

AGENDA
PHILADELPHIA LAND BANK
BOARD OF DIRECTORS' MONTHLY MEETING
TUESDAY, JANUARY 14, 2025 – 10:00 AM

THIS MEETING WILL BE HELD AT 1234 MARKET STREET IN THE 17TH FLOOR CONFERENCE ROOM AND IS OPEN TO THE PUBLIC. YOU WILL NEED VALID IDENTIFICATION TO ENTER THE BUILDING.

**INSTRUCTIONS FOR SUBMISSION OF PUBLIC COMMENTS ARE LOCATED
ON THE PAGES FOLLOWING THE AGENDA**

AGENDA

- I. Roll Call
- II. Approval of Minutes of the Meeting of December 10, 2024
- III. Executive Director's Report
- IV. Administrative Matters
 - A. Move of Annual Board Meeting from December to June of each calendar year
- V. Property Dispositions
 - A. **Development – Assemblage (unsolicited)**

The property below is proposed for disposition to **Philadelphia H.U.N.E., Inc. ("HUNE")**, a non-profit organization and the owner of 2265, 2267, 2269, 2273 and 2275 N. Philip Street in the Seventh (7th) Council District, to develop a three-story building which will be used for office and community space. HUNE focuses on serving people with disabilities. The application was unsolicited and evaluated pursuant to the disposition policy. An EOP plan will apply for this project.

 - **2271 N. Philip Street* (CD 7)** (**property being transferred by the City of Philadelphia to the Land Bank*)
 - B. **Development – Affordable Housing (unsolicited)**

The properties below are proposed for disposition to **The Prime Corporation of New Jersey, Inc.** to develop ten (10) single-family homeownership units in the Fifth (5th) Council District. The units will each be two stories, with finished basements, and contain three (3) bedrooms and two (2) bathrooms at an average of 1,300 square feet each. They will be sold to households with incomes at or below 100% of AMI for a maximum sales price of \$280,000. The homes will be eligible for the Neighborhood Preservation Initiative's Turn the Key Program and will be subject to a Declaration of Restrictive Covenants. The application was unsolicited and evaluated pursuant to the disposition policy. An EOP plan will apply to this project.

- **2406*, 2434*, 2440*, and 2444* N. 6th Street; 2425* and 2427* N. 7th Street; and 2434*, 2438*, 2440*, and 2445* N. Marshall Street (CD 5)** (**properties being transferred by the City of Philadelphia to the Land Bank*)

C. Development – Gardens/Open Space

The property below is proposed for conveyance to **Do More Good, Inc.**, a nonprofit organization, to be preserved as a community garden. The property will be subject to a 30-year mortgage and permanently restricted for use as a community garden.

- **4701 Sansom Street* (CD 3)** (**property being transferred by the City of Philadelphia to the Land Bank*)

D. Side/Rear Yards

The property below is proposed for conveyance to the following applicants as a side or rear yard. The applicants own and reside in the adjacent home. The property will be subject to a 30-year mortgage and permanently restricted for use as a side/rear yard.

- **719 S. 51st Street (CD 3)** – Raymond Wing Shing Ng & Ching W. Sullivan (**property being transferred by the City of Philadelphia to the Land Bank*)

VI. Public Comment (Old & New Business)

VII. Adjournment

MEMORANDUM

FROM: Andrea Imredy Saah, Esq., Senior Counsel
RE: Philadelphia Land Bank January 14, 2025, Board Meeting
Board Meeting Notice, Public Attendance, and Comment Procedures
DATE: January 3, 2025

The Meeting of the Board of Directors of the Philadelphia Land Bank (“Land Bank”) is scheduled for Tuesday, January 14, 2025, with the executive session to begin at 9:30 A.M. and the meeting to begin at 10:00 A.M or as soon as the Executive Session has ended.

**THIS MEETING WILL BE IN-PERSON AT 1234 MARKET STREET IN THE 17TH FLOOR CONFERENCE ROOM AND IS OPEN TO PUBLIC ATTENDEES AND FOR PUBLIC COMMENTS AND QUESTIONS.
YOU WILL NEED VALID IDENTIFICATION TO ENTER THE BUILDING.**

PLEASE NOTE: To participate in the meeting, you must sign in before entering the conference room. This requirement is necessary to allow us to collect the names of participants as required by law.

The Board agenda and package will be available to view no later than five (5) days prior to the Board meeting at <https://phdcphila.org/who-we-are/boards/philadelphia-land-bank-board/>. Public comments and questions regarding the matters that are posted on the agenda may be submitted by email prior to the Board meeting and/or in person if attending the Board meeting.

Public Comment BEFORE Board Meeting:

Email the following information to andrea.saah@phdc.phila.gov by 3:00 p.m. on Monday, January 13, 2025:

- Your full name and group or company affiliation, if applicable;
- Contact information (your email address);
- Identify the agenda item that you are addressing; and
- State your question/comment in a clear and concise manner.

Questions/comments submitted via email by the 3:00 pm deadline will be summarized at the Board meeting, answered or addressed to the extent the Board chooses, and attached to the minutes of the meeting.

Public Comment DURING Board Meeting:

If you wish to comment on a particular agenda item, you must indicate that on the sign-in sheet before the meeting begins. Once recognized by the Board Chair, individuals will be allowed two (2) minutes for public comment per person per agenda item.

- The Chair reserves the right to limit comments when more than a certain number of people have the same comments on the same matter.
- Staff will assist with timing and identifying individuals as needed.

Rules of Conduct:

- Comments must be related to the specific agenda item in question.
- There will be no personal attacks or hate speech against anyone, including applicants, staff members, Board members, attendees or other members of the public.

Minutes of Board Meeting:

The draft minutes of a Board meeting will be made publicly available when the Board package for the next Board meeting is posted on the Land Bank Board website. Once approved by the Board, the approved minutes will be posted under the appropriate Board meeting date on the Land Bank website.

If you have a question about an agenda item after the meeting concludes, please submit it to andrea.saah@phdc.phila.gov with the following information:

- Your full name and group or company affiliation, if applicable;
- Contact information (your email address);
- Identify the agenda item that you are addressing; and
- State your question/comment in a clear and concise manner.

Land Bank staff will provide a response to the extent possible.

PHILADELPHIA LAND BANK

DECEMBER 10, 2024 BOARD OF DIRECTORS ANNUAL MEETING MINUTES (DRAFT)

The Annual Meeting of the Board of Directors of the Philadelphia Land Bank was held on Tuesday, December 10, 2024, at 1234 Market Street, 17th Floor Boardroom, Philadelphia, PA 19107, of which proper notices were given. A condensed certified transcript of this meeting is attached to these minutes as **Exhibit A**.

Call to Order

The meeting was called to order at 10:15 am.

Ms. Imredy Saah announced that prior to the Public Session, the Board held an Executive Session during which Mr. Rodriguez reviewed the meeting agenda and discussed the process to consider a City Councilmember's request to table an agenda item.

Item I **Roll Call**

The following members of the Board of Directors reported present: Herbert Wetzel, Darwin Beauvais, Cornelius Brown, Nicholas Dema, Maria Gonzalez, Andrew Goodman, Jenny Greenberg, Michael Johns, Rebecca Lopez Kriss, and Majeedah Rashid.

Kelvin Jeremiah was absent from the Board meeting.

The following Land Management staff members were present: Angel Rodriguez, Andrea Imredy Saah, Esq., Todd Hestand, Mathen Pullukattu, Brian Romano, Ashley Stukes-Martin and Carolyn Terry.

Public Attendees: The list of public attendees follows these minutes.

A quorum of Directors was present, and the meeting, having been duly convened, proceeded with business.

Ms. Imredy Saah reviewed the Board's public comment policy and explained that since sign-up sheets for public comment were not available at this meeting, the Chair or the Executive Director would recognize individuals who wished to speak after each agenda item was presented.

Item II **Approval of Board Minutes**

Chair Wetzel called for questions or comments from the Board regarding the minutes of the Board meeting of November 12, 2024. There were none.

Mr. Wetzel called for a motion regarding approval of the minutes.

Mr. Dema moved to approve the minutes. Ms. Lopez-Kriss seconded the motion.

Ms. Gonzalez, Ms. Greenberg and Mr. Johns abstained from voting on the minutes because they were not present at the November Board meeting.

Upon motion made and duly seconded, the Board approved the November 12, 2024 Board Meeting minutes.

Item III **Executive Director's Report**

There was no Executive Director's Report this month.

Item IV **Administrative Matters**

Item IV.A. – Review and Acceptance of Philadelphia Land Bank Audited Financial Statements for Year Ending June 30, 2024

Mr. Rodriguez introduced the representatives from the firm that conducted the audit of the Land Bank's Fiscal Year 2024 financial statements: Digesh Patel and Matthew Daly, both Certified Public Accountants (CPAs) at Mercadien P.C.. Mr. Patel and Mr. Daly presented an overview of the highlights of the audit, the slides for which were included in the Board package for this meeting.

The auditors indicated that the Land Bank's numbers were strong, and that there were no findings about operations and finances, resulting in a clean opinion. They recommended that the Land Bank obtain a third-party valuation of its inventory, as they had recommended in prior years, and that the Land Bank formalize in writing its policies for land valuation, cost allocations and analytics/risk assessments for management's ongoing monitoring.

Chair Wetzel called for questions from the Board. Ms. Gonzalez asked Mr. Daly to elaborate on the recommendation regarding land valuation. Mr. Daly responded that the Land Bank has not a third-party appraisal of its entire inventory. A property is appraised only once it is being sold, and prior thereto, the value is determined by the assessment value assigned by the Office of Property Assessment, which results in an accounting adjustment to the stated value at the time of sale. Mr. Rodriguez stated that since the Land Bank sells most properties for a discounted or nominal price, most sales result in a loss unless a mortgage is placed on the property for the appraised value. The auditors reiterated that their recommendation is for this process and other processes to be formalized in writing to provide guidance for future Land Bank leaders.

Details of the audit presentation and discussion can be found on pages 6 to 12 of the transcript attached to these minutes as **Exhibit A**.

Mr. Wetzel called for a motion.

Mr. Beauvais moved to accept the audited financial statements. Ms. Gonzalez seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Accepting Philadelphia Land Bank Audited Financial Statements for Year Ending June 30, 2024** (the resolution and audit are attached to the minutes as **Exhibit B**).

