

PHILADELPHIA LAND BANK

FEBRUARY 8, 2022 BOARD OF DIRECTORS MEETING MINUTES

A Regular Meeting of the Board of Directors of the Philadelphia Land Bank was held on Tuesday, February 8, 2022, via Zoom webinar, of which proper notices were given.

CALL TO ORDER

The meeting was called to order at 10:00 a.m.

Andrea Imredy Saah, Senior Counsel, made the following announcements:

Today's Board meeting is being held via an authorized communication device because of the continued closure of Land Bank offices to the public due to the pandemic. This meeting is being recorded. Questions and comments may be made using the Q&A or raised hand button at the bottom of the screen. If you are calling in and not using the Zoom webinar link, you may ask questions or make comments by pressing *9 on your phone. You can also use the "raise hand" function at the bottom of the screen. Please do not use the chat function. If any member of the public has any issues submitting questions or comments, please send an email to Andrea.Saah@phdc.phila.gov. Please note all questions and comments received by email or through the Q&A function will be included in the minutes.

Prior to today's Public Session, the Board held an Executive Session at which the Board received information about today's agenda and a clarification that the fact sheet for 3252 Germantown Avenue, posted as part of the Board package on the Board page of the PHDC website, was revised and will be reposted.

Item 1 **Roll Call**

The following members of the Board of Directors reported present: Anne Fadullon, Andrew Goodman, Richard DeMarco, Maria Gonzalez, Michael Johns, Rebecca Lopez Kriss, Majeedah Rashid, Joshu Harris, Michael Koonce, and Rick Sauer.

The following Board member was absent: Alexander Balloon.

The following staff members were present: Angel Rodriguez, Jessie Lawrence, Andrea Imredy Saah, Esq., Jamila Davis, Todd Hestand, Mathen Pullakattu, Brian Romano, Tracy Pinson-Revriere, Cristina Martinez, and Carolyn Terry.

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.

Item 2
Approval of Board Minutes

Ms. Fadullon called for questions or comments regarding the minutes of the Board meeting of January 11, 2022. There were none.

Ms. Fadullon called for a motion to approve the minutes.

Mr. Johns moved to approve the minutes. Mr. Koonce seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the January 11, 2022, Board Meeting Minutes.

Item 3
Executive Director's Report

Mr. Rodriguez indicated that Land Management has posted two Requests for Proposals (RFPs). The first, named the Dover Street RFP, is in the 2nd Council District in the Grays Ferry area, and includes seventeen (17) parcels. The RFP requires that the properties be developed for homeownership, and that all of units must be affordable to households earning up to eighty percent (80%) of Area Median Income (AMI). The Q&A session for this RFP is scheduled for February 15, 2022, at 10:00 am, and the deadline for submissions is February 28, 2022, by 4:00 pm. The second, named the Pastor James Allen RFP, is in the 4th Council district and includes twenty-five (25) parcels. The parcels are being rezoned as Residential Multifamily (RM1). The RFP requires that the properties be developed for homeownership, and that seventy percent (70%) of the units must be affordable to households earning up to eighty percent (80%) of AMI. The Q&A session for this RFP is scheduled for February 10, 2022, at 10 am, and the deadline for submissions is February 28, 2022. Additional RFPs will be issued in the coming months. Mr. Rodriguez placed the link for the RFPs in the chat and also provided the link to sign up for notification of future RFPs.

Ms. Fadullon asked if any Board member had questions for Mr. Rodriguez about his report. There were none.

Item 4
**Administrative – Consent to Conveyance and Assignment
of Purchase and Development Agreement**

Ms. Fadullon clarified that both items in this section are administrative. The Board is not considering whether to dispose of any properties. These are approvals of changes to the purchase and development agreements for these projects.

- 4.A.** Resolution authorizing BVG Property Group, LLC to convey 2032 East Lehigh Avenue (“the Premises”), upon acquisition from the Philadelphia Land Bank, to BVG 2032 E. Lehigh Ave. Partners, LLC (wholly owned by BVG 2032 E. Lehigh Ave. QOF, LLC, which is owned by the members of BVG Property Group, LLC), and to assign the purchase and development agreement and all rights and obligations thereunder pertaining to the Premises to BVG 2032 E. Lehigh Ave. Partners, LLC.

