"/> Mixed Use
IF RESIDENTIAL:	<input type="checkbox"/> Single Family <input checked="" type="checkbox"/> Multi-Unit & # of Units <u>7 units for rental</u>
TOTAL SQ FT	Total development: 3500 Sq. Ft.
CONSTRUCTION COSTS:	\$400,000
TOTAL PROJECT COSTS:	\$454,000
TOTAL PROJECT FUNDING*:	\$561,000 Documentation: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**Applicant must submit Commitment Letter from lender or provide evidence of access to funding prior to Land Bank approval.*

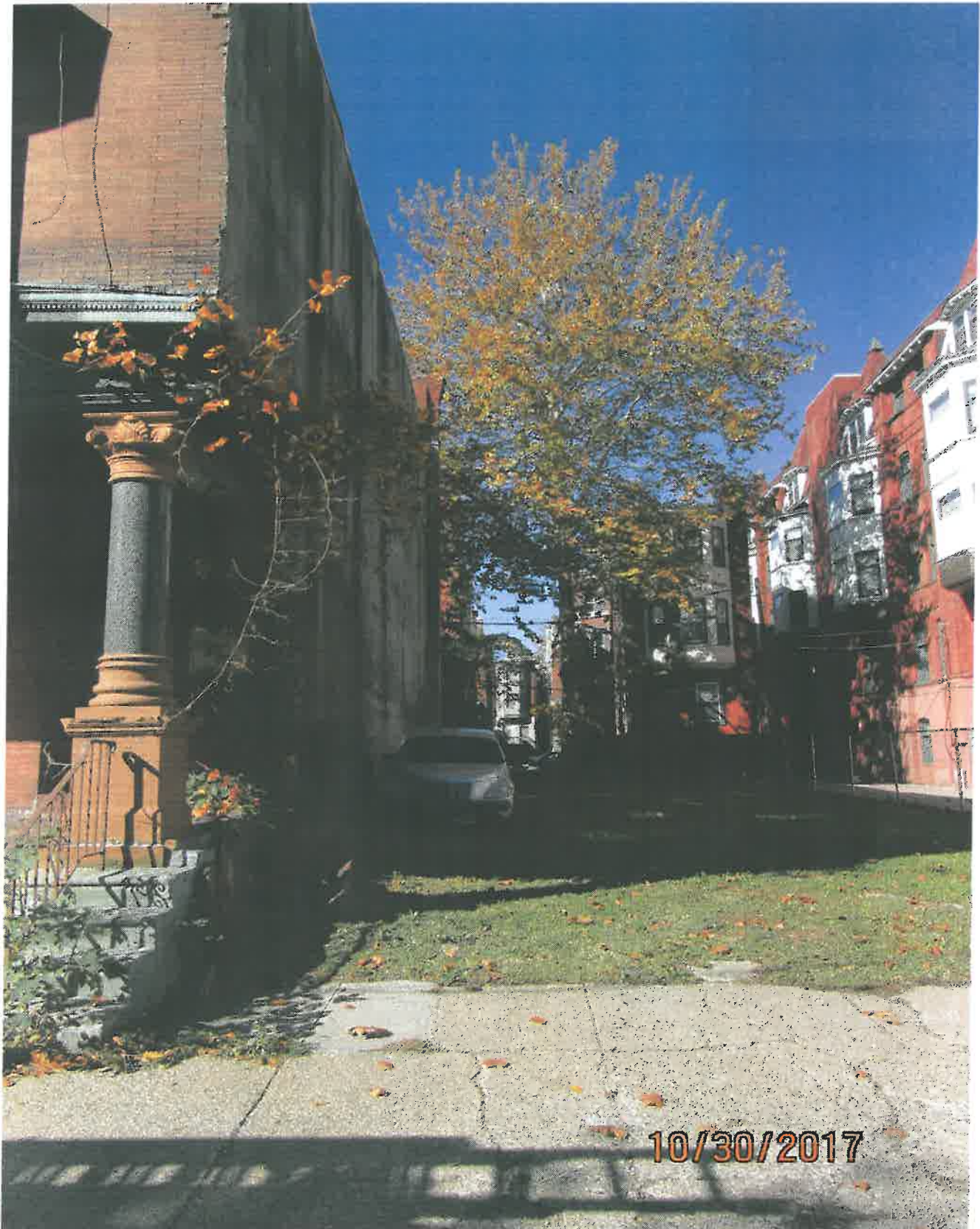
Check one: ☐ Owner Occupied ☐ For Sale to Homebuyer ☒ Rental /Tenant

Staff Recommendation:

NOTE: Applicant is proposing to develop seven (7) units each consisting of one bedroom and one bathroom to be rented out to low income individual and veterans which provide quality affordable rental options for the community. Applicant has the support letter from Councilwoman Blackwell. Developer is compliant with the City of Philadelphia Revenue Department and has no outstanding tax obligations, conflicts of interest, or unresolved violation of City L&I codes.