Item IV.B. – Review and Approval of Philadelphia Land Bank Fiscal Year 2025 Budget; Financial Report Year to Date

Mr. Rodriguez presented to the Board the budget for Fiscal Year 2025 (July 1, 2024 to June 30, 2025), along with a financial report for the period of July 1, 2024 to October 31, 2024. The total budget is \$3,500,000. Mr. Rodriguez explained each budget item as presented on the Philadelphia Land Bank – FY 2025 Budget Narrative, highlighting higher property maintenance costs and insurance costs. He also indicated that the Land Bank intends to revise its website in order to make it more user-friendly.

Ms. Lopez Kriss asked whether the revised Land Bank website will be developed by the City Office of Innovation and Technology (OIT) or an outside developer. Mr. Rodriguez responded that meetings are being held with OIT but that there may be a need for external expertise.

Mr. Goodman asked why the FY2025 expenditure for insurance is higher than budgeted. Mr. Rodriguez responded that this type of insurance is a niche market, and the cost increases each year, but the increase is difficult to predict. Ms. Imredy Saah added that the amount includes deductibles that the Land Bank is required to pay for insurance and slip and fall claims. Mr. Goodman also asked about property maintenance costs, and Mr. Rodriguez explained that the Land Bank has incurred large costs for property demolitions in response to conservatorship actions being filed and for tree removals.

Details of the budget discussion can be found on pages 14 to 23 of the transcript attached to these minutes as **Exhibit A**.

Chair Wetzel called for a motion.

Mr. Johns moved to approve the Fiscal Year 2025 budget. Ms. Lopez-Kriss seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Adopting Philadelphia Land Bank Operating Budget for Fiscal Year Ending June 30, 2025** (attached to these minutes as **Exhibit C**).

Item IV.C. – Approval of 2025 Board Meeting Schedule and Election of Officers

Mr. Rodriguez requested Board approval for the Land Bank Schedule of Regular Meetings of the Board of Directors for the calendar year 2025, amended to reflect the correct year. The schedule of meetings will be advertised in the newspapers and posted online. All meetings will be on the second Tuesday of each month, except for the November and December meetings, which will be on the third Tuesday.

January 14, 2025	July 8, 2025
February 11, 2025	August 12, 2025
March 11, 2025	September 9, 2025
April 8, 2025	October 14, 2025
May 13, 2025	November 18, 2025 (Third Tuesday)
June 10, 2025	December 16, 2025 (Third Tuesday)

Chair Wetzel called for a motion for the Board to approve an amended resolution with corrected dates for the schedule of Board meetings for 2025.

Ms. Gonzalez moved to approve the meeting schedule as amended. Ms. Greenberg seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Adopting the Philadelphia Land Bank Schedule of Regular Board of Directors Meetings for Calendar Year 2025** (attached to these minutes as **Exhibit D**).

Ms. Imredy Saah then presented the slate of nominees for the Board Officer positions, who are elected at the Board's Annual Meeting every year, for calendar year 2025. The nominees, all of whom accepted their nominations, are the Board members currently serving in the positions. The slate of nominees is as follows:

Herbert Wetzel – Chair
Nicholas Dema – Vice Chair
Andrew Goodman – Secretary
Rebecca Lopez Kriss – Treasurer

Chair Wetzel called for a motion regarding the slate of nominees.

Mr. Beauvais moved to accept the slate of nominees. Mr. Johns seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Electing Officers of the Philadelphia Land Bank for Calendar Year 2025** (attached to the minutes as **Exhibit E**).

Item IV.D.1. – Interagency Transfer

Mr. Rodriguez noted for the Board that Mr. Jeremiah had submitted a recusal letter with respect to the next two agenda items, as they involve transfers to the Philadelphia Housing Authority. His recusal letter is attached to these minutes as **Exhibit F**.

Mr. Rodriguez asked the Board to authorize the interagency transfer of 1501-17 Point Breeze Avenue, located in the Second Council District, to the Philadelphia Housing Authority (PHA), for disposition, reuse and/or management by the Philadelphia Housing Authority, specifically for consolidation with an existing PHA housing complex at 2100 Dickinson Street. PHA will develop affordable housing.

Chair Wetzel called for questions or comments from the Board. There were none.

Chair Wetzel asked if any comments were received prior to the Board meeting. There were none.

Chair Wetzel called for questions or comments from the public. There were none.

Seeing no further comment from the public or the Board, Chair Wetzel called for a motion.

Mr. Goodman moved to approve the transfer. Ms. Gonzalez seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Authorizing Conveyance of 1501-17 Point Breeze Avenue to Philadelphia Housing Authority** (attached to these minutes as **Exhibit G**).

Item IV.D.2. – Interagency Transfer

Mr. Rodriguez asked the Board to authorize the interagency transfer of 139 (also known as 139-67) East Clearfield Street, located in the Seventh Council District, to the Philadelphia Housing Authority (PHA) for disposition, reuse and/or management by the Philadelphia Housing Authority, specifically for the development of seventy-four (74) affordable rental units utilizing Low Income Housing Tax Credits. The project will be comprised of thirteen (13) three (3) bedroom townhomes and a multi-family building housing fifty-four (54) one-bedroom units and seven (7) two-bedroom units, ranging from net 630 sq. ft. to 1,779 sq. ft.

Chair Wetzel called for questions or comments from the Board. There were none.

Chair Wetzel asked if any comments were received prior to the Board meeting. There were none.

Chair Wetzel called for questions or comments from the public. There were none.

Seeing no further comment from the public or the Board, Chair Wetzel called for a motion.

Mr. Johns moved to approve the transfer. Mr. Goodman seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Authorizing Conveyance of 139 (also known as 139-67) East Clearfield Street to Philadelphia Housing Authority** (attached to these minutes as **Exhibit H**).

Item IV.D.3. – Interagency Transfer

Mr. Rodriguez asked the Board to authorize the interagency transfer of 5039, 5045 and 5047 Market Street, located in the Third Council District, to the Philadelphia Housing Development Corporation (PHDC) for disposition, reuse and/or management by the Philadelphia Housing Development Corporation, specifically for community open space preservation.

Chair Wetzel called for questions or comments from the Board. There were none.

Chair Wetzel asked if any comments were received prior to the Board meeting. There were none.

Chair Wetzel called for questions or comments from the public. There were none.

Seeing no further comments from the public or the Board, Chair Wetzel called for a motion.

Ms. Lopez-Kriss moved to approve the transfer. Ms. Greenberg seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Authorizing Conveyance of 5039, 5045 and 5047 Market Street to Philadelphia Housing Development Corporation** (attached to these minutes as **Exhibit I**).

Item IV.E.1. – Amendment to Approved Disposition

Mr. Rodriguez asked the Board to approve an amendment to Resolution No. 2023-44 adopted on October 10, 2023, which approved Chester Avenue Community Garden as the entity to preserve 5232 Chester Avenue in the Third Council District as a community garden. The original applicant has asked the Land Bank to permit Neighborhood Gardens Trust (NGT) to acquire the property instead, as NGT has accepted Chester Avenue Community Garden as a member.

Ms. Greenberg, Executive Director of NGT, recused herself from this agenda vote and left the room during the discussion. Ms. Imredy Saah informed the Board and public that Ms. Greenberg submitted a letter of recusal, which is attached to these minutes as **Exhibit J**.

Chair Wetzel called for questions from the Board. He asked for confirmation that the only change is that NGT will take title to the property, since as a member of NGT, the Chester Avenue Community Garden will benefit from the insurance coverage and other support services provided by NGT. Mr. Rodriguez confirmed that was the only change and noted that all other terms of the approved disposition will remain the same.

Chair Wetzel asked if any comments were received prior to the Board meeting. There were none.

Chair Wetzel called for questions or comments from the public. Mr. Wetzel recognized Andy Switzer. Mr. Switzer is a long-time gardener on this lot and incorporated Chester Avenue Community Garden in order to submit an application to preserve the garden. He stated that the gardeners are looking forward to the garden being permanently preserved.

Seeing no further comments from the Board or the public, Chair Wetzel called for a motion.

Ms. Gonzalez moved to approve the disposition. Mr. Beauvais seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Amending Resolution 2023-44 to Substitute Neighborhood Gardens Trust for Chester Avenue Community Garden as Purchaser and Developer** (attached to these minutes as **Exhibit K**).

Ms. Greenberg returned to the meeting at this time.

Item IV.E.2. – Amendment to Approved Disposition

Mr. Rodriguez asked the Board to approve an amendment to Resolution No. 2022-48 adopted on September 13, 2022, which approved Civetta 1, LLC to develop the revised Pastor James Allen RFP project in the Fourth Council District, to approve the conveyance of parcel 623 Rear North 55th Street to Civetta 1, LLC for mandatory consolidation with the already conveyed property 623-33 North 55th Street. He explained that when 623-33 North 55th Street, originally owned by the City of Philadelphia, was conveyed to the developer in June 2023, it was thought that a small area in the rear of the parcel was an official alley that could not be included in the area conveyed. The Land Bank recently discovered that the area was conveyed to the City as a separate parcel in 1956 but had been dropped from the Office of Property Assessments' records, which is why it was not included in the original disposition to the developer and assumed to be an alley. The parcel has since been added to OPA's records as 623 Rear North 55th Street, also known as 623-33 Rear North 55th Street. The parcel is not large enough to be developed as a separate parcel, nor is it accessible from any property other than 623-33 North 55th Street. Furthermore, the developer has been informed by the Seventh

Survey District that 623 Rear North 55th Street must be consolidated with 623-33 North 55th Street before construction permits will be issued.

Chair Wetzel called for questions or comments from the Board. There were none.

Chair Wetzel asked if any comments were received prior to the Board meeting. There were none.

Chair Wetzel called for questions or comments from the public. There were none.

Seeing no further comments from the public or the Board, Chair Wetzel called for a motion.

Mr. Beauvais moved to approve the conveyance. Mr. Goodman seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Amending Resolutions 2022-28, 2022-10, and 2022-9 to Authorize Conveyance of 623 Rear North 55th Street to Civetta 1, LLC for Required Consolidation with 623-33 North 55th Street** (attached to these minutes as Exhibit L).

Item IV.E.3. – Amendment to Approved Disposition

Mr. Rodriguez asked the Board to approve an amendment to Resolution 2023-54 adopted on December 12, 2023, which approved BMK Properties, LLC to develop the revised BMK Scattered Site project in the First Council District, to permit six (6) of fourteen (14) single-family homes that were intended to be sold at market rate to be sold to purchasers with a household income at or below 100% of Area Median Income at a maximum sale price of \$280,000. This revision would make the homes more affordable and eligible for participation in the Neighborhood Preservation Initiative's Turn the Key Program.