Mr. Lawrence explained that 2032 E. Lehigh Avenue is one parcel in a group of fifteen (15) scattered site parcels that were approved by the Board at the November 2021 Board meeting for disposition to the developer (BVG Property Group, LLC). The approval was for a mixed-income development containing affordable rental units and market-rate rental and homeownership units. Following conveyance of the parcel by the Land Bank to the developer, the developer plans to develop 3 market-rate rental units on 2032 E. Lehigh Avenue. Because the parcel is located in a Qualified Opportunity Zone and the development therefore qualifies for a certain federal tax treatment related to Opportunity Zone tax credits, the developer has requested the Land Bank’s approval for (1) the developer’s conveyance of 2032 E. Lehigh Avenue to a separate entity created for the sole purpose of holding a property located in a Qualified Opportunity Zone (QOZ), and (2) the assignment of the developer’s rights and obligations under the purchase and development agreement pertaining to 2032 E. Lehigh Avenue to that separate entity via an assignment and assumption agreement that will be entered into by the Land Bank, the developer, and the separate entity. The Economic Opportunity Plan for the entire approved project will still apply to the property, and the sources and uses for project financing will remain the same. Mr. Lawrence also explained that the same individuals control both the developer entity and the assignee entity.

Mr. Johns and Ms. Fadullon asked if the separate entity’s place of business is in the QOZ. Ms. Rachael Pritzker, the attorney for the developer, responded to explain that there is no requirement for a place of business in the QOZ in order to qualify for the tax credits, but that the property must be transferred to an entity created for the purpose of holding a property that is located in a QOZ. She confirmed that the place of business of the separate entity is not in the QOZ.

Mr. DeMarco announced that he was recusing himself from the discussion and vote on this agenda item.

Ms. Fadullon recognized Mr. Jihad Ali, who stated that he had stated his concerns regarding inclusion of minority and developer-owned businesses during the November Board meeting, and that the developer had committed to including such businesses. He also asked for an explanation for Mr. DeMarco’s recusal. Ms. Imredy Saah stated that Mr. DeMarco will submit a letter to the Board explaining his recusal, and that the letter will be attached to the approved minutes (attached to these minutes as **Exhibit A**). She explained that Mr. DeMarco is representing the developer in an entirely separate and unrelated matter and that his representation began after the Board approved the disposition to BVG Property Group, LLC. Although there is no actual conflict of interest with respect to this agenda item, the Land Bank advises Board members to recuse themselves to avoid even the appearance of a conflict of interest.

Seeing no further questions from the Board or the public, Ms. Fadullon called for a motion to approve the resolution authorizing the developer's conveyance of 2032 East Lehigh Avenue and the assignment of the developer's obligations under the purchase and development agreement to a separate entity for the stated reasons.

After Mr. DeMarco left the meeting, Mr. Koonce moved to approve the resolution, and Ms. Lopez Kriss seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the Resolution Authorizing BVP Property Group, LLC to Convey 2032 East Lehigh Avenue to BVG 2032 E. Lehigh Ave. Partners, LLC, and to Assign its Rights and Obligations Under the Purchase and Development Agreement, as They Pertain to 2032 East Lehigh Avenue, to BVG 2032 E. Lehigh Ave. Partners, LLC (attached to these minutes as **Exhibit B**).

Following the vote, Mr. DeMarco rejoined the meeting.

4.B. Resolution authorizing Germantown Liberty Acquisitions, LLC to consolidate 3252 Germantown Avenue (the "Premises"), after acquisition from the Philadelphia Land Bank, with other project parcels, to file a condominium declaration, to convey the residential condominium unit created to 3200 Germantown Associates, LP, and to assign the purchase and development agreement and all rights and obligations thereunder pertaining to the Premises to 3200 Germantown Associates, LP.

Mr. Lawrence explained that 3252 Germantown Avenue was approved by the Board for disposition to the developer (Germantown Liberty Acquisitions, LLC) in June 2021 for a mixed-use LIHTC development containing 41 affordable housing rental units (with shared common space) and a commercial space. Following the conveyance of the parcel by the Land Bank to the developer, the developer intends to consolidate the parcel with the other parcels in the development and file a condominium declaration against the consolidated property, creating two condo units: a unit consisting of the commercial space (Commercial Unit) and a unit consisting of the affordable housing rental units with the shared common space (Residential Unit). Because Low Income Housing Tax Credits (LIHTC) will be utilized for the development of the Residential Unit, the developer intends to convey the Residential Unit to a separate special purpose entity, 3200 Germantown Associates, LP (the assignee). The developer has requested the Land Bank's approval for (1) defining the project to which the PDA applies as the Residential Unit only, and not the Commercial Unit; (2) the developer's conveyance of the Residential Unit to the assignee; and (3) the assignment of the developer's rights and obligations under the purchase and development agreement pertaining to the project to the assignee, via an assignment and assumption agreement to be entered into by the Land Bank, the developer and the assignee. The Economic Opportunity Plan for the project will still apply. Mr. Lawrence also explained that the same Philadelphia nonprofit organization, North10 Philadelphia, controls both the developer entity and the assignee entity.