The MBE/WBE will apply.

Prepared by: Brian Romano
Reviewed by: Christi Jackson





RESOLUTION NO. 2018 – _____

**RESOLUTION AUTHORIZING CONVEYANCE OF
1728 MARLTON AVENUE TO 1213 N 41 LLC**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank ("Land Bank") to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank, subject to approval of the Vacant Property Review Committee and resolution by Philadelphia City Council, and subject further to the terms and conditions of Section 16-707; and

WHEREAS, the Vacant Property Review Committee reviewed the proposed transfer of 1728 Marlton Avenue (the "Property") at its public meeting held on February 13, 2018 and Philadelphia City Council approved conveyance of the Property by Resolution No. _____ adopted on _____, 2018.

WHEREAS, the Board of Directors has determined that it is in the best interest of the Land Bank to convey the Property; and

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

1. The conveyance of the Property to 1213 N 41 LLC for Fourteen Thousand Five Hundred Dollars (\$14,500.00) is in the best interests of the Land Bank and is hereby approved;
2. The conveyance of the Property complies with all terms and conditions of Section 16-707 of the Philadelphia Code;
3. The Executive Director, Director of Property Management, and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to prepare, execute, deliver, and perform any and all agreements, deeds, and other documents as may be necessary or desirable to consummate the conveyance of the Property, which shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, and, when so executed and delivered by the Land Bank shall constitute the valid and binding obligations of the Land Bank; and
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

MEMORANDUM

To: Board of Directors

From: Steve Cusano, Esq. 

Date: May 10, 2018

Re: Resolution Authorizing an Amended and Restated Management Contract between the Philadelphia Land Bank and the Philadelphia Housing Development Corporation

In 2015, the Philadelphia Housing Development Corporation ("PHDC") and the Philadelphia Land Bank ("Land Bank") entered into a Management Contract as amended by a First Amendment to Management Contract dated May 27, 2016.

The purpose of the original Management Contract was for the Land Bank to obtain management services from PHDC. Essentially, PHDC manages, oversees, and operates certain business activities of the Land Bank. The major changes of the Amended and Restated Management Contract follow:

Section I.A. - To clarify that the management services are provided by PHDC, acting by and through its employee hired and/or appointed as the Executive Director of the Land Bank. The original provision only referenced PHDC and did not reference the Executive Director.

Section II – To restate the term from July 1, 2018 to June 30, 2019 with four automatic renewals unless either party terminates at least ninety (90) days in advance of the end of the term or any renewal term. Under the original Management Contract, the final year was from July 1, 2018 to June 30, 2019.

Section III.A.(1) - To clarify how general and administrative expenses are paid.

- These expenses are identified on Exhibit A and include: fidelity insurance, payroll services, phone system (landlines), unemployment compensation, and prescription costs for PHDC employees.
 - They originally included general liability insurance for office premises, fidelity insurance, directors and officers insurance for employment practices liability, office space rent, leasehold improvements, copiers, printing/duplication, payroll services, and phone system (landlines), and Workers' Compensation.

May 10, 2018

Resolution Authorizing an Amended and Restated Management Contract between the Philadelphia Land Bank and the Philadelphia Housing Development Corporation

- G&A expenses are calculated pro-rata based on the total number of hours of work performed by PHDC employees for, or on behalf of the Land Bank and the total number of hours of work performed by PHDC employees as documented in PHDC's labor-allocation sheets.
 - Previously, G&A expenses were calculated using a flat 20% which was to be revised each fiscal year.

Section III.A.(2) - To clarify that salary and fringe benefit are calculated pro-rata based on the total number of hours of work performed by PHDC employees for, or on behalf of the Land Bank and the total number of hours of work performed by PHDC employees as documented in PHDC's labor-allocation sheets. Previously, the Land Bank paid the actual monthly salary and fringe benefit expenses for each PHDC employee who performs work related to Land Bank activities.