Chair Wetzel called for questions or comments from the Board. Mr. Dema asked for the sale price of the market-rate homes. Mr. Rushdy, a representative of the developer from the Riverwards Group, responded that the price of the most recently sold market-rate unit was \$450,000.

Chair Wetzel asked if any comments were received prior to the Board meeting. There were none.

Chair Wetzel called for questions or comments from the public. There were none.

Seeing no further comments from the public or the Board, Chair Wetzel called for a motion.

Mr. Johns moved to approve the amendment to the project. Mr. Beauvais seconded the motion.

Upon motion made and duly seconded, the Board unanimously approved the **Resolution Amending Resolutions 2023-54, 2022-39, and 2021-52 to Authorize Modification of Mixed-Income Homeownership Developer to Convert Six (6) Market-Rate Homes to Turn the Key - Eligible Homes** (attached to these minutes as Exhibit M).

Item V
Property Dispositions

Item V.A.1. – Development – Affordable Housing (unsolicited)

Mr. Hestand asked the Board to approve the disposition of 708 North 34th Street; 705, 709 and 713 North 35th Street; and 3518 and 3520 Wallace Street, located in the Third Council District, to Exclusive Property Group, LLC for the development of six (6) single-family homeownership units in the 3rd Council District. The units will each be two (2) stories, without basements, and contain three (3) bedrooms and two (2) bathrooms at an average of 1,200 square feet each. They will be sold to households with incomes at or below 100% of AMI for a maximum sales price of \$280,000. The homes will be eligible for the Neighborhood Preservation Initiative's Turn the Key Program and will be subject to a Declaration of Restrictive Covenants and an EOP plan will be required. The developer is a women/minority-owned business, and the application was unsolicited and evaluated pursuant to the disposition policy.

At this time, Ms. Imredy Saah stated that the Land Bank received a letter from Third Council District Councilmember Jamie Gauthier the previous day and addressed to Chair Wetzel, requested that the agenda item be tabled. She then read the letter, which is attached to these minutes as **Exhibit N**. Ms. Gauthier requested that the developer host another community meeting to include more community involvement before the Board considers the disposition.

Chair Wetzel stated that out of respect for the Councilmember, he would like to entertain a motion to table. Ms. Lopez-Kriss requested that the Board hear from the developer first. Mr. Rodriguez responded that the developer was unable to attend due to a death in her family and noted that multiple letters supporting the proposed disposition were received and forwarded to the Board prior to the meeting. Ms. Imredy Saah stated that since the Board may not vote on the proposed disposition, the letters are not being read into the record at this time.

Mr. Wetzel stated his opinion that the developer should have another community meeting and make sure that more Registered Community Organizations (RCOs) attend. The Councilmember is not asking that the development be rejected, she is asking that more time be given for community input.

Mr. Rushdy asked to comment. Mr. Wetzel stated no motion has been made, but Ms. Imredy Saah reminded him that public comment comes before a motion is called for. Mr. Rushdy stated that he represents the Building Industry Alliance and knows the developer and the mentor of the developer. He asked if the Land Bank sent a community engagement process letter to the developer, whether the developer met the requirements of the community engagement process, and whether the developer had a qualified application. Mr. Rodriguez answered in the affirmative to all three questions. Mr. Rushdy asked if the Councilwoman has the right not to introduce the resolution if the Land Bank Board approves the disposition, or to hold the introduction of her resolution until another community meeting has been held. Mr. Rodriguez responded affirmatively. Mr. Rushdy went on to state that the Land Bank has been attacked for not doing more to support affordable housing, while Mayor Parker has called for the creation and preservation of 30,000 homes. He believes it is important to keep the Land Bank process for review and approval of qualified projects separate from the process for Council approval of Land Bank-approved projects, and that there is no reason for the Board not to vote on this qualified

application from a minority developer who has met all the requirements to be presented to the Board.

Mr. Wetzel stated the Board is not rejecting consideration of the application, it is just proposing to defer the vote. He indicated that it would be helpful to understand the purpose of the community meeting. Mr. Rodriguez explained that the Board implemented this requirement to create formal process for providing information to the community about a proposed project before it is brought the Board. There is no requirement for a specific number of people to appear or for RCOs to participate, and RCOs do not get to vote on whether to support the project, the way they do when a zoning variance is sought. The Department of Planning and Development and the Planning Commission are not happy with this addition to the Land Bank's process, since it confuses the RCOs as to their role and influence in the process. Some RCOs do not want to be involved in the process and have been reluctant to assist developers with their community meetings. All RCOs in whose area the project lies are notified about the community meeting, but are not expected to be present. The developer also notifies nearby residents via flyers. The meeting may be held in person or on-line, and attendance is documented by the developer. Anyone from the community or the RCOs who wishes to submit a comment or concern either supporting or opposing the proposed project can do so in writing prior to the Board meeting or in person at the Board meeting. If concerns arise at the meeting, the developer may choose to have a follow-up meeting and to amend their plans, but it is not a requirement.

Chair Wetzel stated that if there is a requirement for a community meeting, it should be meaningful, and that should be defined.

Ms. Lopez-Kriss asked if the Land Bank received any communication from the RCOs about their concerns regarding the community meeting that was held. Ms. Imredy Saah responded that no such communications were received.

Chair Wetzel recognized Sam Samuel, who stated she was from the Mantua Civic Association, and that the other developers who had come before the Board with their projects in the area had come to her office to meet with her about their projects, whereas this developer had held her meeting on Zoom. She expressed her opinion that the parcels should be given to residents who have maintained those parcels as green space.

Chair Wetzel recognized Jordan Parisse-Ferrarini, who stated that he has been involved in different workforce development and real estate development initiatives throughout the city and doing work in diversity and inclusion in the construction industry and the real estate industry. He recognizes the effort being made to open up opportunities for minority developers to develop affordable housing in communities that need such housing, and that it is not an easy process. He has mentored this developer for six years, and she has done everything possible to get to the point of having a qualified application. He has seen many developers approved for much larger projects with very little community involvement, and so he wonders what is different about this project. The requirements for the community meeting were met, so why is the Board considering tabling the request?

Mr. Wetzel recognized Jeremy Blatstein, who asked why Board member Andrew Goodman, who works for the Councilwoman, was not required to recuse himself from this discussion and vote.

Mr. Goodman responded that because he has no financial interest in the proposed project and his job status is not affected by the outcome of this vote, he is not required to recuse himself.

Mr. Blatstein then pointed out that if the Board refuses to vote on a qualified disposition because people from the community do not attend after being given the required notice of the meeting, the City will never be able to come close to reaching the Mayor's goal of 30,000 homes.

Chair Wetzel recognized Trevian Ambroise, who stated he was the Zoning and Planning aide for Councilwoman Gauthier, and that he was there to reiterate that she was requesting the tabling of the vote, not a rejection of the vote, in order to allow for genuine community engagement and consideration of the use of public land for affordable housing but also for green spaces, gardens and other community uses. He indicated that notification of the community meeting was received late, making it difficult for the office to assist with the community engagement. Ms. Lopez-Kriss asked for clarification about the timing of the notification, and Mr. Ambroise clarified that the Councilwoman's office received notification later than the RCOs and nearby residents, who brought it to her attention. Ms. Lopez-Kriss also asked for clarification of the issues that were raised by community members. Mr. Ambroise responded that residents were asking for the lots to be maintained as open space for the community, and possibly a side yard. Mr. Rodriguez clarified that no applications for any of the lots had been received prior to the developer's application, and Ms. Imredy Saah indicated that only one of the lots was small enough to qualify for a side yard disposition.

Ms. Gonzalez indicated that the discussion was not helpful without the developer being present to answer questions about the meeting.

Chair Wetzel recognized Troy Hartsfield, who identified himself as a close friend and associate of the developer. He stated that the developer had been responsive to the Councilwoman's staff's outreach prior to their request that she have a second community meeting, and that she had already changed her application once before when she was notified that the lots she had originally applied for were being considered for another minority developer's project in the area. She invested additional funds in providing plans for the different lot widths, as the Board is now requiring that developers do, and that asking her to go back to the drawing board and apply for a different set of properties would be unfair. He stated that she followed all the rules, and she was informed by the Land Bank that a second community meeting was not required. Mr. Beauvais asked Mr. Hartsfield to confirm that a conversation was held between the Councilwoman's office and the developer, and Mr. Hartsfield confirmed.

Mr. Ambroise reiterated that the Councilwoman's staff continued to reach out to the developer to have a second meeting to allow for additional community engagement at her convenience. Ms. Lopez-Kriss then pointed out that community members who opposed a proposed housing development could scuttle the project simply by not showing up to the community meeting, to which Mr. Ambroise replied that the Councilwoman sought a process for genuine engagement with the community on a range of different issues, not just Land Bank dispositions. The outcome of a second meeting may not have been any different, but at least they would have tried. He further clarified that his office did not offer to facilitate a second meeting.

Mr. Hestand, the project manager for this application, confirmed that this developer followed the same process followed by the previous twenty-two minority developers who have come before

the Board, whom he has shepherded through the process, and that this developer was the most responsive and professional of the group and deserved to have her application considered.

Chair Wetzel then asked if anyone was willing to make a motion to table in response to the Councilwoman's request.

Mr. Dema moved to table the disposition. Ms. Gonzalez seconded the motion.

The Board was then polled for the votes. Mr. Brown, Ms. Lopez-Kriss, Mr. Beauvais, and Ms. Rashid voted against tabling the project, while Ms. Gonzalez, Ms. Greenberg, Mr. Johns, Mr. Dema, Mr. Goodman and Chair Wetzel voted in favor of tabling. With six votes (a majority of the full Board) in favor, the motion to table the disposition carried.

Item VI **Public Comment (Old & New Business)**

Chair Wetzel asked if there was anyone old or new business anyone wished to comment on. Mr. Rushdy and Mr. Blatstein reiterated their dissatisfaction with the Board's vote to table, raising concerns about the precedents being set to allow RCOs to table projects by not showing up to community meetings and to allow Councilmembers to interfere with the Land Bank's process. The rules do not require the Councilmember's approval for the Board to approve a qualified project.

Mr. Hartsfield asked for clarification as to the status of the project and what needed to be done for the Board to consider it again. After a prolonged discussion, which can be found at pages 63 to 77 of the transcript attached to these minutes as **Exhibit A**, the outcome of the discussion was that the project would be brought back after another community meeting was held in person or on Zoom, with RCOs and neighbors being notified and an effort being made to ensure better attendance.

