

JANUARY 16, 2014 PLB BOARD MEETING

MATERIALS FOR AGENDA ITEM IV.A

RESOLUTION NO. 2024 – ____

**RESOLUTION AUTHORIZING CONVEYANCE OF
4422 LUDLOW STREET, 4426-30 LUDLOW STREET, 18-20 S. 44TH STREET,
24-28 S. 44TH STREET, 30 S. 44TH STREET, 34-36 S. 44TH STREET
TO NORTHERN LIBS PARTNERS, LLC**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank (the “**Land Bank**”) to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank in the form and by the method determined to be in the best interests of the Land Bank, subject to approval by resolution of Philadelphia City Council, and subject further to the terms and conditions of Chapter 16-404 of the Philadelphia Code.

WHEREAS, the Board of Directors (the “**Board**”) has determined that it is in the best interests of the Land Bank to convey 4422 and 4426-30 Ludlow Street, and 18-20, 24-28, 30, and 34-36 S. 44th Street (collectively, the “**Property**”) to Northern Libs Partners, LLC, a Pennsylvania limited liability company (the “**Purchaser**”).

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

1. The conveyance of the Property to the Purchaser for Twelve Thousand and 00/100 U.S. Dollars (\$12,000.00) is in the best interests of the Land Bank and is hereby approved, subject to approval by resolution of Philadelphia City Council.
2. The conveyance of the Property complies with all applicable terms and conditions of Section 16-404 of the Philadelphia Code, subject to approval by resolution of Philadelphia City Council.
3. Subject to the terms of this Resolution, 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 consummate the conveyance of the Property (collectively, the “**Transaction Documents**”) 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 _____.

Approved by Philadelphia City Council Resolution No. _____ dated _____.

DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

1. **ADDRESS:** 4422, 4426-30 Ludlow Street; 18-20, 24-28, 30, 34-36 S. 44th Street

2. PROPERTY INFORMATION

Zip Code: 19104	Census Tract: 008701	Council District: 3
Zoning: RM-1, CMX-2 and CMX-4	Lot Area: 12,126 SF	
OPA Value: \$544,800	Appraised Value: \$1,209,000	
Redevelopment Area: N/A	Urban Renewal Area: N/A	

3. APPLICANT INFORMATION

Applicant Name: Northern Libs Partners, LLC	Type: Business / Legal Entity
Entity Owners: Guy Orens, Jon Orens, Scott Orens	
Mailing Address: 104 Edgehill Road, Bala Cynwyd, PA 19004	
Authorized Contact: Guy Orens	
Application Date: November 7, 2023	

4. PROJECT INFORMATION

Disposition Type: Non-Comp: 51% of Site as Affordable, Workforce, or Mixed Income Housing	Strategic Plan Goal (Land Bank Only): Housing - Workforce (61%-120% AMI)
Price Paid at Settlement: \$12,000	Proposed Use: Residential
Development Type: New Construction	No. of Buildings: 19
Units: 19 units - Residential / 0 units - Commercial	End User: Sale to Homebuyer
Gross Floor Area (sq. ft.): 31,000 SF	Construction Cost / sq. ft.: \$167.00
Construction Costs: \$5,107,000	Project Funding Available: Committed and Verified - Applicant has provided documentation of available, committed funds in an amount no less than total project costs.
Total Project Costs: \$6,200,000	Mortgage Amount: \$N/A

5. APPROVALS, DEADLINES, EOP

Agreement Executed: TBD	Economic Opportunity Plan Goals: MBE – 35% and WBE – 35%
Land Bank Board Approval: TBD	PRA Board Approval: N/A
Construction Commencement Deadline: 3 months after settlement	Construction Completion Deadline: 18 months after settlement

DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

6. DEVELOPMENT SUMMARY

A. How was title acquired?

All the properties are currently owned by the PRA and approved for transfer to the Land Bank.

B. Application Summary:

Northern Libs Partners, LLC will develop nineteen (19) mixed-income homeownership units, including eleven (11) affordable condominium units that will be sold to households with incomes between 60% and 100% of Area Median Income (AMI), three (3) market-rate condominium units, and five (5) single-family market-rate units. The proposal includes property owned by the developer. The application was submitted as an unsolicited bid. An EOP plan will apply for this project.

C. Unit Details:

- 19 Total Units: 11 affordable condo units, 3 market-rate condo units, 5 single-family homeownership units
- All Homeownership
- Four (4) affordable condo units at 60% AMI with a maximum sales price of \$199,990.
- One (1) affordable condo unit at 80% AMI with a maximum sales price of \$250,000.
- Six (6) affordable condo units at 100% AMI with a maximum sales price of \$280,000.
- All affordable and market-rate condo units will be three stories (no basement) containing 1,500 SF with 3 bedrooms and 2.5 bathrooms.
- All single-family market-rate units will be three stories (no basement) containing 2,000 SF with 4 bedrooms and 4.5 bathrooms.
- All affordable units are eligible for the Turn the Key Program, although the subsidy is on a sliding scale.

D. Summary of Restrictions or Covenants:

This transaction is subject to the following only if the box is checked:

☒ Irrevocable Power of Attorney ☒ Right of Re-entry/Reverter

A Declaration of Restrictive Covenants will be placed on all the units to ensure that the homes will remain affordable for a minimum of 15 years, and purchasers for the affordable units will be income certified.

E. Community Outreach:

- Staff received a completed Community Outreach Package to confirm a community meeting was held:
☒ Yes ☐ No ☐ N/A
- Meeting Date (if applicable): January 11, 2024

7. STAFF RECOMMENDATION

Staff recommends the disposition of 18-20, 24-28, 30, 34-36 S. 44th Street, 4422, 4426-30 Ludlow Street to Northern Libs Partners, LLC for the development of eleven (11) affordable homeownership units and nine (9) market rate homeownership units.