I respectfully ask that the Board consider and approve the Amended and Restated Management Contract.

RESOLUTION NO. 2018 – _____

**RESOLUTION AUTHORIZING AN AMENDED AND RESTATED MANAGEMENT CONTRACT
BETWEEN THE PHILADELPHIA LAND BANK AND THE PHILADELPHIA HOUSING
DEVELOPMENT CORPORATION**

WHEREAS, the Philadelphia Housing Development Corporation ("**PHCD**") and the Philadelphia Land Bank ("**Land Bank**") entered into a Management Contract dated July 17, 2015 as amended by a First Amendment to Management Contract dated May 27, 2016 (collectively, "**Management Agreement**");

WHEREAS, PHCD and the Land Bank desire to amend and restate the Management Agreement by entering into the Amended and Restated Management Agreement attached to this Resolution; and

WHEREAS, the Board has considered the Amended and Restated Management Agreement and finds that its adoption 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 Land Bank is hereby authorized to enter into the Amended and Restated Management Agreement with PHDC substantially in the form attached hereto.
2. The Executive Director with the advice of Senior Counsel may modify the Amended and Restated Management without further approval of the Board; provided, that any modifications are, in the opinion of Senior Counsel, not materially adverse to the Land Bank's interests.
3. Those Land Bank staff authorized to execute and deliver documents on behalf of the Land Bank pursuant to Resolution 2017-43 are hereby authorized to execute and deliver the Amended and Restated Management Agreement.
4. 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.
5. This Resolution shall take effect immediately upon adoption by the Board.

Contract No. # _____

AMENDED AND RESTATED MANAGEMENT CONTRACT

THIS AMENDED AND RESTATED MANAGEMENT CONTRACT (this "Contract"), entered into as of this _____ day of _____, 2018 by and between the PHILADELPHIA HOUSING DEVELOPMENT CORPORATION, a nonprofit corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with offices at 1234 Market Street, 17th Floor, Philadelphia, Pennsylvania 19107 ("PHDC") and the PHILADELPHIA LAND BANK, a public body and a body corporate and politic established under the Pennsylvania Land Bank Legislation, Act 153 of 2012, with offices at 1234 Market Street, 16th Floor, Philadelphia, Pennsylvania 19107 (the "Land Bank").

WITNESSETH:

WHEREAS, in December 2012, the Commonwealth of Pennsylvania enacted the Pennsylvania Land Bank Legislation, Act 153 of 2012, authorizing, among other things, the creation of "land banks" by municipalities as tools to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use; and

WHEREAS, in December 2013, the City of Philadelphia (the "City") enacted legislation creating the City's Land Bank, with its stated mission being "to return vacant property to productive status using a unified, predictable, and transparent process, thereby revitalizing neighborhoods, creating socially and economically diverse communities, and strengthening the City's tax base"; and

WHEREAS, the Land Bank and PHDC entered into a Management Contract dated July 17, 2015 as amended by a First Amendment to Management Contract dated

May 27, 2016 (collectively, the "Agreements") and the Land Bank and PHDC desire to amend and restate the Agreements, as more specifically set forth in this Contract;

WHEREAS, the Land Bank desires to engage PHDC, and PHDC is willing to assume the duties, to manage, oversee, and operate certain business activities of the Land Bank, as more specifically set forth in this Contract.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties hereby agree as follows:

I. SCOPE OF SERVICES

A. Subject to compliance with all applicable statutes, codes, regulations and collective bargaining agreements, the Land Bank and PHDC agree that PHDC, acting by and through its employee hired and/or appointed as the Executive Director of the Land Bank (the "Executive Director") in accordance with Section I.A.(1), shall manage, oversee and operate the everyday activities of the Land Bank and have all requisite duties and exclusive authority to act on behalf of and for the benefit of the Land Bank to:

(1) Hire and/or appoint an individual to serve as, and dismiss, the Executive Director in consultation with the Land Bank Board of Directors (the "Land Bank Board") and consistent with the Land Bank's approved budget for each respective year of employment for each such employee, as well as evaluate the performance of any such individuals; provided, however, PHDC further agrees that it shall not hire and/or appoint any individual to serve as Executive Director that, after consultation, is opposed by a majority of the Land Bank Board;