Mr. Rodriguez stated his appreciation that although this was a difficult discussion, it was held in public, as it raised many important questions. Chair Wetzel commented that a more strategic public property use plan that involved Councilmembers and the Planning Commission is sorely needed and that he would bring this request to the Mayor, since such a plan would prevent a situation like today where a developer thought properties were available but they were being used for by neighbors for gardening or open space or other uses.

Item VIII **Adjournment**

Seeing no further comments from the Board or the public, Chair Wetzel thanked the Board and the public and called for a motion to adjourn.

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

Upon motion made and duly seconded, the Board unanimously voted to adjourn around 12:45 pm.

SECRETARY TO THE BOARD

PUBLIC ATTENDANCE SHEET

PHILADELPHIA LAND BANK BOARD OF DIRECTORS REGULAR MEETING
Tuesday, December 10, 2024, at 10:00 AM.

User Name
Digesh Patel
Matt Daly
Andy Switzer
Malik Henry
Mo Rushdy
Jordan Parisse Ferrarini
David Langlieb
Leah Apgar
Antonio Cerqueira
Michael Tomasetti
Sam Samuel
Trevian Ambroise
Jeremy Blatstein
Sharon Denson

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PHILADELPHIA LAND BANK

BOARD OF DIRECTORS' ANNUAL MEETING

Tuesday, December 10, 2024

10:00 a.m.

Reported by: Ayanna Bethea Thorpe, Digital Reporter

Job No.: 37930

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<p style="text-align: right;">Page 2</p> <p style="text-align: center;">ATTENDANCE</p> <p>1 HERBERT WETZEL, BOARD CHAIR 2 NICHOLAS DEMA, VICE CHAIR 3 ANDREW GOODMAN, SECRETARY 4 REBECCA LOPEZ KRISS, TREASURER 5 MAJEEDAH RASHID, MEMBER 6 CORNELIUS BROWN, MEMBER 7 JENNY GREENBERG, MEMBER 8 MICHAEL JOHNS, MEMBER 9 DARWIN BEAUVAIS, MEMBER 10 MARIA GONZALEZ, MEMBER 11 ANDREA IMREDEY SAAH, ESQ., SENIOR COUNSEL 12 ANGEL RODRIGUEZ, EXECUTIVE DIRECTOR 13 TODD HESTAND, SENIOR DEVELOPMENT SPECIALIST 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 4</p> <p>1 MS. SAAH: Majeedah Rashid. 2 MS. RASHID: Here. 3 MS. SAAH: Cornelius Brown. 4 MR. BROWN: Here. 5 MS. SAAH: Maria Gonzalez. 6 MS. GONZALEZ: Here. 7 MS. SAAH: Jenny Greenberg. 8 MS. GREENBERG: Here. 9 MS. SAAH: Michael Johns. 10 MR. JOHNS: Present. 11 MS. SAAH: So we have a quorum and may proceed. 12 If I may just explain our public comment policy today. 13 Since we didn't have any sign in sheets, what we will 14 do is after each agenda item is presented, the chair 15 or executive director will call for public comment 16 depending on whether, Mr. Chair, you would like. Mr. 17 Rodriguez's assistance with that. And please keep 18 your comments to two minutes. 19 And also, our policy, which I just would like to 20 reiterate, is that there will be no personal attacks 21 or hate speech against anyone, including applicants, 22 staff members, board members, attendees, or other 23 members of the public. And comments should be focused 24 on the specific agenda item being considered. 25 Anything new should be brought up during the old and</p>
<p style="text-align: right;">Page 3</p> <p style="text-align: center;">P R O C E E D I N G S</p> <p>1 2 (10:15 a.m.) 3 MR. WETZEL: Good morning, everyone. Please 4 accept our apology for the delay, but we needed to get 5 everything set up to record this meeting. And Andrea, 6 would you call the roll of the board? 7 MS. SAAH: Yes. Should I first talk about the -- 8 I'll make a quick announcement. The board had an 9 executive session this morning at which they reviewed 10 the agenda and discussed the process for addressing a 11 Third Council District request to table an agenda 12 item. Yes. So let me call the roll and then I will 13 also review our public comment policy. So let's see. 14 Herb Wetzel. 15 MR. WETZEL: Here. 16 MS. SAAH: Darwin Beauvais. 17 MR. BEAUVAIS: Here. 18 MS. SAAH: Nick Dema. 19 MR. DEMA: Here. 20 MS. SAAH: Andrew Goodman. 21 MR. GOODMAN: Here. 22 MS. SAAH: Kelvin Jeremiah. 23 (No response.) 24 MS. SAAH: Rebecca Lopez Kriss. 25 MS. KRISS: I'm here.</p>	<p style="text-align: right;">Page 5</p> <p>1 new business portion of the agenda. Thank you. 2 MR. WETZEL: Thank you, Andrea. The minutes have 3 been circulated for our November 12th meeting. Can I 4 get a motion to adopt? 5 MR. DEMA: I make a motion to adopt the minutes. 6 MS. KRISS: Second. 7 MR. WETZEL: A motion's been made and properly 8 second to adopt the minutes of November 12, 2024. All 9 those in favor say aye. 10 (Aye.) 11 MR. WETZEL: Those opposed, nay. 12 (No response.) 13 MR. WETZEL: The minutes are approved. We have 14 no -- 15 MS. GONZALEZ: Mr. Chair, if I may, I just want 16 to recuse myself from voting for the minutes because I 17 was not here at the last one meeting. 18 MR. JOHNS AND MS. GREENBERG: Me also. 19 MR. WETZEL: Thank you both. Appreciate it. 20 There is no executive director report for this month, 21 so we'll move into administrative matters. 22 MR. RODRIGUEZ: Good morning, board members. I'd 23 like to introduce you to our accounting firm 24 Mercadien. We have Digesh Patel and Matthew Daly 25 here. Both are CPAs and then will give us an overview</p>

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<p style="text-align: right;">Page 6</p> <p>1 of the audit. You all have a handout --</p> <p>2 MR. PATEL: Good morning, board members. Thank</p> <p>3 you, Angel, and thank you for having us here. My name</p> <p>4 is Digesh Patel. I'm a partner of the firm Mercadien,</p> <p>5 and we did the audit of the Land Bank for the year</p> <p>6 ended June 30, 2024. It was completed by the deadline</p> <p>7 of October 31st and submitted to respective party. As</p> <p>8 Angel mentioned, there is a packet in your -- there's</p> <p>9 a presentation in your packet. I'm not going to go</p> <p>10 through each slide. I'll just summarize what's in the</p> <p>11 packet.</p> <p>12 As I mentioned, we did audit for the year 2024.</p> <p>13 It was performed in accordance with generally accepted</p> <p>14 auditing standard as well as government auditing</p> <p>15 standards. Those are two relevant standards for Land</p> <p>16 Bank. From an audit process perspective, we do take a</p> <p>17 risk-based approach, which is acceptable within the</p> <p>18 audit standards. Again, we just evaluate the account</p> <p>19 from year to year, see where the risks lie, whether</p> <p>20 they're from a low, medium, or high risk perspective.</p> <p>21 We give it a rating, and then based on that we develop</p> <p>22 a process of how we're going to move forward with the</p> <p>23 auditing of those accounts.</p> <p>24 We also evaluate the internal controls of our</p> <p>25 financial reporting as well as compliance to ensure</p>	<p style="text-align: right;">Page 8</p> <p>1 assets, a very slight increase from \$32.7 million to</p> <p>2 about \$33.4 million. The main driver of that change</p> <p>3 was cash increased from about \$1.8 million to \$7.2</p> <p>4 million and land inventory and the capital assets net</p> <p>5 of any valuation allowance decreased from about \$37.6</p> <p>6 to \$32.6 million as a result of the different land</p> <p>7 transactions throughout the year.</p> <p>8 Total liabilities increased from about \$1.1</p> <p>9 million to about \$5.7 million. That's not necessarily</p> <p>10 payable, but the biggest driver of that was unearned</p> <p>11 revenue which is funds passed through from the city</p> <p>12 and PRA for future periods. And then in terms of the</p> <p>13 net position, there was overall a decrease of about</p> <p>14 \$3.9 million, resulting from operating revenues of about</p> <p>15 \$3.5 million, which was up from about \$3 million in the</p> <p>16 prior year, total expenditures of \$3.8 million for</p> <p>17 operations, up from about \$3.2 million, and then total</p> <p>18 non-operating losses of around \$3.6 million that drove</p> <p>19 that change from the prior year.</p> <p>20 As Digesh mentioned, we had no arguments with</p> <p>21 management, no disagreements or other findings, and no</p> <p>22 changes in our planning procedures, no risks that came</p> <p>23 up as part of our plan and procedures that we had to</p> <p>24 pivot to or change our audit procedures. No new</p> <p>25 accounting standards that were required to be adopted</p>
<p style="text-align: right;">Page 7</p> <p>1 that there's adequate checks and balances in place to</p> <p>2 ensure that the method will fall through the process.</p> <p>3 Once we do that, we do a detailed testing of all the</p> <p>4 account balances and make sure that we are comfortable</p> <p>5 with our testing and that the numbers are adequate.</p> <p>6 And then upon that, we do a draft financial statement</p> <p>7 and we review with the management, incorporate any</p> <p>8 changes that may be from management, and then finalize</p> <p>9 it after that.</p> <p>10 From an opinion perspective, I'm glad to say it's</p> <p>11 an unmodified opinion which is the highest level of</p> <p>12 assurance you can get on a financial statement audit.</p> <p>13 And because we performed the audit in accordance with</p> <p>14 the -- auditing standard, should we come across any</p> <p>15 incomprehensible deficiencies or anything like that,</p> <p>16 we're also required to report that as part of our</p> <p>17 report. And I'm glad to say there are no findings for</p> <p>18 this year.</p> <p>19 I'm going to turn it over to Matt Daley here.</p> <p>20 He's going to quickly walk through some brief</p> <p>21 financial numbers and a couple of other things. Thank</p> <p>22 you.</p> <p>23 MR. DALY: Thank you, Digesh. Good morning.</p> <p>24 Some of the financial highlights. Very strong numbers</p> <p>25 and consistent with prior years. In terms of total</p>	<p style="text-align: right;">Page 9</p> <p>1 from prior years. And happy to report we had no</p> <p>2 correcting statements or audit adjustments as a result</p> <p>3 of our testing and no uncorrecting statement, which</p> <p>4 would be things that are below material but not</p> <p>5 trivial that we would have to propose to management.</p> <p>6 So basically the numbers we got were very solid</p> <p>7 numbers.</p> <p>8 And in terms of estimates in the financials,</p> <p>9 things like depreciation, compensated absences, and</p> <p>10 land valuations, the estimations were consistent with</p> <p>11 prior years, no management biases or any issues with</p> <p>12 those numbers. So those were reasonable. We did have</p> <p>13 three management recommendations for best practices.</p> <p>14 So these are things that are not controlled</p> <p>15 efficiencies or rise to a more material level, all</p> <p>16 basically revolving around written policy and</p> <p>17 procedures for land valuation, cost allocation and</p> <p>18 analytics and risk assessments in terms of</p> <p>19 management's ongoing monitoring, things that are</p> <p>20 happening, but just having a formal policy so it's</p> <p>21 differently applied year in and year out as a best</p> <p>22 practice.</p> <p>23 Other than that, again, a clean opinion and a</p> <p>24 solid year. If anyone has any questions, I'd like to</p> <p>25 address them now or in the future. I believe our</p>