Prepared by: Brian Romano – Project Manager II

Reviewed by: Jessie Lawrence – Director, Real Estate

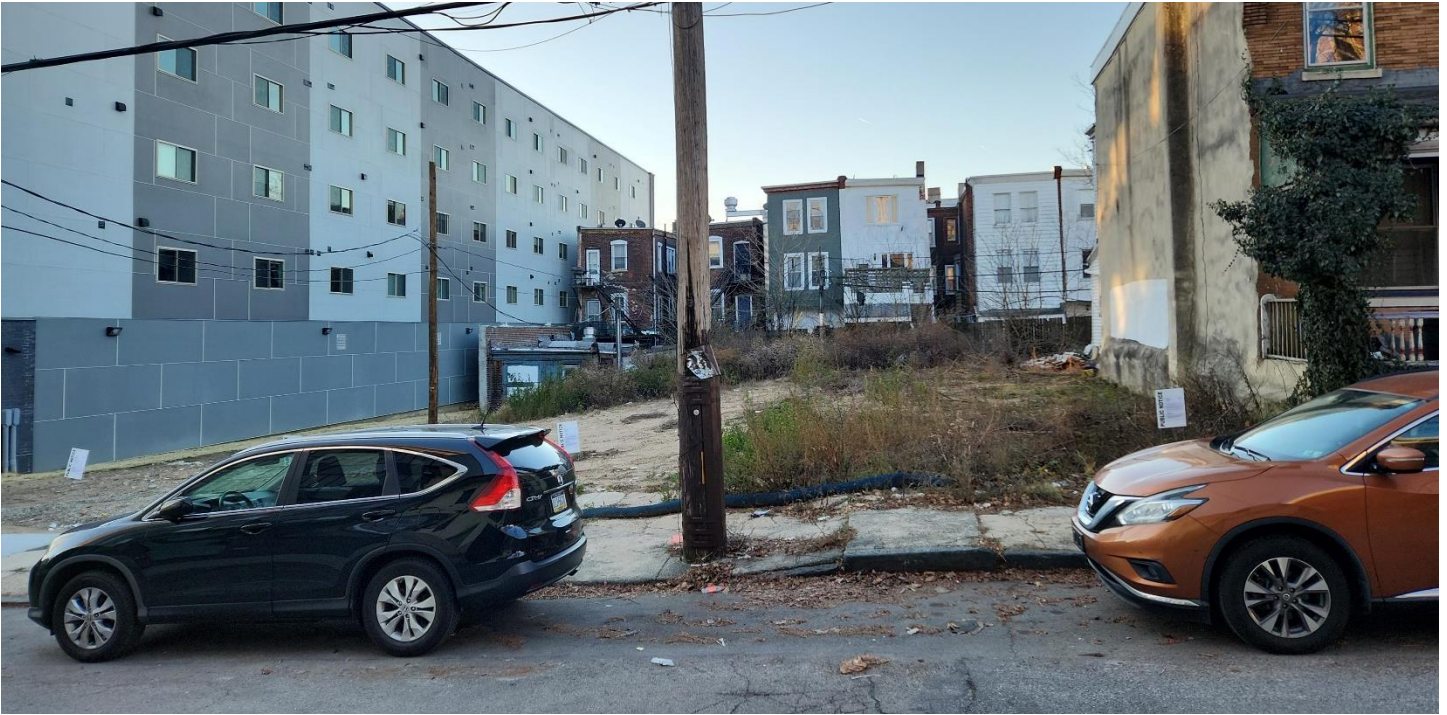
Attachments - If box below is checked, the item is attached.

- ☒ Property photos
- ☒ Site Map
- ☒ Floor Plans
- ☒ Sources and Uses (Excel spreadsheet)
- ☒ Appraisal Summary

DEVELOPMENT FACT SHEET

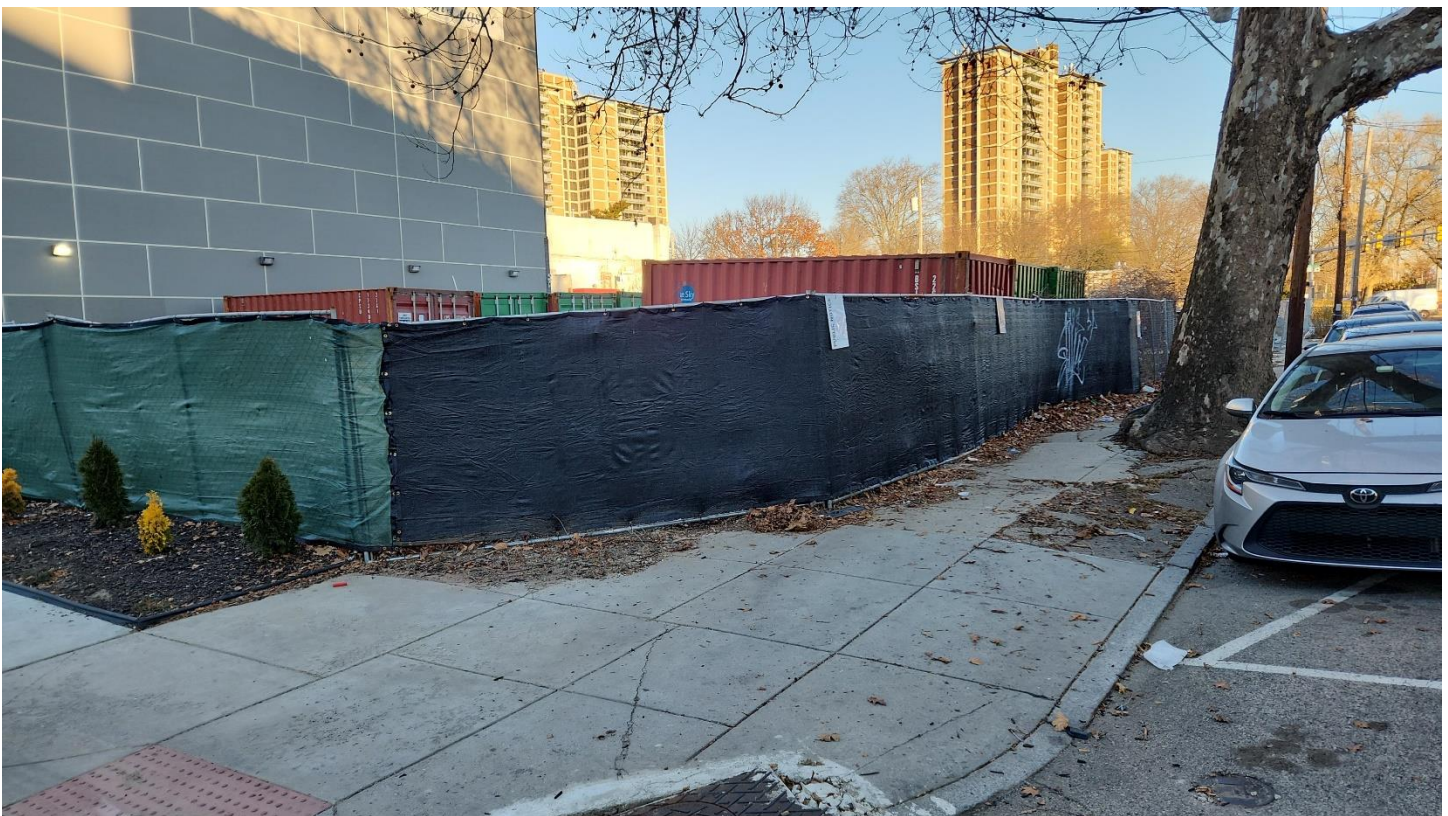
Last Updated: 01.11.2024

Site Photos



DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024



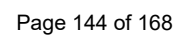
DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