(2) Hire and/or appoint individuals, and dismiss any employees as is necessary to efficiently and effectively conduct the operations of the Land Bank consistent with the Land Bank's approved budget for each respective year of employment

of each such employee, with notice thereof provided in progress reports presented by the Executive Director to the Land Bank Board during its meetings;

(3) Organize and reorganize the executive, financial, administrative, clerical and other activities of the Land Bank as necessary to efficiently and effectively conduct the operations of the Land Bank;

(4) Invest money of the Land Bank at the discretion of the Land Bank Board in instruments, obligations, securities or property determined proper by the Land Bank Board, as well as name and use depositories for the money of the Land Bank;

(5) Maintain fully correct and accurate financial books of account and records of the activities of the Land Bank in accordance with all applicable accounting regulations, and procedures;

(6) Pay all operational expenses and debts as required and deposit all receipts, in whatsoever form, from the operations of the Land Bank in the bank or other financial institution depository of the Land Bank;

(7) File reports, tax returns, and applicable tax applications with government authorities required or allowed by law, which have been signed or approved by the authorized employee(s), officer(s), and/or Board member(s) of the Land Bank, as required; and

(8) Make presentations to the Land Bank Board when requested.

B. Upon authorization of the Land Bank Board and subject to compliance with all applicable statutes, codes, regulations, and collective bargaining agreements, the Land Bank and PHDC agree that PHDC shall have all requisite duties and exclusive authority to act on behalf of and for the benefit of the Land Bank to:

(1) Enter into contracts and other instruments necessary, incidental, or convenient to the performance of the duties, and the exercise of the powers,

of the Land Bank, including those for the management of, the collection of rent from or the sale of real property of the Land Bank, as authorized by the Land Bank Board;

(2) Establish policies and protocols, as well as determine hours of operation and fix the duties, powers and compensation of employees, contractors, agents and consultants, as required to manage, oversee and operate the Land Bank in a professional and efficient manner in compliance with all applicable laws, regulations, codes and rules;

(3) Enter into contracts and intergovernmental cooperation agreements with municipalities for the performance of functions by municipalities on behalf of the Land Bank or by the Land Bank on behalf of municipalities;

(4) Procure and maintain insurance against losses in connection with the real property, assets, staff, and activities of the Land Bank including, without limitation officers and directors insurance, and general liability insurance;

(5) Design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve real property or rights or interests in real property;

(6) Fix, charge, and collect rents, fees, and charges for use of real property of the Land Bank and any services provided by the Land Bank;

(7) Grant or acquire licenses, easements, leases, or options with respect to the real property of the Land Bank;

(8) Initiate, defend against and otherwise participate in lawsuits and other legal, alternative dispute resolution, and administrative proceedings on behalf of the Land Bank to protect and advance its interests;

(9) Borrow from Federal government funds, the Commonwealth of Pennsylvania (the "Commonwealth"), private lenders or municipalities, as necessary, for the operation and work of the Land Bank;

(10) Issue negotiable revenue bonds and notes;

(11) Procure insurance or guarantees from the Federal government or the Commonwealth for the payment of debt incurred by the Land Bank and pay premiums in connection with any such insurance or guarantee; and

(12) Enter into partnerships, joint ventures and other collaborative relationships with municipalities and other public and private entities for the ownership, development, and disposition of real property.

C. PHDC shall perform such other and further duties that are authorized by the Land Bank Board and approved by the Board of Directors of PHDC, consistent with the effective and efficient management, oversight and operation of the business of the Land Bank, including, but not limited to, filing reports and making presentations with or to the Land Bank Board.

II. TERM

The term of this Contract shall commence on July 1, 2018 (the "Effective Date") and shall continue through June 30, 2018 (the "Initial Term"). The Initial Term of this Contract shall renew automatically for four (4) additional consecutive one-year periods (each a "Renewal Period"), unless either party provides written notice to the other at the corresponding address set forth above that the party does not desire to renew, with such notice being served at least ninety (90) days in advance of the end of the Initial Term or any Renewal Period. Upon termination, neither party shall have any further obligations under this Contract, except for the obligations which by their terms survive this termination as noted in Section XVII below.