Ms. Fadullon followed up to clarify that the purpose of the resolution is to facilitate the structure required for the development to secure financing for a LIHTC project. She then called for questions or comments from the Board. Seeing none, she recognized Mr. Ali.

Mr. Ali stated that he would appreciate having an organizational chart and a plain language explanation included as part of the Board package for such complex projects in the future. Ms. Fadullon thanked Mr. Ali for his comments and agreed that the fact sheet should include a plain language explanation.

Seeing no further questions, Ms. Fadullon called for a motion to approve the resolution authorizing the developer's conveyance of the residential condo unit and the assignment of the developer's obligations under the purchase and development agreement governing 3252 Germantown Avenue to a separate entity for the stated reasons.

Mr. Sauer moved to approve the resolution, and Mr. Johns seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the Resolution Authorizing Germantown Liberty Acquisitions, LLC to Convey the Residential Unit Created Under a Condominium Declaration Filed Against a Consolidated Project Containing 3252 Germantown Avenue and to Assign the Purchase and Development Agreement Governing 3252 Germantown Avenue to 3200 Germantown Associates, LP (attached to these minutes as **Exhibit C**).

Item 5
Public Comment (Old & New Business)

Ms. Fadullon asked if anyone from the Board or public wished to raise new or old business. Mr. Ali expressed his appreciation for Mr. Rodriguez's leadership and training in the minority developer program created by the Philadelphia Housing Development Corporation.

Item 6
Adjournment

There being no further business to address, Ms. Fadullon called for a motion to adjourn the meeting.

Ms. Gonzalez moved to adjourn the meeting. Mr. Johns seconded the motion.

Upon motion made and duly seconded, the Board unanimously voted to adjourn at 10:22 am.

SECRETARY TO THE BOARD

PUBLIC ATTENDANCE SHEET

PHILADELPHIA LAND BANK BOARD OF DIRECTORS REGULAR MEETING

Tuesday, February 8, 2022, at 10:00 AM, held remotely using Zoom Webinar.

User Name (Original Name)	Email
Justin Veasey	justin@bvgpropertygroup.com
Carolyn Terry	carolyn.terry@phdc.phila.gov
Rachael Pritzker	rachael@pritzkerlg.com
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PUBLIC COMMENTS SUBMITTED IN Q&A
PHILADELPHIA LAND BANK BOARD OF DIRECTORS REGULAR MEETING
Tuesday, February 8, 2022 at 10:00 AM, held remotely using Zoom Webinar

NO COMMENTS WERE SUBMITTED DURING THIS BOARD MEETING.

EXHIBIT A



RICHARD C. DEMARCO
Member PA BAR
rcdemarco@zarwin.com
Direct line: 267-362-1311

March 4, 2022

Anne Fadullon
Board Chair
Philadelphia Land Bank
1234 Market Street, 16th Floor
Philadelphia, PA 19107

Angel Rodriguez
Executive Director
Philadelphia Land Bank
1234 Market Street, 16th Floor
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Michael Cooke, Esq.
General Counsel
City of Philadelphia Board of Ethics
One Parkway Building
1515 Arch Street, 18th Floor
Philadelphia, PA 19102-1504

James Leonard, Esq.
Commissioner
City of Philadelphia Department of Records
Room 111, City Hall
Philadelphia, PA 19107

Re: Conflict Disclosure Letter

Ladies/Gentlemen:

In accordance with the Land Bank's Public Disclosure and Disqualification Procedure for Conflict Issues, I write to disclose my association with BVG Property Group, LLC, an entity I currently represent with respect to certain matters unrelated to any dispositions approved by the Philadelphia Land Bank.

At its meeting held on February 8, 2022, the Land Bank Board discussed issues pertaining to a property approved for disposition to BVG Property Group, LLC (Agenda Item 4.A) in November 2021. My representation of BVG Property Group, LLC began after the Land Bank's November 2021 approval of the disposition and is not related to the disposition or to the matter discussed by the Board at the February 8, 2022 meeting. However, because of the possibility of an appearance of a conflict of interest, I announced my conflict prior to the Board's consideration of the item, recused myself from deliberation and voting, and turned off the Zoom video and audio channels while the Land Bank Board voted on this matter. I am now providing this letter to fulfill my obligation under the Land Bank's Public Disclosure and Disqualification Procedure for Conflict Issues.