SITE MAP



Last Updated: **01.11.2024**



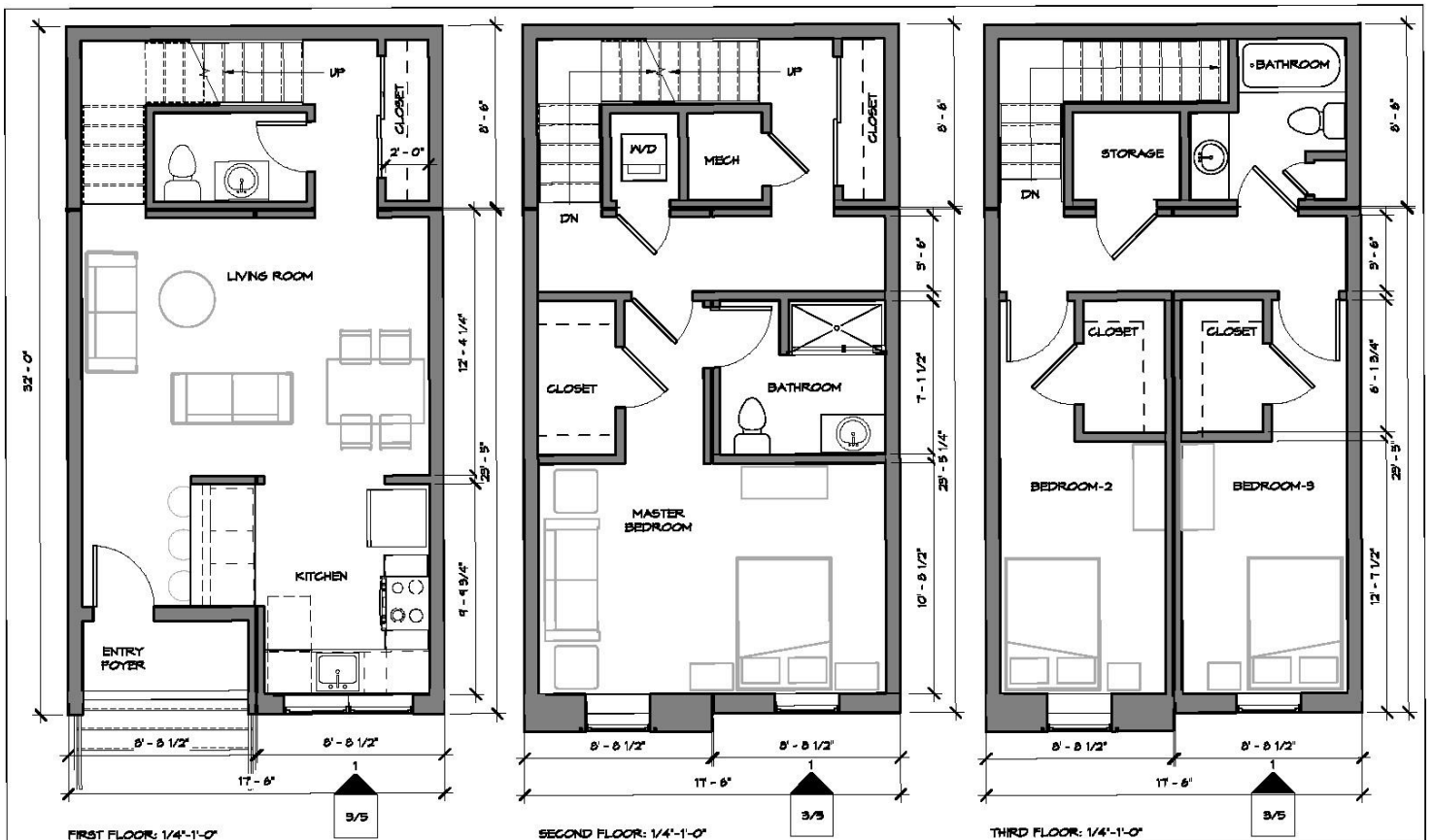
DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

CONDOMINIUM ELEVATIONS AND FLOOR PLANS



1 TOWNHOMES EAST
3/4 1/8" = 1'-0"



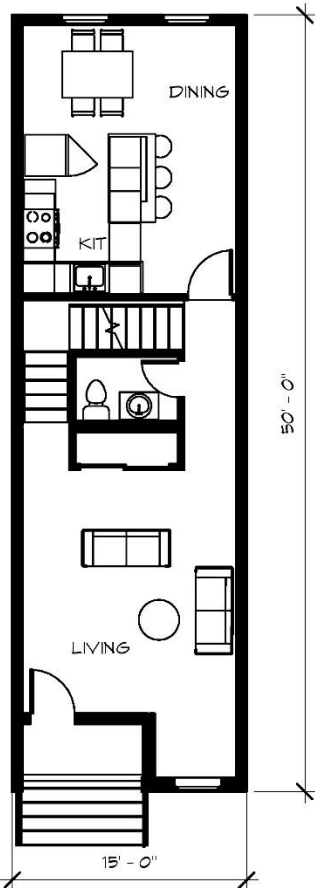
DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

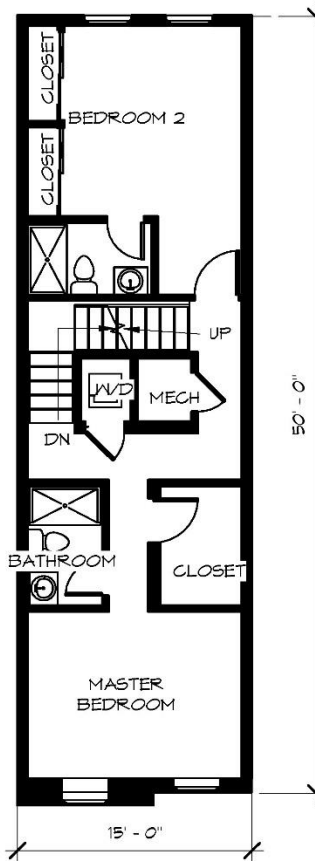
SINGLE-FAMILY ELEVATIONS AND FLOOR PLANS



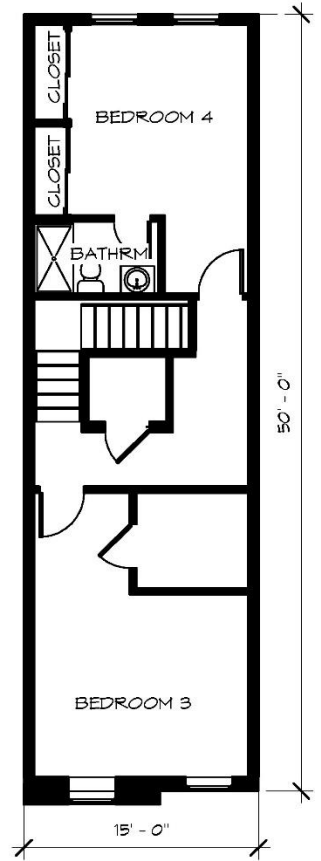
1 TOWNHOMES EAST
2/2 1/8" = 1'-0"



1 01-FIRST FLOOR
3/7 1/8" = 1'-0"



2 02-SECOND FLOOR
3/7 1/8" = 1'-0"



3 03-THIRD FLOOR
3/7 1/8" = 1'-0"

DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

DEVELOPMENT BUDGET/ SOURCES AND USES OF FUNDS

Applicant: Northern Libs Partners LLC

Property Address: 4422 Ludlow St, 4426-28-30 Ludlow St, 18-20 S 44th St, 24-26-28 S 44th St, 30 S 44th St, 34-36 S 44th St (Land Bank)
(in conjunction with 4424 Ludlow St and 32 S 44th Street, which are owned by applicant)

SOURCE OF FUNDS

Committed (Y/N)	Source	% Total	Indicate Source and, if applicable, describe
	\$5,500,000.00	88.71%	Reinvestment Fund
		0.00%	
	\$200,000.00	3.23%	
	\$500,000.00	8.06%	Properties owned: 4424 Ludlow & 32 S 44th St
TOTAL SOURCE OF FUNDS	\$6,200,000.00	100.00%	