III. COMPENSATION AND METHOD OF PAYMENT

A. As compensation for all services provided hereunder, the Land Bank shall pay PHDC, on a monthly basis the following:

(1) The product of (i) a fraction, the numerator of which is the total number of hours of work performed by PHDC employees for, or on behalf of the Land Bank, in the invoiced month and the denominator of which is the total number of hours of work performed by PHDC employees in the invoiced month (all hours must be

documented in PHDC's labor-allocation sheets); multiplied by (ii) the actual, aggregate amount of those general and administrative expenses specifically identified on Exhibit A, attached hereto and incorporated by reference, incurred by PHDC for the benefit of either PHDC or the Land Bank in the invoiced month; and

(2) A proportionate share of the salary and fringe benefit expenses for each PHDC employee who performs work related to Land Bank activities in a given month (each "Affected Employee") calculated by multiplying (i) the monthly salary and fringe benefit expenses incurred by PHDC in the invoiced month for an Affected Employee; and (ii) a fraction, the numerator of which is the total number of hours of work performed by an Affected Employee for, or on behalf of, the Land Bank in the invoiced month and the denominator of which is the total number of hours of work performed by an Affected Employee in the invoiced month. All hours must be documented in PHDC's labor-allocation sheets; and

Subject to Section III B, PHDC shall be paid after timely submission of invoices to the Land Bank, in the number, form, and content acceptable to the Land Bank, accompanied by such additional supporting information and documentation as the Land Bank may request. All payments to PHDC are contingent upon satisfactory performance of the terms and conditions of this Contract. PHDC shall submit its final invoice not more than sixty (60) days from the completion of the services provided hereunder.

B. The Land Bank reserves the right to withhold or offset against any funds payable to PHDC for any invoice for which the Land Bank asserts a discrepancy exists or for PHDC's failure to satisfactorily perform the terms of this Contract, as determined solely by the Land Bank.

C. PHDC shall, upon termination of this Contract, remit to the Land Bank an accounting of all funds received pursuant to this Contract and the Agreements. PHDC shall return to the Land Bank all funds provided hereunder which have not been

expended for legitimate expenses. Final statement must be submitted to the Land Bank within sixty (60) days of the termination date.

IV. LAND BANK RESPONSIBILITY

The Land Bank shall remain responsible for (i) the operation, management, oversight, and conduct of the Land Bank and (ii) the actions of PHDC, and its agents and employees, only to the extent they relate to the operation, management, oversight, and conduct of the operations of the Land Bank. The Land Bank shall not in any way assign or transfer to PHDC: (a) the Land Bank's liability for any contracts, real property (including, by way of example and not limitation, rental and lease agreements), wages, utility bills, taxes or other costs and expenses, either as required or that are incidental to the operation of the Land Bank; or (b) the Land Bank's obligation and duties that are necessary for the retention of the "incidents of ownership" of the assets and control of the Land Bank. In addition to the general and administrative expenses set forth in Section III A hereof, the Land Bank shall remain responsible for all expenses, costs, utilities, insurance, wages, and benefits of the Land Bank's employees (if any), contracts with third parties, taxes, premises liability, and all other claims, contracts, liabilities, and financial responsibility associated with the Land Bank's operations. The Land Bank is merely contracting with PHDC to provide management services.

V. PHDC RESPONSIBILITY

A. PHDC shall remain responsible for (i) the operation, management, oversight, and conduct of PHDC and (ii) the actions of PHDC, and its agents and employees, only to the extent they relate to the operation, management, oversight, and conduct of the non-Land Bank-related operations of PHDC.

B. Notwithstanding anything to the contrary set forth in Section III A hereof, PHDC shall remain responsible for all expenses, costs, utilities, insurance, wages and benefits of PHDC's employees, contracts between PHDC and third parties, taxes,

premises liability, and all other claims, contracts, liabilities, and financial responsibility associated with PHDC's business activities. PHDC is simply contracting with the Land Bank to provide management services.

C. Upon request by the Land Bank Board, PHDC shall make reports and presentations to the Land Bank Board relating to the management services provided under this Contract.

VI. INDEMNIFICATIONS

A. The Land Bank shall defend, indemnify, and hold PHDC and all of its directors, officers, and employees harmless, including, without limitation, attorneys' fees, for any and all claims of the Land Bank's vendors, employees, directors, suppliers, contractors, agents, and representatives, and all other claims, suits, damages, and losses to the extent arising out of or related to the Land Bank, its business operations, its real property, or any and all acts or omissions of the Land Bank. Except for claims asserted by PHDC's employees as provided below in Section VI B below, PHDC shall be added as an additional insured on all liability insurance policies of the Land Bank on a primary and noncontributory basis, excluding its Workers' Compensation and Employers Liability insurance and Officers Liability insurance.