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<p style="text-align: right;">Page 10</p> <p>1 contact information is in the presentation as well if 2 something comes to mind later on. 3 MR. WETZEL: Are there any questions from the 4 board? 5 MS. GONZALEZ: I just have a question. Can you 6 elaborate on the recommendation related to the land 7 valuation? 8 MR. DALY: Yes. So in terms of the -- the 9 property hasn't had a third party valuation in a 10 while. And then in terms of the formal process in 11 terms of the value and the allowance related to 12 evaluation, currently it's 15 percent of any property 13 of the 2,700 some properties as of -- that are under 14 \$10,000 or so in value. There's reason to lower that 15 value, as it is probably not fully realizable. So 16 just getting that standard written as a formal policy 17 and updating for any necessary changes that management 18 deems necessary would comply with that -- those things 19 aren't happening just -- 20 MS. GONZALEZ: Thank you. 21 MR. BEAUVAIS: So your evaluation will still be 22 subject to management's policy -- 23 MR. DALY: Yeah. And it's basically management's 24 policy and then making sure that that complies with 25 accounting standards and things like that.</p>	<p style="text-align: right;">Page 12</p> <p>1 value and then you sell the property at a discount. 2 So for accounting purposes, the way it sits on the 3 financial statements and on the proper balance is that 4 it gets recorded at fair value, and then when you guys 5 sell the property, you get a discount. So that's an 6 artificial loss, but again, the accounting standards 7 require to report it that way. So there's no going 8 around it. We have other clients who operate in a 9 similar fashion that operate land agencies. 10 MR. WETZEL: So the recommendation is to put in 11 writing the procedure you've seen and audited, which 12 is fine. 13 MR. PATEL: Yes, correct. 14 MR. WETZEL: But you just want it codified it. 15 MR. PATEL: Yes, just a formal policy. And the 16 reason behind that is we see this happening across all 17 of our clients when leadership retires or if they're 18 ready to retire or if they leave. If there's nothing 19 in writing, there's no way to figure out how things 20 were done. Right? So the new people that come in, 21 they have a hard time adjusting to that. So having a 22 formal policy leaves guidance. Not the same as 23 leaving today, but five years, 10 years down the road 24 if something like that happened, I think there's some 25 guidance on how things were done.</p>
<p style="text-align: right;">Page 11</p> <p>1 MR. BEAUVAIS: Yeah, I'm not worried about -- 2 the city passed its own values. 3 MR. DALY: Sure. 4 MR. RODRIGUEZ: But to speak a little bit to the 5 nuance of it, we utilize the OPA values for vacant 6 land that we own. That obviously goes up periodically 7 when you get a new assessment. Under legislation, 8 when we dispose off the property though, we're 9 required to get a statement of value or appraise that 10 property. So therefore, there's obviously a gap or 11 increase in the value of the asset, typically. And 12 then the fact that we sell properties at a discount, 13 you then have a realized loss. So you have to assess 14 that property at the new appraised value and then sell 15 it. So it's at the price that it sold. 16 MR. DALY: Yeah. 17 MR. RODRIGUEZ: So the Land Bank takes a loss. I 18 think that's offset though with the new rules in terms 19 of how assets are used as cash. Now, I don't know if 20 you want to speak to that. That's from last year that 21 we had an increase in assets' cash realization -- 22 MR. PATEL: Yeah. No, I think it's really the 23 cash that comes in from actual selling the properties 24 that you realize for the -- Land Bank, but like Angel 25 mentioned, there's a gap when you have fair market</p>	<p style="text-align: right;">Page 13</p> <p>1 MR. RODRIGUEZ: Actually next Tuesday... 2 MR. WETZEL: Any additional questions from the 3 board? 4 MR. RODRIGUEZ: I will say too that is also why 5 in my years as Board treasurer, the Land Bank 6 experienced a lot of losses because we were doing 7 nominal transactions. So that's where we have 8 numerous reasons for putting mortgages on properties, 9 but -- 10 MR. WETZEL: Got you. 11 MR. RODRIGUEZ: -- there are also a number of 12 reasons why we place mortgages on side yard 13 transactions to offset the nominal dispositions. 14 MR. WETZEL: Got you. Do we need to formally 15 accept the report? 16 MR. RODRIGUEZ: Yes. 17 MR. WETZEL: Can I get a motion to accept the 18 audit report? 19 MR. BEAUVAIS: So moved. 20 MR. WETZEL: Can I get a second? 21 MS. GONZALEZ: I second. 22 MR. WETZEL: Motion has been made and properly 23 second to accept the report of the auditor. All in 24 favor say aye. 25 (Aye.)</p>

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<p style="text-align: right;">Page 14</p> <p>1 MR. WETZEL: Those opposed, nay. 2 (No response.) 3 MR. WETZEL: Ayes have it. 4 MR. RODRIGUEZ: Thank you. Appreciate it. The 5 next item for the board's consideration is approval of 6 the budget in the financial report. So you see in 7 your package, I believe it should be on page 58, 8 present the budget narrative. So the Land Bank 9 operates on a 3.5 million dollar budget. 3 million of 10 that is general fund allocation and half a million 11 dollars is carryover from the previous fiscal year due 12 to the settlements for sales of land transactions. So 13 I'll go through this right now. 14 In terms of staffing, we have \$1,370,400. That is 15 for 19 full-time employees. It's important to note 16 that 15 of those employees are in our bargaining 17 unit. They are a union, and their costs are subject to 18 negotiated wages and benefits from the recently ratified 19 Collective Bargaining Agreement. So we will see that 20 impact represented in next year's budget. We do have 21 three vacant positions in the Land bank. That would be 22 the real estate director. We have a staff attorney role 23 that is vacant and also one senior development 24 specialist position that is vacant. 25 Correspondingly, we have fringes at \$730,600 and</p>	<p style="text-align: right;">Page 16</p> <p>1 year will go up because of the proposed new website 2 development and also a corresponding need for an 3 upgraded asset management database. Office supplies, 4 postal services, those are all for official notices. 5 Relatively stable real estate dispositions costs. 6 Again, that number is low because we have not been 7 paying servicer fees to the corresponding GRB or 8 Linebarger. That will go up. Rent office space is 9 relatively stable year over year. PHDC has a master 10 lease that is in force for another three to five 11 years. So this number should be not go up because of 12 the apportionment that we have. 13 Seminars and training. This is continuing legal 14 education and training for project management. 15 Subscriptions, meals, that's usually groundbreaking and 16 Turn the Key trainings for the public. Travel is very 17 limited. One thing I would like the Board to understand 18 is the revenue for acquisition, which explains the 19 large amount of cash on hand. It is in escrow. We have 20 \$1.5 million to acquire lots that had US bank liens, and 21 then we have acquisitions for fiscal year 2025 at \$3.5 22 million for a total of \$5 million for acquisitions. 23 MS. KRISS: Question, Angel. You mentioned website 24 development. Is that through the city's OIT department 25 or are you guys going external?</p>
<p style="text-align: right;">Page 15</p> <p>1 then the bulk of the items are purchase of services at 2 \$1.399 million. You have audit fees, consulting 3 services, and general acquisition fees. I mean, that 4 number is unusually low because we haven't obviously 5 operated sheriff sales. Service maintenance, this 6 actual number has gone up. Also, that's one of the 7 things if you look at what the audit report talked 8 about in terms of an increase in operational 9 expenditures, we have conservatorship cases and also 10 have property management scenarios where we are 11 demo-ing a lot of structures and we're also stabilizing 12 quite a few trees -- 13 You have insurance, which is usually higher but 14 dropped from last year. We paid that as a lump sum 15 payment in the beginning of the fiscal year. 16 Organizational dues, just so -- one thing that allows 17 the Land Bank to operate is our attorneys and 18 notaries. Currently, on staff we have five notaries. 19 So that allows us to move. Basically, we're a large 20 law firm -- you have labor, legal disputes. That's a 21 number where we're dealing with lawsuits and court 22 settlements. Again, that's impacted by 23 conservatorship cases. 24 The asset management software is our number one 25 computer software. This number in the next fiscal</p>	<p style="text-align: right;">Page 17</p> <p>1 MR. RODRIGUEZ: Yeah, we're having meetings with 2 OIT, but I think there will be a need to go out. And 3 I think OIT has -- we're having this discussion. It's 4 not just a user interface. It really is the back end 5 of it that allows us to operate. The biggest problem 6 we've had and you'll hear it publicly, how do we track 7 issues? One of the biggest concerns we have is that 8 we operate from three different databases. And the 9 current database we have, the Land Bank Land Asset 10 Management, doesn't even use APIs, which is an 11 automatic update. We have to go through several 12 firewalls. So a lot of these technical issues have to 13 be assessed. 14 So Land Bank is a separate agency. We have our 15 own server, but we have to go through the city's 16 firewall. And then there are a whole bunch of issues 17 where the city is restricted because of ransomware. 18 And so it really does impede it. One thing that will 19 be a big difference is that the Land Bank was seated 20 in the PHDC website which basically eradicated our 21 identity as an individual operation entity. And 22 that's going to change. So we'll have our own 23 website. And I think that would solve a lot of our 24 issues in terms of interfacing with the public 25 because, let's be honest, it's ridiculous trying to</p>