This letter will also confirm that I will continue to abide by the Land Bank's Public Disclosure and Disqualification Procedure for Conflict Issues and will not take official action in

EXHIBIT A



ZARWIN BAUM
DEVITO KAPLAN SCHAER TODDY
ATTORNEYS AT LAW

any future Land Bank deliberation or official action involving BVG Property Group, LLC, while I represent the entity. Please contact me if you require further clarification.

Sincerely,

ZARWIN, BAUM, DEVITO, KAPLAN
SCHAER, & TODDY, P.C.

By: /s/ Richard C. Demarco
Richard C. Demarco, Esquire

EXHIBIT B

RESOLUTION NO. 2022 – 2

RESOLUTION AUTHORIZING BVG PROPERTY GROUP, LLC TO CONVEY 2032 EAST LEHIGH AVENUE TO BVG 2032 E. LEHIGH AVE. PARTNERS, LLC, AND TO ASSIGN ITS RIGHTS AND OBLIGATIONS UNDER THE PURCHASE AND DEVELOPMENT AGREEMENT, AS THEY PERTAIN TO 2032 EAST LEHIGH AVENUE, TO BVG 2032 E. LEHIGH AVE. PARTNERS, LLC

WHEREAS, the Philadelphia Land Bank Board of Directors (“**Board**”) approved the disposition of 2032 East Lehigh Avenue (the “**Property**”) and other properties to BVG Property Group, LLC (the “**Developer**”) by Resolution 2021-51, adopted on November 9, 2021;

WHEREAS, the Philadelphia Land Bank (the “**Land Bank**”) and the Developer will enter into a Purchase and Development Agreement (the “**PDA**”) for the development of the properties included in the approved disposition;

WHEREAS, the Property is located in a Qualified Opportunity Zone (“**QOZ**”) and must be held in a separate special purpose entity to permit the Developer to receive the federal tax treatment benefits accruing to properties located in a QOZ;

WHEREAS, the Developer has therefore requested that the Land Bank permit the Developer, upon acquisition of the Property, (1) to convey the Property to a separate entity known as BVG 2032 E. Lehigh Ave. Partners, LLC (the “**Assignee**”), which is wholly owned by 2032 E. Lehigh Ave. QOF, LLC, which is wholly owned by the members of BVG Property Group, LLC, and (2) to assign the Developer’s rights and obligations under the PDA, as they pertain to the Property, to the Assignee;

WHEREAS, the PDA provides that, prior to issuance of a Certificate of Completion, the Land Bank’s prior written consent is required for any conveyance of the Property and for any assignment or transfer of any interest in the PDA governing the Property;

WHEREAS, the Assignee will assume, undertake and perform the rights and obligations to develop, maintain and manage the Property in accordance with the PDA and with an assignment and assumption agreement to be entered into by the Land Bank, the Developer and the Assignee (the “**Agreement**”);

WHEREAS, the Land Bank Board of Directors has determined that it is in the best interest of the Land Bank to (1) permit the Developer to convey the Property to the Assignee and (2) permit the Developer to assign its rights and obligations under the PDA, as they pertain to the Property, to the Assignee, pursuant to this Resolution;

NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Philadelphia Land Bank that, subject to the terms and conditions of this Resolution:

1. The Land Bank hereby consents to (1) the conveyance of 2032 East Lehigh Avenue by BVG Property Group, LLC to BVG 2032 E. Lehigh Ave. Partners, LLC, and (2) the assignment by BVG Property Group, LLC, of its rights and obligations under the Purchase and Development Agreement, as they pertain to 2032 East Lehigh Avenue, to BVG 2032 E. Lehigh Ave. Partners, LLC.
2. The Executive Director 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 effectuate the conveyance of the Property and assignment of the PDA (collectively, the “**Transaction Documents**”) by BVG Property Group, LLC to BVG 2032 E. Lehigh Ave. Partners, LLC, in accordance with the terms of this Resolution, and, from time to time and at any time, amend, supplement, and modify the Transaction Documents, or any of them, as may be necessary or desirable. The Transaction Documents and any amendments, supplements, and modifications thereto shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate, subject to the terms of this Resolution, and, when so executed and delivered by the Land Bank, shall constitute the valid and binding obligations of the Land Bank.
3. The Executive Director with the advice of Senior Counsel may modify this Resolution as may be necessary or desirable to carry out its purposes and intents. The Executive Director or Senior Counsel will notify the Board of all modifications to this Resolution at the next Board meeting following the date of such modifications.
4. This Resolution shall take effect immediately upon adoption by the Board.

Adopted by Philadelphia Land Bank Board of Directors on February 8, 2022.