B. PHDC shall defend, indemnify, and hold the Land Bank and all of its directors, officers, and employees harmless, including, without limitation, attorneys' fees, for any and all claims of PHDC's non-Land Bank-related vendors, employees, directors, suppliers, contractors, agents, and representatives, and all other claims, suits, damages and losses to the extent arising out of or related to the non-Land Bank-related acts or omissions of PHDC. Further, to the extent covered by any such applicable insurance, PHDC shall defend, indemnify, and hold the Land Bank harmless for any and all claims of PHDC's employees. In addition, the Land Bank shall be added as an additional insured on all liability insurance policies of PHDC solely to cover any non-Land Bank-related claims or claims of PHDC's employees on a primary and noncontributory basis,

excluding its Workers' Compensation and Employers Liability insurance and Officers Liability insurance.

VII. INDEPENDENT CONTRACTOR

Notwithstanding anything contained herein to the contrary, all rights and duties hereby granted to and assumed by PHDC are those of an independent contractor only. Nothing contained herein shall create an employer/employee relationship between PHDC and the Land Bank, or their respective directors, officers, employees, agents, and representatives. The parties acknowledge and agree that it is their intention that PHDC and its directors, officers, employees, agents, and representatives shall be and remain independent contractors in connection with its relationship with the Land Bank and that this Contract shall not render PHDC, or its directors, officers, employees, agents, and representatives, an employee, partner, agent, or joint venturer of or with the Land Bank. The Land Bank shall not be responsible for withholding taxes with respect to compensation paid to PHDC, or its directors, officers, employees, agents, and representatives, hereunder or the compensation paid by PHDC to its directors, officers, employees, agents, and representatives. PHDC and its directors, officers, employees, agents, and representatives shall have no claim against the Land Bank hereunder or otherwise for, among other things, unpaid minimum wages, overtime premiums, vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits or employee benefits of any kind.

VIII. LAND BANK RECORDS

A. PHDC acknowledges and agrees that all records, data, materials, programs, plans, marketing strategies, financial information, business plans, technologies, Land Bank employee personnel files and medical records (if any), Land Bank employee health and other insurance (if any), Land Bank employee pension and other retirement benefit plans (if any), Land Bank employee fringe benefits (if any) and other information received or created by PHDC in connection with its performance of management services

under this Contract (collectively, "Records") shall be maintained separately from any other records or information under PHDC's custody, control or possession.

B. Upon request, PHDC shall provide to the Land Bank Board, the Executive Director, and their agents, representatives, and consultants reasonable access to all Records, provided, PHDC takes all necessary and appropriate action required to comply or maintain compliance with all applicable laws, codes and regulations in providing any such access.

C. All Records shall at all times be and remain the exclusive property of the Land Bank and shall be returned to the Land Bank upon termination of this Contract.

D. All requests for Records, including, but not limited to, any governmental, judicial, or administrative orders, subpoenas, discovery requests, regulatory requests, or similar methods, shall be submitted to the general counsel and/or the individual appointed as the Right To Know Officer (the "RTKO") of the Land Bank. The general counsel and/or the RTKO of the Land Bank shall be responsible for responding to all such Records requests. Notwithstanding anything contained herein to the contrary, the Land Bank shall defend, indemnify, and hold PHDC harmless, including, without limitation, attorneys' fees, for any and all claims, suits, damages, and losses to the extent arising out of or related to any and all requests for Records, including, but not limited to, any responses, failures to respond and/or other acts, delays or omissions relating to any such requests.

E. Nothing in this Contract shall be deemed a waiver or release of, or supersede, modify or diminish, in any respect whatsoever, any of the Land Bank's rights or defenses under the Right To Know Law ("RTKL"), all of which are expressly reserved.