USE OF FUNDS

HARD COSTS

ACQUISITION	Cost	% Total	
Property Acquisition	\$12,000.00	0.19%	
Closing Costs	\$68,000.00	1.10%	
Other - describe in space to the right	\$500,000.00	8.06%	4424 Ludlow & 32 S 44th St properties being contributed
UNIT CONSTRUCTION			
Complete table at bottom of page	\$5,107,000.00	82.37%	
OTHER CONSTRUCTION			
Landscaping	\$5,000.00	0.08%	
Permits	\$50,000.00	0.81%	
Clearance and Demolition	\$0.00	0.00%	
Utility Connections & Tap Fees	\$0.00	0.00%	
INFRASTRUCTURE			
Streets and Sidewalks	\$30,500.00	0.49%	
Water and Sewer	\$0.00	0.00%	
Stormwater & Drainage	\$0.00	0.00%	
Impact Fees	\$0.00	0.00%	
OTHER HARD COSTS			
Hard Cost Contingency	\$0.00	0.00%	
TOTAL HARD COSTS	\$5,772,500.00	93.10%	

SOFT COSTS

PROFESSIONAL FEES			
Site Planning	\$25,000.00	0.40%	
Architecture & Engineering	\$50,000.00	0.81%	
Legal	\$20,000.00	0.32%	
Consultant	\$10,000.00	0.16%	
Survey	\$5,000.00	0.08%	
Market Study	\$5,000.00	0.08%	
Environmental	\$10,000.00	0.16%	
Organization Expense	\$5,000.00	0.08%	
FINANCE COSTS			
Construction Loan Interest	\$200,000.00	3.23%	
Construction Origination	\$5,500.00	0.09%	
Appraisal	\$7,000.00	0.11%	
Construction Insurance	\$20,000.00	0.32%	
Property Taxes	\$15,000.00	0.24%	
OTHER SOFT COSTS			
Holding Costs	\$0.00	0.00%	
Soft Cost Contingency	\$15,000.00	0.24%	
Developer Fee, if applicable	\$0.00	0.00%	
Other - describe in space to the right	\$10,000.00	0.16%	Marketing
Other - describe in space to the right	\$15,000.00	0.24%	Title Insurance
Other - describe in space to the right	\$10,000.00	0.16%	Accounting
TOTAL SOFT COSTS	\$427,500.00	6.90%	
TOTAL DEVELOPMENT COST	\$6,200,000.00	100.00%	

Construction/Rehab. Costs

	Unit Description	Unit Sq. Ft.	Cost/Sq. Ft.	Unit Cost	# Units	Total Const. Cost	Total Sq. Ft.	Total Sq. Ft. %
1	3BR Condo - 60% AMI - TTK	1,500	\$167.00	\$250,500.00	4	\$1,002,000.00	6,000	19.35%
2	3BR Condo - 80% AMI - TTK	1,500	\$167.00	\$250,500.00	1	\$250,500.00	1,500	4.84%
3	3BR Condo - 100% AMI - TTK	1,500	\$167.00	\$250,500.00	6	\$1,503,000.00	9,000	29.03%
4	3BR Condo - Market Rate	1,500	\$167.00	\$250,500.00	3	\$751,500.00	4,500	14.52%
5	SF Home - Market Rate	2,000	\$160.00	\$320,000.00	5	\$1,600,000.00	10,000	32.26%
	TOTALS			\$1,322,000.00	19	\$5,107,000.00	31,000	100.00%

DEVELOPMENT FACT SHEET

Last Updated: 01.11.2024

APPRAISAL SUMMARY

<u>Address</u>	<u>Ownership</u>	<u>Zoning</u>	<u>SF</u>	<u>Lot/Structure</u>	<u>OPA</u>	<u>Value</u>
18-20 S. 44 th Street	PRA	CMX-4	1,844	Lot	\$ 55,400	\$185,000
24-28 S. 44 th Street	PRA	CMX-4	2,718	Lot	\$ 83,100	\$270,000
30 S. 44 th Street	PRA	CMX-4	1,073	Lot	\$ 32,000	\$107,000
34-36 S. 44 th Street	PRA	CMX-4	2,189	Lot	\$ 64,000	\$220,000
4422 Ludlow Street	PRA	CMX-2	920	Lot	\$ 193,600	\$92,000
4426-30 Ludlow Street	PRA	RM-1	3,382	Lot	\$ 116,700	\$335,000

JANUARY 16, 2014 PLB BOARD MEETING

MATERIALS FOR AGENDA ITEM IV.B

RESOLUTION NO. 2024 - ____

**RESOLUTION AUTHORIZING A
LEASE BETWEEN PHILADELPHIA LAND BANK AND CALLED TO SERVE CDC, INC. AND
A SUBLEASE BETWEEN CALLED TO SERVE CDC, INC. AND 3701 NORTH BROAD, LLC
FOR 3601 GERMANTOWN AVENUE**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank (the “**Land Bank**”) to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank in the form and by the method determined to be in the best interests of the Land Bank, subject to approval by resolution of Philadelphia City Council, and subject further to the terms and conditions of Chapter 16-404 of the Philadelphia Code.

WHEREAS, the Board of Directors (the “**Board**”) has determined that it is in the best interest of the Land Bank to lease 3601 Germantown Avenue (the “**Property**”) to Called to Serve CDC, Inc., a Pennsylvania nonprofit corporation (the “**Tenant**”) for a one (1) year initial term which will automatically convert to a five (5) year initial term upon approval by resolution of Philadelphia City Council.

WHEREAS, the Tenant desires to sublet the Property to 3701 North Broad, LLC, and Pennsylvania limited liability company (the “**Subtenant**”), and, pursuant to the terms of the lease agreement, a sublease of the Property by the Tenant requires the Board’s approval.

WHEREAS, the Board has determined that it is in the best interest of the Land Bank to approve the Tenant’s sublease to 3701 North Broad, LLC.

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

1. The lease of the Property to the Tenant upon terms and conditions materially in conformance with the terms and conditions summarized in the Lease Summary attached as Exhibit “A” to this Resolution is in the best interest of the Land Bank and is hereby approved, subject to the terms and conditions of this Resolution.
2. The sublease of the Property by the Tenant to the Subtenant upon terms and conditions materially in conformance with the terms and conditions set forth in the Sublease Summary attached as Exhibit “B” to this Resolution is in the best interest of the Land Bank and is hereby approved, subject to the terms and conditions of this Resolution.
3. The lease and the sublease of the Property comply with all terms and conditions of Section 16-404 of the Philadelphia Code, subject to approval by resolution of Philadelphia City Council.
4. The Executive Director and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to negotiate, prepare, execute, deliver, and perform any and all agreements and other documents as may be necessary or appropriate to consummate the lease of the Property with terms and conditions materially in conformance with the summary of major lease terms (Exhibit “A”) attached to this Resolution and further containing such other terms and conditions which the Executive Director and Senior Counsel deem necessary or appropriate, and which, when so executed and delivered by the Land Bank, shall constitute the valid and binding obligations of the Land Bank.