EXHIBIT C

RESOLUTION NO. 2022 – 3

RESOLUTION AUTHORIZING GERMANTOWN LIBERTY ACQUISITIONS, LLC TO CONVEY THE RESIDENTIAL UNIT CREATED UNDER A CONDOMINIUM DECLARATION FILED AGAINST A CONSOLIDATED PARCEL CONTAINING 3252 GERMANTOWN AVENUE AND TO ASSIGN THE PURCHASE AND DEVELOPMENT AGREEMENT GOVERNING 3252 GERMANTOWN AVENUE TO 3200 GERMANTOWN ASSOCIATES, LP

WHEREAS, the Philadelphia Land Bank Board of Directors (“**Board**”) approved the disposition of 3252 Germantown Avenue (the “**Premises**”) to Germantown Liberty Acquisitions, LLC (the “**Developer**”) by Resolution 2021-32, adopted on June 8, 2021;

WHEREAS, the Philadelphia Land Bank (the “**Land Bank**”) and the Developer will enter into a Purchase and Development Agreement (the “**PDA**”) for the development of the Premises;

WHEREAS, the Developer, upon acquisition of the Premises, intends to consolidate the Premises with other parcels owned by the Developer and to file a condominium declaration (the “**Declaration**”) against the Premises and the other consolidated parcels in order to create a condominium to be known as “Be a Gem Crossing Condominium” (the “**Condominium**”), which Condominium will consist of two (2) units: a commercial unit consisting of the commercial space (the “**Commercial Unit**”) and a residential unit consisting of forty-one (41) affordable housing rental units and shared common space (the “**Residential Unit**”).

WHEREAS, the Developer has requested that the “Project,” as defined in the PDA, be limited to the improvements to be constructed within the Residential Unit only, and that the Project shall not contain the Commercial Unit;

WHEREAS, tax credits will be utilized for the development of the Residential Unit, and the Developer has therefore requested that the Land Bank permit the Developer (1) to convey the Residential Unit to a separate entity known as 3200 Germantown Associates, LP, a Pennsylvania limited partnership (the “**Assignee**”), the general partner of which is 3200 Germantown General Partner, LLC, a PA limited liability company (the sole member of the general partner being North10 Philadelphia, a Pennsylvania nonprofit corporation), and the investor limited partner of which is RJ MT 3200 Germantown Associates, LLC (a Florida limited liability company); and (2) to assign the PDA to the Assignee;

WHEREAS, the PDA provides that, prior to issuance of a Certificate of Completion, the Land Bank’s prior written consent is required for any conveyance of the Premises and for any assignment or transfer of any interest in the PDA;

WHEREAS, the Assignee will assume, undertake and perform the rights and obligations to develop, maintain and manage the Residential Unit in accordance with the PDA and an assignment and assumption agreement to be executed by the Land Bank, the Developer and the Assignee (the “**Agreement**”),

WHEREAS, the Land Bank Board of Directors has determined that it is in the best interest of the Land Bank to permit the Developer to convey the Premises and to assign the PDA to the Assignee pursuant to this Resolution;

NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Philadelphia Land Bank that, subject to the terms and conditions of this Resolution:

1. The Land Bank hereby consents to defining the Project in the Purchase and Development Agreement governing the development of the Premises as the improvements to be constructed within the Residential Unit only, and that the Project shall not contain the Commercial Unit.
2. The Land Bank hereby consents (1) to the conveyance of the Premises by Germantown Liberty Acquisitions, LLC to 3200 Germantown Associates, LP, and (2) to the assignment of the PDA by Germantown Liberty Acquisitions, LLC to 3200 Germantown Associates, LP.
3. The Executive Director 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 effectuate the conveyance of the Premises and assignment of the PDA (collectively, the “**Transaction Documents**”) by Germantown Liberty Acquisitions, LLC to 3200 Germantown Associates, LP, in accordance with the terms of this Resolution, and, from time to time and at any time, amend, supplement, and modify the Transaction Documents, or any of them, as may be necessary or desirable. The Transaction Documents and any amendments, supplements, and modifications thereto shall contain such terms and conditions as the Executive Director and Senior Counsel shall deem necessary or appropriate subject to the terms of this Resolution, and, when so executed and delivered by the Land Bank, shall constitute the valid and binding obligations of the Land Bank.
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. The Executive Director or Senior Counsel will notify the Board of all modifications to this Resolution at the next Board meeting following the date of such modifications.
5. This Resolution shall take effect immediately upon adoption by the Board.

Adopted by Philadelphia Land Bank Board of Directors on February 8, 2022.