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<p style="text-align: right;">Page 18</p> <p>1 find applications on our website. But that was a 2 decision made in the previous administration. 3 MS. KRISS: You haven't received any RFPs or any 4 potential -- 5 MR. RODRIGUEZ: No. We are developing it right 6 now. Our first initial meeting with OIT was kind of 7 eye-opening for them. We have done a lot of work 8 internally -- this administration has made it a 9 priority to do so -- but we've been waiting for this 10 opportunity. 11 MS. KRISS: I mean, having gone through multiple 12 modernization processes, I don't know if the budget 13 line item is going to be sufficient. You might want 14 to increase that budgeted expense. 15 MR. RODRIGUEZ: Well, remember, this is for the 16 current year. This won't happen until much later. 17 We'll probably do the -- we'll do the planning and 18 issuing of an RFQ and look at options. We're already 19 shopping around for what options would look like. 20 I will tell you that preliminarily, in looking at 21 other websites and back-end databases, we're looking at 22 a quarter million dollars. 23 MS. KRISS: Absolutely. 24 MR. RODRIGUEZ: Yeah. 25 MS. KRISS: Yeah.</p>	<p style="text-align: right;">Page 20</p> <p>1 that will allow us to manage that. So that concludes 2 my presentation on the budget and financial report. 3 MR. GOODMAN: Angel, just answer a couple 4 questions. Why is the FY25 actual for insurance 5 higher than the budget? 6 MR. RODRIGUEZ: Because when we negotiate it with 7 the broker, every year it's a little bit different, in 8 which case we budget for what the last year was and 9 then we go back out. Last year, we had to get rid of 10 a policy to actually drop the cost, but then you have 11 limited options when it's coming to dealing with this 12 type of insurance. And I think it's a very tough 13 market and very limited actual service providers or 14 insurance companies that will take up an ongoing 15 concern. 16 We have so many vacant parcels and then you have 17 all these uses, and then their concern is loss 18 mitigation and they want to see risk mitigation and 19 policies regarding that. And that's where you get 20 into these conversations where we don't provide 21 license agreements, where there's also slip and falls 22 and there are questions as to why people are on the 23 land. 24 MS. SAAH: Yeah, I just wanted to add, I think 25 this includes deductibles we have to pay for slip and</p>
<p style="text-align: right;">Page 19</p> <p>1 MR. RODRIGUEZ: And even the development may be a 2 quarter million dollars. So -- 3 MS. KRISS: Yes. I would also encourage you to 4 continue to work with OIT. Their processes are pretty 5 stringent and external agencies have often gotten into 6 trouble because they decide to move forward with the 7 project without really coordinating the technical and 8 security aspects. 9 MR. RODRIGUEZ: Our second meeting is tomorrow. 10 MS. KRISS: Great. 11 MR. WETZEL: Yeah. I think Angel is summarizing. 12 The goal is to have a user friendly public face, a 13 separate and discreet. You can Google Philadelphia 14 Land Bank and you'll go to the website. And the real 15 thing is connecting the back end information so that 16 you -- it's only going to be user friendly if you can 17 search the data at that website, so it's that 18 connection. But the goal is to have a very, very 19 different looking website, and the capacity for anyone 20 who gets on it to do the research is going to be 21 significantly enhanced. 22 MR. RODRIGUEZ: Yeah. 23 MR. WETZEL: That's the goal. 24 MR. RODRIGUEZ: I think what we're missing right 25 now is the CRM component. So we're looking at options</p>	<p style="text-align: right;">Page 21</p> <p>1 fall settlements and other litigation. 2 MR. RODRIGUEZ: Our deductible is pretty high. 3 It's \$50,000. 4 MR. GOODMAN: Got you. And then for property 5 maintenance, what would you say roughly is the split 6 between the vacant lot kind of cleaning versus the 7 demolishing unsafe vacant buildings that you 8 mentioned? 9 MR. RODRIGUEZ: I would say it's mostly -- we got 10 hit this year pretty hard on the conservatorship case. 11 We had seven total. Well, the range of the cost on 12 the high end is \$55,000 to \$60,000 per demo. We've been 13 trying to keep settlements to \$25,000. We do a lot to 14 make sure that L&I does not demo our properties because 15 because they pad that bill. And that goes into the 16 settlement with the person who filed the conservatorship 17 - they expect to get paid 20 percent. The judge in 18 these cases set that precedent where the petitioner 19 expects a fee -- it's really kind of -- 20 MR. GOODMAN: So it's really just needed 21 because of conservatorship filings? 22 MR. RODRIGUEZ: Correct. But I also think 23 recently there's been a very high increase in the 24 number of trees where he had to remove. So you get 25 high rains, soil conditions, or whatever as the trees</p>

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<p style="text-align: right;">Page 22</p> <p>1 are falling over, getting old. So we have to cut them 2 down.</p> <p>3 MS. KRISS: I don't mean to harp on this issue. 4 Looking at the staff positions, when you are ready for 5 that modernization project, I strongly encourage you 6 to look at staffing and staff a full-time project 7 manager and/or other folks to support that project, 8 because, Angel, I don't think that --</p> <p>9 MR. RODRIGUEZ: Oh, we've already presented that. 10 MS. KRISS: Okay.</p> <p>11 MR. RODRIGUEZ: So the issue is, because we're in 12 a bargained environment, is there a position that hits 13 that, in which case we have to deal with the 14 bargaining unit, or do we design a position that's new 15 that's outside of the bargaining unit? So remember, 16 PHDC provides personnel, and PHDC is a union shop. So 17 there's a level -- we have brought up these 18 conversations. We know we need a full-time data 19 person and CRM person and somebody who will deal with 20 just on API updates or software updates or just 21 updating our website.</p> <p>22 MS. KRISS: Web editor, yeah. 23 MR. RODRIGUEZ: Yeah. 24 MS. KRISS: You're not allotted any exempt 25 positions at all?</p>	<p style="text-align: right;">Page 24</p> <p>1 typo, February. That is way far in advance. 2 MS. SAAH: Sorry. 3 MR. RODRIGUEZ: Yeah. Also, on the opposite 4 side, it should read August 25, September 25, October 5 25, all the way through the December. So we will 6 amend that.</p> <p>7 MS. SAAH: Yes. 8 MR. RODRIGUEZ: Also, please note that November 9 and December is the third Tuesday of each month, and 10 that's to accommodate holidays.</p> <p>11 MS. SAAH: So the second Tuesday November is 12 Veterans Day this year or next year. And then we 13 needed four weeks between each --</p> <p>14 MR. RODRIGUEZ: So I would ask the board to 15 approve an amended resolution with corrected dates and 16 to do it in a compound measure, first approving the 17 amendments to update the dates --</p> <p>18 MR. WETZEL: Can I get a motion to accept an 19 amendment to correct the dates and to approve our 20 calendar year meeting schedule for 2025? 21 MS. GONZALEZ: I make a motion. 22 MS. GREENBERG: Second. 23 MR. WETZEL: Motion has been made and properly 24 seconded. All in favor say aye. 25 (Aye.)</p>
<p style="text-align: right;">Page 23</p> <p>1 MR. RODRIGUEZ: All I'm saying is that's a 2 separate conversation that I don't 100 percent 3 control. I advocate for, but --</p> <p>4 MS. KRISS: Okay. Thank you. 5 MR. WETZEL: Any other questions from the board? 6 (No response.) 7 MR. WETZEL: Can I get a motion to accept the 8 budget and updated financial report for Fiscal Year 2025? 9 MR. JOHNS: Motion to accept the updated financial 10 report.</p> <p>11 MR. WETZEL: Thank you. Can I get a second. 12 MS. GONZALEZ: Seconded. 13 MS. GREENBERG: Second. 14 MR. WETZEL: Motion has been made and properly 15 seconded to accept the financial report year to date. 16 All in favor say aye. 17 (Aye.) 18 MR. WETZEL: Opposed, nay. 19 (No response.) 20 MR. WETZEL: The ayes have it. 21 MR. RODRIGUEZ: The next agenda item is the 22 adoption of the board meeting scheduled for 2025, 23 which was circulated to the board and to the public. 24 Basically it follows our typical second Tuesday of the 25 month for the calendar year 2025. I apologize for the</p>	<p style="text-align: right;">Page 25</p> <p>1 MR. WETZEL: Opposed, nay. 2 (No response.) 3 MR. WETZEL: Ayes have it. 4 MR. RODRIGUEZ: Thank you, Mr. Chair. Next item 5 for board to consider are interagency transfers. 6 MS. SAAH: Oh, wait. The election. 7 MR. RODRIGUEZ: Oh, the election. 8 MS. SAAH: So the final sort of administrative 9 resolution pertaining to our board issues is the 10 election of officers, which occurs every year at the 11 annual meeting. And they serve a year until their 12 successors are elected. This year, we had a slate 13 presented. Herbert Wetzel was nominated for chair, 14 Nicholas Dema as vice chair, Andrew Goodman as 15 secretary, and Rebecca Lopez Kriss as treasurer. They 16 are the officers currently serving in those roles. 17 There were no competing nominations, and so I'm 18 presenting this to the board as a slate to vote upon. 19 MR. WETZEL: May I get a motion to adopt this 20 resolution? 21 MR. BEAUVAIS: So moved. 22 MR. WETZEL: May I get a second, please? 23 MR. JOHNS: Second. 24 MR. WETZEL: Motion has been made and properly 25 seconded to adopt this resolution naming the officers</p>