5. The Executive Director and Senior Counsel are each hereby authorized, in the name of and on behalf of the Land Bank, to negotiate, prepare, execute, deliver, and perform any and all agreements and other documents as may be necessary or appropriate to consummate the sublease of the Property with terms and conditions materially in conformance with the summary of major sublease terms (Exhibit “B”) attached to this Resolution and further containing such other terms and conditions which the Executive Director and Senior Counsel deem necessary or appropriate, and which, when so executed and delivered by the Land Bank, shall constitute the valid and binding obligations of the Land Bank.
6. 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.
7. This Resolution shall take effect immediately upon adoption by the Board.

Adopted by Philadelphia Land Bank Board of Directors on _____.

Approved by Philadelphia City Council Resolution No. _____ dated _____.

EXHIBIT “A”

Summary of Major Lease Terms

Parties	Landlord: Philadelphia Land Bank; Tenant: Called to Serve CDC, Inc.
Term	Initial term of one (1) year. The term is automatically extended to five (5) years upon resolution of City Council, without any further action of the Land Bank Board.
Renewals	Upon resolution of City Council, five (5) consecutive renewal options of five (5) years each, without any further action of the Land Bank Board.
Rent	Ten Dollars (\$10.00) for each year of the term.
Real Estate Taxes, Insurance, and Other Costs	Rent is absolutely net to Landlord. All costs, expenses, liabilities, and obligations relating to the ownership and operation of the premises, including but not limited to insurance, utilities, taxes, construction, repair, and maintenance, are paid by Tenant.
Permitted Use	Private parking on an existing parking lot for use by businesses along the Broad, Germantown and Erie business corridor.
Zoning and Improvements	<p>The Property is already zoned for the Permitted Use.</p> <p>Tenant is expected to improve the premises in connection with the Permitted Use to bring the Property up to code under the City of Philadelphia Code requirements, including resurfacing, striping, adequate fencing, and lighting. Tenant will commence and complete the work within such periods as determined by Landlord.</p>
Sublease	The premises will be sublet to 3701 North Broad, LLC (Subtenant).
Sublease Proceeds	<p>All gross proceeds and other consideration received by Tenant from any sublease or assignment (“Proceeds”) will be used exclusively for Qualified Operational Expenditures and for no other purpose.</p> <p>“Qualified Operational Expenditures” - reasonable costs incurred by Tenant including salaries, benefits, overhead and program supplies for any of the following:</p> <ul style="list-style-type: none">• programs that provide technical assistance to businesses located on the Broad, Germantown and Erie commercial corridor;• programs that seek to maintain and increase the number of businesses on the Broad, Germantown and Erie commercial corridor;• programs for the cleaning and revitalization of the Broad, Germantown and Erie commercial corridor; and• programs that provide after-school educational and skill-building programs to youth at schools located within the Nicetown-Tioga neighborhoods served by Tenant as part of its organizational mission. <p>Tenant is required to provide a quarterly report (“Tenant’s Report”) containing information about the Proceeds (expected, actual, and earmarked), the programs and activities supported by the Proceeds, the Qualified Operational Expenditures (budgeted and actual), and any other information as may be requested by Landlord.</p>

EXHIBIT “B”

Summary of Major Sublease Terms

Parties	Landlord: Philadelphia Land Bank Sublessor: Called to Serve CDC, Inc. Sublessee: 3701 North Broad, LLC
Term	Co-terminous with the term of the master lease between Landlord and Sublessor.
Renewals	In accordance with the terms of the master lease between Landlord and Sublessor, five (5) consecutive Renewal Options of five (5) years each, subject to and conditional upon the exercise of each Renewal Option by the Sublessor.
Rent	<p>Base Rent during the Initial Term (as defined in the master lease) shall consist of the following:</p> <p>(i) Year 1: Eighteen Thousand Dollars (\$18,000) annually payable in equal monthly installments of Fifteen Hundred Dollars (\$1,500.00) on the first day of each calendar month during the Initial Term, as may be adjusted for each Renewal Term (as more particularly set forth below), by check made payable to Sublessor.</p> <p>Base Rent shall be adjusted as follows: Year 2: \$18,000 annually (\$1,500/month) Years 3 & 4: \$27,600 annually (\$2,300/month) Year 5: \$33,600 annually (\$2,800/month) Years 6 and forward: annual rent increases to be equal to the increase in the 12-month Consumer Price Index (CPI) over the prior year.</p> <p>In no event shall Base Rent in any Renewal Term be less than the Base Rent paid in the immediately prior Renewal Term.</p> <p>(ii) Sublessee shall donate to Sublessor annually:</p> <ul style="list-style-type: none">• 10 complimentary room nights at the Hotel Beury (date exclusions will exist)• 1 complimentary meeting room per month (chairs & water only) <p>(iii) Sublessor shall have complimentary access to 20 of the 65 parking spaces contained in the parking lot. Sublessee may pick location of those parking spaces.</p>
Real Estate Taxes, Insurance, and Other Costs	All costs, expenses, liabilities, and obligations relating to the operation of the Property and all obligations under the master lease, including, without limitation, insurance, utilities, taxes, construction, repair, and maintenance, are the Sublessor's responsibility.
Permitted Use	Private (valet) parking of motor vehicles for guests of The Hotel Beury located at 3701 N. Broad Street (45 spaces) and private parking for neighborhood businesses and organizations (20 spaces chosen by Sublessee for businesses and organizations chosen by Sublessor).

EXHIBIT “B”

Zoning and Improvements	<p>The Property is already zoned for Permitted Use.</p> <p>Sublessee shall improve the Property and shall bear the costs, expenses, liabilities, and obligations therefore in accordance with the terms of the Sublease regarding construction improvements required under the master lease or the Sublease.</p> <p>Sublessee will commence and complete the work in accordance with a plan and within timelines to be approved by Landlord and Sublessor.</p>
Confession of Judgment	<p>Sublease will contain a confession of judgment for rent and possession. Sublease may not be amended or modified without Landlord’s approval.</p>

TENANT APPLICANT: Called to Serve CDC, Inc. (“Called to Serve”), a partner of the City to manage the Broad, Germantown and Erie commercial corridor and revitalize the Nicetown-Tioga neighborhood with educational programming.

SUBTENANT: 3701 North Broad, LLC (“3701 North Broad”)

BACKGROUND: 3601 Germantown Avenue is a formerly City-owned parking lot which the City has transferred to the Land Bank in anticipation of the Land Bank’s lease of the property to the tenant applicant, Called to Serve. The Land Bank would lease the parking lot to Called to Serve for \$10 per year. The initial term of the lease would be for one (1) year, which would automatically expand to five (5) years and provide five (5) renewal options of five (5) years each for a possible total of thirty (30) years upon approval by City Council resolution of an initial five (5) year term and five (5) renewal options for five (5) years each. Called to Serve wishes to lease the parking lot, which contains 65 parking spaces, from the Land Bank and to then sublet the parking lot to 3701 North Broad. 3701 North Broad owns the Beury Building located at 3701-03 N. Broad Street (shown as National Bank of North Philadelphia on the attached site plan) and is redeveloping the building as a hotel with a restaurant, fitness center, and meeting spaces (<https://www.beurybuilding.com/>). 3701 North Broad would like to use 45 of the 65 parking spaces for valet parking for its guests. The remaining twenty (20) parking spaces would continue to be used by existing businesses along the commercial corridor as approved by Called to Serve. The sublease will require 3701 North Broad to make improvements to the parking lot, operate and provide security for the lot, pay monthly rent to Called to Serve, and provide complimentary hotel rooms and meeting rooms for use by Called to Serve for its neighborhood programming. The terms of the proposed lease and sublease are summarized in the attached Exhibits “A” and “B”.