IX. PHDC PROPRIETARY RIGHTS

A. Definitions. For purposes of this Contract, "Confidential Information" means any data or information that is received or created by PHDC in

connection with its non-Land Bank-related business and activities, and therefore proprietary exclusively to PHDC, and not generally known to the public, whether in tangible or intangible form, whenever and however disclosed, including, but not limited to: (i) HR information, records and materials including methods, programs, employee personnel files and medical records, health and other insurance, pension and other retirement benefit plans, fringe benefits, policies, plans, processes, specifications, characteristics, raw data, databases, formulations, know-how, experience and proprietary information; (ii) any marketing strategies, plans, financial information, or projections, operations, sales estimates, business plans and performance results relating to the past, present or future business activities of such party, its affiliates, subsidiaries and affiliated companies; (iii) plans for programs or services, and client or contractor lists; (iv) any scientific or technical information, invention, design, process, procedure, formula, improvement, technology or method; (v) any concepts, reports, data, know-how, works-in-progress, designs, development tools, specifications, computer software, source code, object code, flow charts, databases, inventions, information and trade secrets; and (vi) any other information that should reasonably be recognized as confidential information of PHDC, whether in writing or presented, stored or maintained in or by electronic, magnetic, digital, internet, computer or other means. Confidential Information need not be novel, unique, patentable, copyrightable or constitute a trade secret in order to be designated Confidential Information. The Land Bank acknowledges that the Confidential Information is proprietary to PHDC, has been developed and obtained through great efforts by PHDC and that PHDC regards all of its Confidential Information as trade secrets.

B. Exceptions to Confidential Information. Notwithstanding anything in the foregoing to the contrary, Confidential Information shall not include information which: (i) was known by the Land Bank prior to receiving the Confidential Information from PHDC; (ii) becomes rightfully known to the Land Bank from a third-party source

not known (after diligent inquiry) by the Land Bank to be under an obligation to PHDC to maintain confidentiality; (iii) is or becomes publicly available through no fault of or failure to act by the Land Bank in breach of this Contract; (iv) is required to be disclosed in a judicial or administrative proceeding, or is otherwise required to be disclosed by law or regulation, although the requirements of this Section IX shall apply prior to any disclosure being made; and (v) is or has been independently developed by employees, contractors, consultants, or agents of the Land Bank without violation of the terms of this Contract or reference or access to any Confidential Information.

C. Non-Disclosure to Third Parties. From time to time, PHDC may disclose or may have disclosed Confidential Information to the Land Bank or the Land Bank may gain access to or receive Confidential Information in the course of PHDC performing the services required under this Contract. The Land Bank will: (a) limit disclosure of any Confidential Information to those employees who have a need to know such Confidential Information, and will share with senior management of the Land Bank and the Land Bank Board only on a "need to know" basis, in connection with the performance by PHDC of such services, and only for that purpose; (b) advise any such employees of the proprietary nature of the Confidential Information and of the obligations set forth in this Contract and require such employees to keep the Confidential Information confidential; (c) shall keep all Confidential Information strictly confidential by using a reasonable degree of care, but not less than the degree of care used by it in safeguarding its own confidential information; and (d) not share or disclose any Confidential Information received by it to any third parties (except as otherwise provided for herein). The Land Bank shall be responsible for any breach of this Contract by any of its directors, officers, employees, agents, or representatives.

D. Use of Confidential Information. The Land Bank acknowledges and agrees to not use the Confidential Information for any purpose other than as authorized by this Contract without the prior written consent of an authorized representative of PHDC. No other right or license, whether expressed or implied, in the Confidential Information is granted to the Land Bank hereunder. Title to the Confidential Information will remain solely with PHDC. All use of Confidential Information by the

Land Bank shall be for the benefit of PHDC and any modifications and improvements thereof by the Land Bank shall be the sole property of PHDC. Except as specifically permitted under this Contract, the Land Bank shall not, at any time now or in the future, directly or indirectly, use, publish, disseminate, or otherwise disclose any Confidential Information to any third party without the prior written consent of PHDC, which consent may be denied in each instance, and all of the same, together with publication rights, shall belong exclusively to PHDC.

E. Compelled Disclosure of Confidential Information.

Notwithstanding anything in the foregoing to the contrary, the Land Bank may disclose Confidential Information pursuant to any governmental, judicial, or administrative order, subpoena, discovery request, regulatory request, or similar method, provided that the Land Bank promptly notifies, to the extent practicable, PHDC in writing of such demand for disclosure so that PHDC, at its sole expense, may seek to make such disclosure subject to a protective order or other appropriate remedy to preserve the confidentiality of the Confidential Information; provided in the case of a broad regulatory request with respect to the Land Bank's business (not targeted at PHDC), the Land Bank may promptly comply with such request provided the Land Bank gives (if permitted by such regulator) PHDC prompt notice of such disclosure. The Land Bank agrees that it shall not oppose and shall cooperate with efforts by, to the extent practicable, PHDC with respect to any such request for a protective order or other relief. Notwithstanding the foregoing, if PHDC is unable to obtain or does not seek a protective order and the Land Bank is legally required to disclose such Confidential Information, disclosure of such Confidential Information may be made without liability.