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<p style="text-align: right;">Page 26</p> <p>1 for the next 12 months. All in favor say aye. 2 (Aye.) 3 MR. WETZEL: All opposed, nay. 4 (No response.) 5 MR. WETZEL: Ayes have it. 6 MR. BEAUVAIS: Congratulations -- rigged. 7 MR. RODRIGUEZ: The next items are interagency 8 transfers. I just want to note for the record that 9 Kelvin Jeremiah has recused himself for the two items 10 items regarding transfers to PHA. Today, we're asking 11 the board to approve the transfer of a property 1501- 12 17 Point Breeze Avenue in the Second Councilmanic 13 District to the Philadelphia Housing Authority for 14 disposition, reuse, and/or management by the 15 Philadelphia Housing Authority. Specifically, this is 16 for the consolidation of an existing -- consolidation 17 with an existing housing complex at 2100 Dickinson 18 Street. The PHA rule in the future it has plans to 19 razz that development and redevelop it for affordable 20 housing. 21 MR. WETZEL: Are there any questions from the 22 board? 23 (No response.) 24 MR. WETZEL: Hearing none, Andrea, were any 25 written comments submitted?</p>	<p style="text-align: right;">Page 28</p> <p>1 tax credits. The project will be comprised of 13 2 three bedroom townhomes and multifamily building 3 housing 54 one bedroom units and seven two bedroom 4 units ranging from net 630 square feet to 1,779 square 5 feet. 6 MR. WETZEL: Sorry about that. I said 1,779 is a 7 big award. Are there any questions from the board? 8 (No response.) 9 MR. WETZEL: Seeing none, Andrea, any written 10 comments? 11 MS. SAAH: There were no written comments. 12 MR. WETZEL: Or any comments from the public? 13 (No response.) 14 MR. WETZEL: Seeing none, can I get a motion to 15 adopt? 16 MR. JOHNS: So moved. 17 MR. WETZEL: Can I get a second? 18 MS. GONZALEZ: Second. 19 MR. WETZEL: All in favor say aye. 20 (Aye.) 21 MR. WETZEL: All opposed, nay. 22 (No response.) 23 MR. WETZEL: Resolution adopted. 24 MR. RODRIGUEZ: The next interagency transfer we 25 have, we're asking the board to approve the transfer</p>
<p style="text-align: right;">Page 27</p> <p>1 MS. SAAH: There were none. 2 MR. WETZEL: Are there any comments from the 3 public? 4 (No response.) 5 MR. WETZEL: Seeing none, may I get a motion to 6 adopt? 7 MR. GOODMAN: Motion to approve interagency 8 transfer. 9 MS. GONZALEZ: I second. 10 MR. WETZEL: Motion's been made and properly 11 accepted to approve a resolution transferring 1501-17 12 Point Breeze Avenue. All in favor say aye. 13 (Aye.) 14 MR. WETZEL: Opposed, nay. 15 (No response.) 16 MR. WETZEL: Ayes have it. 17 MR. RODRIGUEZ: Thank you, Mr. Chair. The second 18 item we have is again for an interagency transfer. 19 We're asking the board to approve the transfer of 139, 20 also known as 139-67, East Clearfield Street in the 21 Seventh Councilmanic District to the Philadelphia 22 Housing Authority for disposition, reuse, and/or 23 management by the Philadelphia Housing Authority. 24 Specifically, this is for the development of 74 25 affordable rental units utilizing low income housing</p>	<p style="text-align: right;">Page 29</p> <p>1 of the property of 5039, 5045, and 5047 Market Street 2 to Philadelphia Housing Development Corporation for 3 disposition, reuse, and management by the Philadelphia 4 Housing Development Corporation specifically for 5 community open space preservation. I would like to 6 note that we will require an amendment oversight and 7 we need to remove or strike 5234 Walnut Street from 8 the existing resolution. 9 MS. SAAH: It's actually struck in the 10 resolution. 11 MR. RODRIGUEZ: So does it require an amendment? 12 MS. SAAH: No, it does not. 13 MR. WETZEL: Thank you, Angel. Are there any 14 questions from the board? 15 (No response.) 16 MR. WETZEL: Seeing none, Andrea, any written 17 comments? 18 MS. SAAH: There were none. 19 MR. WETZEL: Are there any comments from the 20 public? 21 (No response.) 22 MR. WETZEL: Seeing none, can I get a motion to 23 adopt? 24 MS. GREENBERG: So moved. 25 MR. WETZEL: Can I get a second?</p>

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<p style="text-align: right;">Page 30</p> <p>1 MS. GONZALEZ: I second. 2 MR. WETZEL: Motion's been made and properly 3 seconded to adopt this resolution. All in favor say 4 aye. 5 (Aye.) 6 MR. WETZEL: Opposed, nay. 7 (No response.) 8 MR. WETZEL: Ayes have it. Next item. 9 MR. RODRIGUEZ: So next item is a series of 10 items. They're amendments to approved dispositions. 11 So today we're asking the board to approve an 12 amendment to Resolution Number 2023-44, which was 13 adopted October 10, 2023, which approved Chester 14 Avenue Community Garden to preserve 5232 Chester 15 Avenue in the Third Councilmatic District as a 16 community garden. We are requesting that the board 17 allow us to substitute Chester Avenue Community Garden 18 as the applicant to Neighborhood Gardens Trust, which 19 has accepted Chester Avenue Community Garden as a 20 member, as an entity to receive the properties. I 21 would like to note that Jenny Greenberg, who is the 22 executive director of NGT, has recused herself from 23 this item. 24 MS. SAAH: Yes. And she submitted a letter of 25 recusal to the board which will be included within</p>	<p style="text-align: right;">Page 32</p> <p>1 Garden. It sounds as if you're predisposed to go 2 ahead and pass this through. I just want to make sure 3 it's completely clear that the gardeners there are 4 very excited to become part of NGT, and we've been 5 looking forward to getting legal status to the garden 6 and protection from development for a long time. So - 7 - 8 MR. WETZEL: Thank you so much. Any other public 9 comments? 10 (No response.) 11 MR. WETZEL: Seeing no one to comment, may I get 12 a motion to adopt this resolution? 13 MS. GONZALEZ: I make a motion. 14 MR. BEAUVAIS: Second. 15 MR. WETZEL: Motion has been made and properly 16 seconded to adopt this resolution. All in favor say 17 aye. 18 (Aye.) 19 MR. WETZEL: Those opposed, nay. 20 (No response.) 21 MR. WETZEL: Ayes have it. 22 MR. RODRIGUEZ: Next item. We're asking the 23 board to approve an amendment to resolution 2022-48 24 adopted in September 13, 2022 which approves Civetta 25 1, LLC to develop the revised Pastor James Allen RFP</p>
<p style="text-align: right;">Page 31</p> <p>1 minutes of this meeting. 2 MR. WETZEL: Are there any questions from the 3 board? Just quickly, Angel, this is merely the fact 4 that the owner is going to be the Neighborhood Garden 5 Trust. 6 MR. RODRIGUEZ: Correct. 7 MR. WETZEL: And as a member, the Chester Avenue 8 Community Garden will benefit from the fact that they 9 can insure it and do other things that they may have 10 difficulty doing themselves. 11 MR. RODRIGUEZ: Correct. 12 MR. WETZEL: Okay. Thank you. 13 MR. RODRIGUEZ: It's also important to note that 14 all terms that were approved by the board previously 15 will remain in place. 16 MR. WETZEL: Got you. Thank you. Andrea, are 17 there any written comments submitted? 18 MS. SAAH: There were no written comments. 19 MR. WETZEL: Any comments from the public? 20 MR. SWITZER: Right here. 21 MR. WETZEL: Please come to the mic. Identify 22 yourself for the record. 23 MR. SWITZER: Yeah, sure. My name is Andy 24 Switzer. I'm a longtime gardener in that space and 25 the incorporator, the legal entity, Chester Community</p>	<p style="text-align: right;">Page 33</p> <p>1 project in the Fourth Councilmanic District and 2 approve the conveyance of the parcel 623 Rear North 3 55th Street to Civetta 1, LLC for mandatory 4 consolidation with conveyed property 623-33 North 5 55th. 6 Just as background, when 623-33 North 55th 7 Street, originally owned by the City of Philadelphia, 8 was conveyed in June 2023, it was thought that the 9 remainder portion of an alley located in the rear of 10 the parcel was an official alley that could not be 11 included in the area conveyed. Civetta 1 and the Land 12 Bank recently discovered that the area of the alley 13 was conveyed to the city as a separate parcel in 1956, 14 but it had been dropped from the Office of Property 15 Assessments' records, which is why it is not included 16 in the original disposition to Civetta 1. The parcel 17 has since been added to OPA's records as 623 Rear, 18 also known as 623-33 Rear, North 55th Street. 19 The parcel is not large enough to be developable 20 -- to be developed as a separate parcel, nor is it 21 accessible from any property other than 623-33 North 22 55th Street. Furthermore, Civetta 1 has been informed 23 by the Seventh Survey District that 623 Rear North 24 N5th Street must be consolidated with 623-33 North 25 55th Street before construction permits will be</p>

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<p style="text-align: right;">Page 34</p> <p>1 issued. Staff recommends that the board approve this 2 conveyance of 623 Rear 55th Street to Civetta 1, LLC. 3 MR. WETZEL: Thank you, Angel. Are there any 4 questions from the board? These little parcels with 5 an R in front of them are all over the City, especially 6 in South Philly and parts of West Philly. 7 MR. GOODMAN: Some in West, yeah. Generally 8 means there's a funny story behind it. 9 MR. WETZEL: Yeah. For some reason this clearly 10 was conveyed to the city to be an alley that never got 11 developed. And so this will complete that parcel. 12 Andrea, are there any written public comments? 13 MS. SAAH: There were no comments. 14 MR. WETZEL: Are there any public comments? 15 (No response.) 16 MR. WETZEL: Seeing none, may I get a motion to 17 adopt. 18 MR. BEAUVAIS: So moved. 19 MR. GOODMAN: Second. 20 MR. WETZEL: Motion has been made and properly second. 21 All in favor of adopting this resolution say aye. 22 (Aye.) 23 MR. WETZEL: Opposed, nay. 24 (No response.) 25 MR. WETZEL: The ayes have it.</p>	<p style="text-align: right;">Page 36</p> <p>1 MR. DEMA: Wow. 2 MR. WETZEL: Talk about equity. Right? Here we 3 go. Where did I end up here? Was it the board? 4 MS. SAAH: There were no public comments -- 5 MR. WETZEL: No public comment. 6 MS. SAAH: -- received prior to the meeting. 7 MR. WETZEL: Now there's a public comment. Are 8 there any other comments from the public? 9 (No response.) 10 MR. WETZEL: Hearing none, can I get a motion to 11 adopt? 12 MR. JOHNS: So moved. 13 MR. WETZEL: Can I get a second? 14 MR. BEAUVAIS: Second. 15 MR. WETZEL: Motion has been made and properly 16 seconded to adopt this resolution. All in favor say 17 aye. 18 (Aye.) 19 MR. WETZEL: All opposed, nay. 20 (No response.) 21 MR. WETZEL: The ayes have it. Cheers for 22 affordability. Yay. 23 MR. RODRIGUEZ: So the next item, we're going to 24 property dispositions. Todd Hestand will give the 25 presentation on what the project is and then we will</p>
<p style="text-align: right;">Page 35</p> <p>1 MR. RODRIGUEZ: Next, the board is asked to approve 2 an amendment to Resolution 2023-54 adopted on December 3 12, 2023, which approved BMK Properties, LLC to 4 develop the revised BMK Scattered Site project in the 5 First Councilmanic District, to permit six of the 14 6 single-family homes that were intended to be sold at 7 market rate to be sold to purchasers with a household 8 income at or below 100 percent of AMI at a maximum 9 sales price of \$280,000, making them eligible for 10 participation in the Neighborhood Preservation 11 Initiative's Turn the Key Program. 12 MR. WETZEL: Thank you, Angel. This is 13 essentially a developer asking to restrict a portion 14 of their market rate project for creating affordable 15 units. Are there any questions from the board? 16 MR. DEMA: Just a question. What was the market 17 rate price? So what are they going from and to? 18 Obviously they're going to \$280,000. What was the 19 original price? 20 MR. RUSHDY: The last one we sold was anywhere 21 between -- 22 MR. WETZEL: I think you have to state your name 23 for the record. 24 MR. RUSHDY: I'm sorry. Mo Rushdy, Riverwards 25 Group. The last one we sold was for \$450,000.</p>	<p style="text-align: right;">Page 37</p> <p>1 discuss -- 2 MR. HESTAND: Thank you. Thank you, board chair, 3 board members, and public. Todd Hestand, senior 4 development specialist. This is agenda item 5.A.1. 5 Today, we're asking the board to authorize the 6 properties below for disposition to Exclusive Property 7 Group, LLC to develop six single-family home ownership 8 units in the Third Council District. The units will 9 be two stories, without basements, and contain three 10 bedrooms and two bathrooms at an average of 1,200 11 square feet each. They will be sold to households 12 with incomes at or below 100 percent of AMI for a 13 maximum sales price of \$280,000. The homes will be 14 eligible for the Neighborhood Preservation 15 Initiative's Turn the Key Program and will be subject 16 to a Declaration of Restrictive Covenants. 17 The application was unsolicited and evaluated 18 pursuant to the disposition policy. An EOP plan will 19 apply to this project. The addresses are as follows: 20 708 North 34th Street, 705, 709, and 713 North 35th 21 Street, and 3518 and 3520 Wallace Street. We'll note 22 that Exclusive Property Group is a woman-owned and 23 minority-owned business enterprise. This is her first 24 application with us. She is unaffiliated with the 25 Minority Developer Program or any other nonprofit</p>