REQUEST: Today the Board is requested to approve the lease of the parking lot at 3601 Germantown Avenue to Called to Serve CDC in accordance with the terms of the proposed lease as summarized in Exhibit “A” and to approve the sublease of the parking lot to 3701 North Broad, LLC in accordance with the terms of the proposed sublease as summarized in Exhibit “B”.

OUTCOME: Approval of the request will result in a guaranteed monthly rent, profit-sharing and in-kind benefits accruing to Called to Serve to support its commercial corridor revitalization efforts and its neighborhood educational programming.

STAFF RECOMMENDATION: Staff recommends that the Board approve the proposed lease and sublease of 3601 Germantown Avenue in accordance with the proposed lease and sublease terms.

Site plan and site photos are attached.

Prepared by: Andrea Imredy Saah

Reviewed by: Angel Rodriguez

EXHIBIT “A”

Summary of Major Lease Terms

Parties	Landlord: Philadelphia Land Bank; Tenant: Called to Serve CDC, Inc.
Term	Initial term of one (1) year. The term is automatically extended to five (5) years upon resolution of City Council, without any further action of the Land Bank Board.
Renewals	Upon resolution of City Council, five (5) consecutive renewal options of five (5) years each, without any further action of the Land Bank Board.
Rent	Ten Dollars (\$10.00) for each year of the term.
Real Estate Taxes, Insurance, and Other Costs	Rent is absolutely net to Landlord. All costs, expenses, liabilities, and obligations relating to the ownership and operation of the premises, including but not limited to insurance, utilities, taxes, construction, repair, and maintenance, are paid by Tenant.
Permitted Use	Private parking on an existing parking lot for use by businesses along the Broad, Germantown and Erie business corridor.
Zoning and Improvements	<p>The Property is already zoned for the Permitted Use.</p> <p>Tenant is expected to improve the premises in connection with the Permitted Use to bring the Property up to code under the City of Philadelphia Code requirements, including resurfacing, striping, adequate fencing, and lighting. Tenant will commence and complete the work within such periods as determined by Landlord.</p>
Sublease	The premises will be sublet to 3701 North Broad, LLC (Subtenant).
Sublease Proceeds	<p>All gross proceeds and other consideration received by Tenant from any sublease or assignment (“Proceeds”) will be used exclusively for Qualified Operational Expenditures and for no other purpose.</p> <p>“Qualified Operational Expenditures” - reasonable costs incurred by Tenant including salaries, benefits, overhead and program supplies for any of the following:</p> <ul style="list-style-type: none">• programs that provide technical assistance to businesses located on the Broad, Germantown and Erie commercial corridor;• programs that seek to maintain and increase the number of businesses on the Broad, Germantown and Erie commercial corridor;• programs for the cleaning and revitalization of the Broad, Germantown and Erie commercial corridor; and• programs that provide after-school educational and skill-building programs to youth at schools located within the Nicetown-Tioga neighborhoods served by Tenant as part of its organizational mission. <p>Tenant is required to provide a quarterly report (“Tenant’s Report”) containing information about the Proceeds (expected, actual, and earmarked), the programs and activities supported by the Proceeds, the Qualified Operational Expenditures (budgeted and actual), and any other information as may be requested by Landlord.</p>

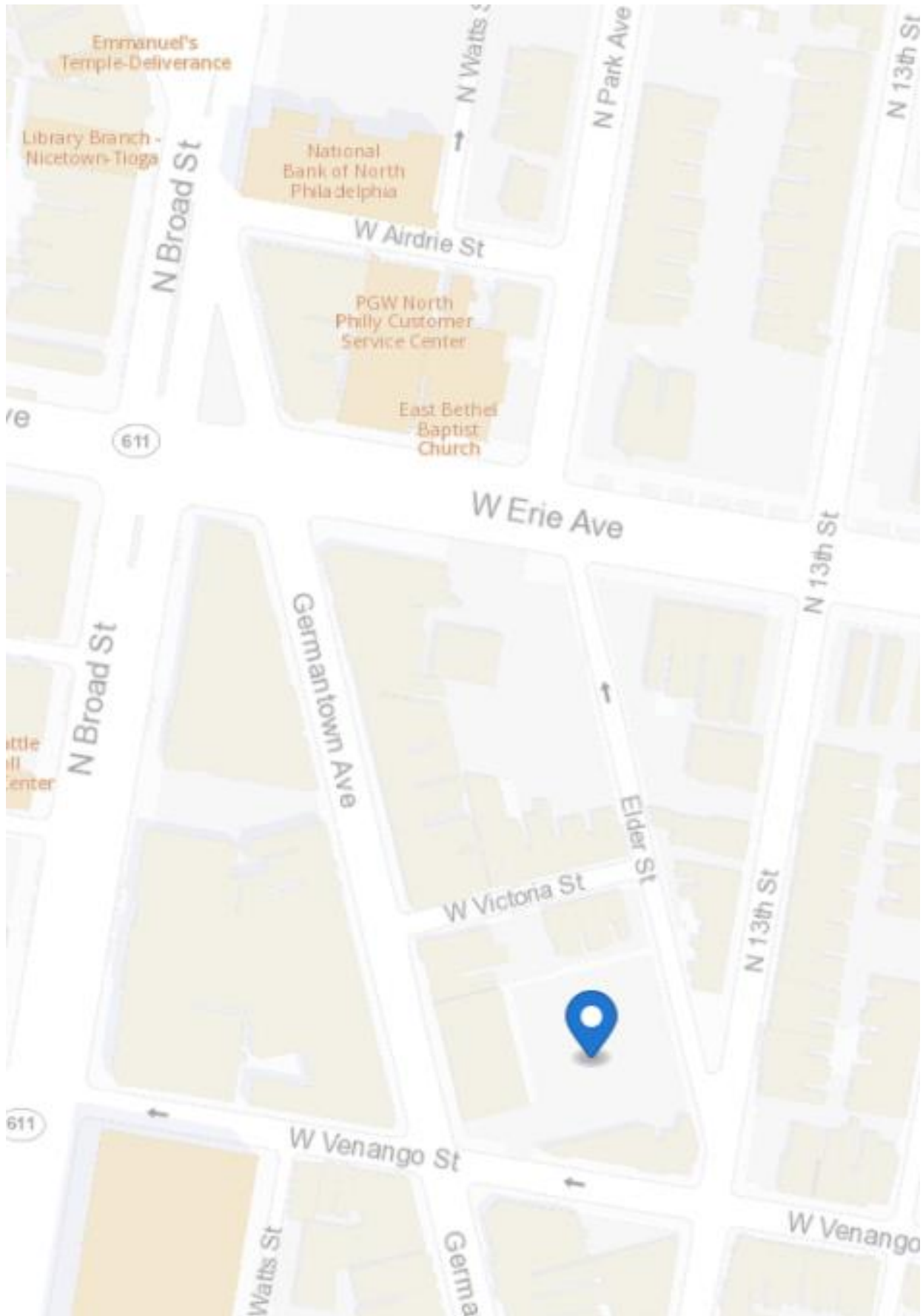
EXHIBIT "B"**Summary of Major Sublease Terms**