F. Documents, etc. All documents, internet and electronic records, diskettes, tapes, procedural manuals, guides, specifications, plans, drawings, designs, and similar materials, lists of present, past or prospective HR information, records and materials including methods, programs, employee personnel files and medical records, health and other insurance, pension and other retirement benefit plans, fringe benefits, clients, contractors, contractor proposals, invitations to submit proposals, price lists and data relating to the pricing of PHDC's programs and services, records, notebooks and all

other materials containing Confidential Information (including all copies and reproductions thereof), that come into the Land Bank's possession or control, whether prepared by the Land Bank or others: (a) are the property of PHDC, (b) will not be used by the Land Bank in any way, (c) will not be provided or shown to any third party by the Land Bank, (d) will not be removed from the Land Bank's or PHDC's premises, and (e) at the termination (for whatever reason), of PHDC's relationship with the Land Bank, will be left with, or forthwith returned by the Land Bank to PHDC.

G. RTKL Exemption Reservation.

Nothing in this Contract shall be deemed a waiver or release of, or supersede, modify or diminish, in any respect whatsoever, PHDC's exemptions from, or rights or defenses under, RTKL, all of which are expressly reserved.

X. WAIVER

Any waiver by either party of a breach of any provision of this Contract shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision hereof. All waivers by either party shall be in writing.

XI. SEVERABILITY; REFORMATION

In case any one or more of the provisions or parts of a provision contained in this Contract shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Contract; and this Contract shall, to the fullest extent lawful, be reformed and construed as if such invalid or illegal or unenforceable provision, or part of a provision, had never been contained herein, and such provision or part reformed so that it would be valid, legal and enforceable to the maximum extent possible. Without limiting the foregoing, if any provision (or part of provision) contained in this Contract shall for any reason be held to be excessively broad as to duration, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the fullest extent compatible with then existing applicable law.

XII. HEADINGS

Headings and subheadings are for convenience only and shall not be deemed to be a part of this Contract.

XIII. AMENDMENTS

This Contract may be amended or modified, in whole or in part, only by an instrument in writing signed by all parties hereto.

XIV. NOTICES

Any notices or other communications required hereunder shall be in writing and shall be deemed given when delivered in person or when mailed, by certified or registered first class mail, postage prepaid, return receipt requested, addressed to the parties at their addresses specified in the preamble to this Contract.

XV. COUNTERPARTS

This Contract may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

XVI. GOVERNING LAW

This Contract shall be construed in accordance with and governed for all purposes by the laws of Pennsylvania applicable to contracts executed and wholly performed within such jurisdiction. Any dispute arising hereunder shall be referred to and heard in only a federal or state court located in Philadelphia, Pennsylvania.

XVII. SURVIVAL

The provisions of Sections III to VI, VIII to XI, and XV to XVII of this Contract shall survive the expiration of the Term or the termination of this Contract. This Contract supersedes all prior agreements, written or oral, between PHDC and the Land Bank relating to the subject matter of this Contract.

XVIII. NO THIRD PARTIES

The parties agree that: (a) this Contract is for the benefit of the parties to this Contract and is not intended to confer any rights or benefits on any third party, except

as set forth in Section VI; and (b) there are no third-party beneficiaries to this Contract or any specific term of this Contract, except as set forth in Section VI.

EXECUTED, under seal, effective as of the Effective Date.

**PHILADELPHIA HOUSING
DEVELOPMENT CORPORATION**

**PHILADELPHIA LAND
BANK**

By: _____
Name:
Title:

By: _____
Angel Rodriguez
Executive Director

EXHIBIT A

PHDC's general and administrative expenses, to be allocated to the Land Bank pursuant to Section IIIA(1) are as follows:

- Fidelity Insurance
- Payroll Services
- Phone system (landlines)
- Unemployment compensation
- Prescription costs for PHDC employees.