Parties	Landlord: Philadelphia Land Bank Sublessor: Called to Serve CDC, Inc. Sublessee: 3701 North Broad, LLC
Term	Co-terminous with the term of the master lease between Landlord and Sublessor.
Renewals	In accordance with the terms of the master lease between Landlord and Sublessor, five (5) consecutive Renewal Options of five (5) years each, subject to and conditional upon the exercise of each Renewal Option by the Sublessor.
Rent	<p>Base Rent during the Initial Term (as defined in the master lease) shall consist of the following:</p> <p>(i) Year 1: Eighteen Thousand Dollars (\$18,000) annually payable in equal monthly installments of Fifteen Hundred Dollars (\$1,500.00) on the first day of each calendar month during the Initial Term, as may be adjusted for each Renewal Term (as more particularly set forth below), by check made payable to Sublessor.</p> <p>Base Rent shall be adjusted as follows: Year 2: \$18,000 annually (\$1,500/month) Years 3 & 4: \$27,600 annually (\$2,300/month) Year 5: \$33,600 annually (\$2,800/month) Years 6 and forward: annual rent increases to be equal to the increase in the 12-month Consumer Price Index (CPI) over the prior year.</p> <p>In no event shall Base Rent in any Renewal Term be less than the Base Rent paid in the immediately prior Renewal Term.</p> <p>(ii) Sublessee shall donate to Sublessor annually:</p> <ul style="list-style-type: none">• 10 complimentary room nights at the Hotel Beury (date exclusions will exist)• 1 complimentary meeting room per month (chairs & water only) <p>(iii) Sublessor shall have complimentary access to 20 of the 65 parking spaces contained in the parking lot. Sublessee may pick location of those parking spaces.</p>
Real Estate Taxes, Insurance, and Other Costs	All costs, expenses, liabilities, and obligations relating to the operation of the Property and all obligations under the master lease, including, without limitation, insurance, utilities, taxes, construction, repair, and maintenance, are the Sublessor's responsibility.
Permitted Use	Private (valet) parking of motor vehicles for guests of The Hotel Beury located at 3701 N. Broad Street (45 spaces) and private parking for neighborhood businesses and organizations (20 spaces chosen by Sublessee for businesses and organizations chosen by Sublessor).

EXHIBIT "B"

Zoning and Improvements	<p>The Property is already zoned for Permitted Use.</p> <p>Sublessee shall improve the Property and shall bear the costs, expenses, liabilities, and obligations therefore in accordance with the terms of the Sublease regarding construction improvements required under the master lease or the Sublease.</p> <p>Sublessee will commence and complete the work in accordance with a plan and within timelines to be approved by Landlord and Sublessor.</p>
Confession of Judgment	<p>Sublease will contain a confession of judgment for rent and possession. Sublease may not be amended or modified without Landlord's approval.</p>

SITE PLAN



SITE PHOTOS



SITE PHOTOS



JANUARY 16, 2014 PLB BOARD MEETING

MATERIALS FOR AGENDA ITEM IV.C

RESOLUTION NO. 2024 – ____

**RESOLUTION AUTHORIZING CONVEYANCE OF
2428 NORTH ORIANNA STREET
TO ANTHONY K. BRIGHT, JR.**

WHEREAS, Section 16-707 of the Philadelphia Code authorizes the Philadelphia Land Bank (the “**Land Bank**”) to convey, exchange, sell, transfer, lease, grant or mortgage interests in real property of the Land Bank in the form and by the method determined to be in the best interests of the Land Bank, subject to approval by resolution of Philadelphia City Council, and subject further to the terms and conditions of Chapter 16-404 of the Philadelphia Code.

WHEREAS, the Board of Directors (the “**Board**”) has determined that it is in the best interests of the Land Bank to convey 2428 North Orianna Street (the “**Property**”) to Anthony K. Bright, Jr. (the “**Purchaser**”).

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

1. The conveyance of the Property to the Purchaser for One and 00/100 U.S. Dollar (\$1.00) and a thirty (30) year mortgage for Twenty-Four Thousand Nine Hundred Ninety-Nine and 00/100 U.S. Dollars (\$24,999.00) is in the best interests of the Land Bank and is hereby approved, subject to approval by resolution of Philadelphia City Council.
2. The conveyance of the Property complies with all applicable terms and conditions of Section 16-404 of the Philadelphia Code, subject to approval by resolution of Philadelphia City Council.
3. Subject to the terms of this Resolution, 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 consummate the conveyance of the Property (collectively, the “**Transaction Documents**”) 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 _____.

Approved by Philadelphia City Council Resolution No. _____ dated _____.

SIDE YARD FACT SHEET

Last Updated: January 11, 2024

1. **ADDRESS:** 2428 N. Orianna Street

2. PROPERTY INFORMATION

Zip Code: 19133	Census Tract: 016300	Council District: 7
Zoning: RSA-5	Lot Area: 555 Sq Ft	
OPA Value: \$37,700	Appraised Value: \$25,000	
Redevelopment Area: N/A	Urban Renewal Area: N/A	

3. APPLICANT INFORMATION

Applicant Name: Anthony K. Bright, Jr.	Type: Side/Rear Yard
Homeowner Name(s): Anthony K. Bright Jr and Brighter Investments	
Mailing Address: 2423 N. 4th Street, Philadelphia, PA 19133	
Authorized Contact: Anthony K. Bright, Jr.	
Application Date: 3/11/2021	

4. PROJECT INFORMATION

Disposition Type: Side/Rear Yard (Individual only)	Strategic Plan Goal (Land Bank Only): Side/Rear Yard
Price Paid at Settlement: \$1.00	Proposed Use: Side/Rear Yard
Mortgage Amount: \$24,999	Type of Mortgage: 30-year, forgiven at end of 30 years
Total Project Costs: \$10,000	Project Funding Available: Committed and Verified - Applicant has provided documentation of available, committed funds in an amount no less than total project costs.

5. APPROVALS, DEADLINES, EOP

Agreement Executed: TBD	Economic Opportunity Plan Goals: N/A
Land Bank Board Approval: TBD	PRA Board Approval: N/A
Project Start Date: One month after settlement	Project Completion Date: Three months after settlement

SIDE YARD FACT SHEET

Last Updated: January 11, 2024

6. DEVELOPMENT SUMMARY

Project Summary:

The applicant proposes to rehabilitate 2428 N. Orianna Street as a rear yard. Improvements include cleaning, installing a fence, planting flowers, and adding a small concrete pad. Evidence of project financing has been provided in the form of a bank statement. The applicant is compliant and in good standing with the City of Philadelphia. The project will not be subject to an Economic Opportunity Plan. The property will be subject to use restrictions as a side/rear yard.

Summary of Restrictions or Covenants: This transaction is subject to the following:

<input checked="" type="checkbox"/> Irrevocable Power of Attorney	<input checked="" type="checkbox"/> Right of Re-entry/Reverter
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I. Side/Rear Yards

A. Permitted Use.

- Premises shall only be used as a side yard or rear yard, as applicable, incidental to the Adjacent Residence and not for any other use or purpose whatsoever.
- Parking, maintaining, and storage of motor vehicles, trailers, machinery, motorcycles, ATVs, boats, and watercrafts is prohibited.
- No commercial activities.
- The Premises must be fenced. Any alley way located adjacent to the Premises shall not be fenced or obstructed in any way.
- Must be used, operated, and maintained in accordance with the agreement and all applicable laws.

B. Mortgages and Deed Restrictions.

- Side/Rear Yards will have a 30-year mortgage that will be considered satisfied on the 30th anniversary of the mortgage and shall have use restrictions during and after the term of the mortgage to ensure that the property continues to be utilized as a side/rear yard. If the purchaser desires to sell the property prior to the end of the term, the purchaser must obtain the Land Bank's consent, and the mortgage must be paid in full.

7. STAFF RECOMMENDATION

Staff recommends the disposition of 2428 N. Orianna Street as a rear yard to Anthony K. Bright, Jr. in accordance with the Disposition Policy.

Prepared by: Cristina Martinez – Development Specialist

Reviewed by: Jessie Lawrence – Director, Real Estate

SIDE YARD FACT SHEET

Last Updated: January 11, 2024

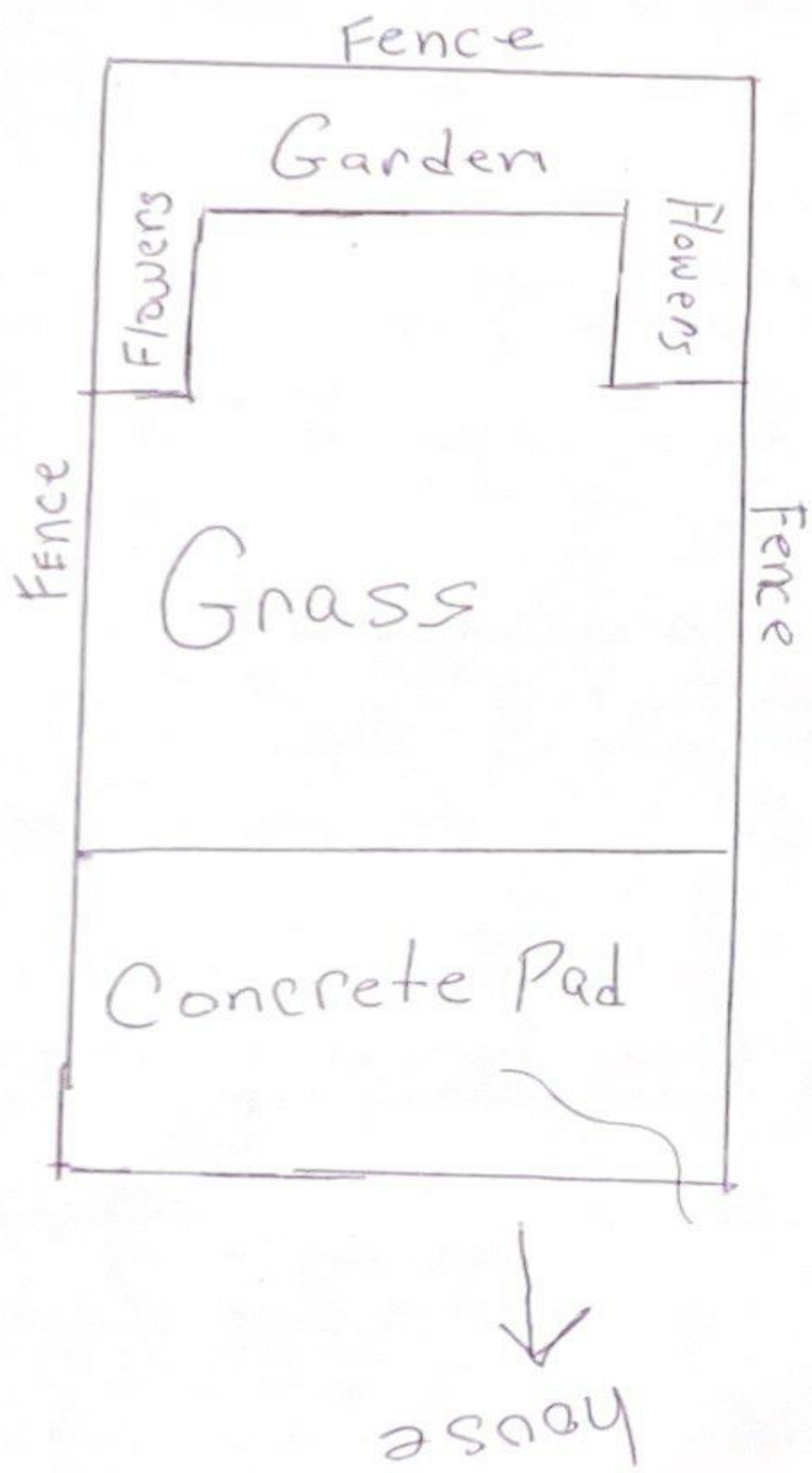
PROPERTY POSTING PHOTO



SIDE YARD FACT SHEET

Last Updated: January 11, 2024

SITE PLAN



SIDE YARD FACT SHEET

Last Updated: January 11, 2024

PROPERTY APPRAISAL

PHILADELPHIA LAND BANK

Danielle Deuber, Staff Appraiser

This is a Restricted Use Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (c) of the Uniform Standards of Professional Appraisal Practice ("USPAP"). As such, it does not present discussion of the data, reasoning and analyses used to develop the opinion of value, except for commentary contained in the scope of work section of this report. Supporting documentation concerning the data, reasoning, and analyses is retained in the work file of the appraiser. The depth of discussion contained in this report is specific to the needs of the Philadelphia Land Bank of the and for the intended use stated in the report. The appraiser is not responsible for the unauthorized use of this report. The analyses, opinions and conclusions relating to the subject property were developed, and this report has been prepared in conformity with USPAP requirements. The estimate of value is subject to certain Limiting Conditions and Assumptions outlined in this report.

IDENTIFICATION OF SUBJECT PROPERTY: 2428 Orianna St
Philadelphia, PA 19133

OPINION OF VALUE: \$25,000

USE OF REAL ESTATE EXISTING AS OF
OCTOBER 23, 2023 THE EFFECTIVE DATE OF VALUE: Vacant Land

USE OF REAL ESTATE REFLECTED
IN THIS APPRAISAL AS OF OCTOBER 23, 2023 Vacant Land

SUBJECT PROPERTY OWNERSHIP AND SALES HISTORY: The subject property is owned by Philadelphia Land Bank.

IDENTIFICATION OF THE CLIENT:

Philadelphia Land Bank

-1-

Value only good for 6 months