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<p style="text-align: right;">Page 38</p> <p>1 minority programs throughout the city. Thank you. 2 MR. WETZEL: Thank you. Andrea, I have a point 3 of order here. 4 MS. SAAH: Yes. So would you like me to bring up 5 the letter? 6 MR. WETZEL: Yes. 7 MS. SAAH: Yes. So yesterday, the Land Bank 8 received a letter from Councilwoman Gauthier, 9 Councilwoman in the Third Council District, which was 10 addressed to our chair, Herb Wetzel, and asked for 11 this agenda item to be tabled. I can read the letter. 12 MR. WETZEL: Please do. 13 MS. SAAH: Sorry, I was unable to print this 14 morning, so I have to read it from my computer. "Dear 15 Chairperson Wetzel. As the Councilmember representing 16 the Third District, I am writing to request tabling the 17 agenda item for the proposed property dispositions for 18 708 North 34th Street, 705, 709, and 713 North 35th 19 Street, and 3518 and 3520 Wallace Street. While my 20 support of Turn the Key homeownership land 21 dispositions is well documented, I also value genuine 22 community engagement in this process, especially the 23 disposition of publicly owned land, a key resource for 24 achieving important goals such as affordable housing, 25 community open spaces, and urban gardening.</p>	<p style="text-align: right;">Page 40</p> <p>1 MS. KRISS: Okay. 2 MR. RODRIGUEZ: So they were not here. It should 3 be noted too that there are several support letters -- 4 MS. SAAH: Yes, which since we're not voting on 5 the -- 6 MR. WETZEL: Yeah. My cents here is that -- and 7 listen, this is just my cents, is that the developer 8 needs to have a community meeting and make sure that 9 the RCOs are there and others are informed and move 10 on. The Councilwoman is not asking us to reject this. 11 She's asking us to give it some time to breathe and 12 have a community meeting. And I'm comfortable with 13 that. Yes, Mo. 14 MR. RUSHDY: Mr. Chair, can I have a moment if 15 you don't mind? 16 MR. WETZEL: At what point do we do public 17 comment on this? We don't have a formal motion yet. 18 Right? 19 MS. SAAH: No, but the public comment comes 20 before the formal motion. 21 MR. WETZEL: Okay. Please. 22 MR. RUSHDY: Thank you, Mr. Chair. So, again, I 23 represent the BIA. I know the developer. I know the 24 mentor of the developer. So if you don't mind me 25 asking, has there been a community engagement process</p>
<p style="text-align: right;">Page 39</p> <p>1 After being informed that the applicant's 2 required community meeting had little attendance and 3 that overlapping RCO reps could not participate, 4 community stakeholders relayed to my office concerns 5 that they had with the above mentioned addresses and 6 proposed the applicant host an additional meeting. My 7 staff contacted the applicant to express these 8 concerns after the public meeting and again when we 9 saw this month's board agenda; we have not heard back 10 to our most recent outreach. 11 As Councilmember, I ask the Philadelphia Land 12 Bank Board to table this property disposition and 13 allow for further community engagement. Please feel 14 free to contact Trevian Ambrose, Zoning and Planning 15 Aide, if you have any questions or need further 16 information. Sincerely, Jamie Gauthier, 17 Councilmember, Third District." 18 MR. WETZEL: Thank you, Andrea. Out of respect 19 for the Councilwoman, can I entertain a motion to 20 table this at this point in time? 21 MS. KRISS: I would like -- I'm sorry. I'd like 22 to hear from the developer. 23 MR. WETZEL: Is the developer here? 24 MR. RODRIGUEZ: The developer was unable to 25 attend because of eath in the family.</p>	<p style="text-align: right;">Page 41</p> <p>1 letter that was sent to the developer? 2 MR. RODRIGUEZ: Correct. 3 MR. RUSHDY: Have they met these requirements? 4 Yes or no? 5 MR. RODRIGUEZ: Yes, correct. 6 MR. RUSHDY: Do they have a qualified 7 application? 8 MR. RODRIGUEZ: Yes, correct. 9 MR. RUSHDY: Does the Councilperson have the 10 right to not introduce the resolution or to have that 11 discussion after the Land Bank passes it -- let's 12 assume it passes. Does she have the right to actually 13 hold the resolution until she has these discussions? 14 MR. RODRIGUEZ: Yeah. 15 MR. RUSHDY: So the Land Bank has been attacked, 16 has been under attack for the last year. The Mayor is 17 calling for 30,000 homes. You have just seen a motion 18 to convert market rate homes to affordable homes. And 19 quite honestly, I'm doing it for the mayor. Right? 20 Trying to get more affordable housing on the street. 21 Now, someone that's followed the process, a letter 22 that was issued by the Land Bank, to engage with the 23 community and made the announcement within 20 days, 24 the legal obligation for them to meet with the 25 community. People did not attend.</p>

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<p style="text-align: right;">Page 42</p> <p>1 I go to these all the time. Sometimes I get 2 meetings with 100 people, sometimes I get meetings 3 with five people, but they have met the legal 4 obligation. The due process here is that they have a 5 qualified application. We can argue and say the 6 applicant is not qualified, can deliberate on whether 7 the developer has followed the legal process, 8 and the applicant has the right to come back and say 9 yes or no. But in this case, I again, struggle to 10 to understand how you are not voting on an African 11 American woman developer trying to build affordable 12 housing in the community, okay, that has a qualified 13 application, qualified financials, and are not able to 14 get her voted out of the Land Bank. 15 And then the Councilwoman still has the absolute 16 right, and she's a friend of mine, absolute right, for 17 60 days, she can choose to table it there. 18 That way, people can say the Land Bank has passed 500 19 properties, of which Council only introduced 300. 20 Then there is a clear delineation of the work of the 21 Land Bank and the work of the Councilmembers if they 22 choose to decide that this is not an application that is 23 fit for the community. So I'm here just to say I hope 24 that this tabling would be within reason. Thank you. 25 MR. WETZEL: Yeah, I'll respond in this way.</p>	<p style="text-align: right;">Page 44</p> <p>1 concurrent process where RCOs do actually have -- 2 MR. WETZEL: I understand. 3 MR. RODRIGUEZ: -- authority and standing, 4 whereas the Land Bank, the previous board had adopted 5 a motion to have community engagement so the board 6 meeting was not the first time that community members 7 had an opportunity to hear about the issue. If issues 8 were raised there, what we counsel the developers is 9 that it's a business decision to have a second 10 meeting. They can amend their plans. They understand 11 that it will delay them from getting approval. 12 Or also, if the community members fear it, we 13 always tell them, "We're a matter of the record. Come 14 to the board and now you have time to formulate it, 15 give us your input, and we put it in the record so 16 that the board can discuss that deliberation and 17 decide, because we don't decide the developers 18 following that process." I just want to delineate -- 19 MR. WETZEL: No, I get that. But I'm also saying 20 that there needs to be some definition. If that is a 21 requirement, what is a valid community meeting, I 22 mean, if nobody shows up? I really would like the 23 Policy and Planning committee to help me out here and 24 look at this and say, is there some minimal threshold 25 that defines a reasonable community meeting and</p>
<p style="text-align: right;">Page 43</p> <p>1 There's two things that come to mind. One is we're 2 not rejecting, we're just deferring at this point in 3 time. And the second thing is maybe we need to have a 4 clearer understanding of what a community meeting is. 5 And should we qualify something if a meeting doesn't 6 have the representatives of the RCO? Should we say 7 we're satisfied if only two people show up? I mean, 8 you can answer that, Angel. 9 MR. RODRIGUEZ: I think if you look at the 10 initial intent of when this was adopted by the Land 11 Bank Board, the issue was information being provided 12 to the community. It's not an RCO meeting. It was 13 deliberately stated that it is not an RCO meeting. I 14 will footnote that Planning and Development and the 15 Planning Commission get very annoyed with us because 16 the RCO members and people keep calling them up 17 saying, "Well, we didn't get to vote on it." It's not 18 an RCO decision. It's not part of zoning. This is about 19 consideration of the disposition. RCOs really 20 literally have no standing on the disposition. I'm 21 just -- 22 MR. WETZEL: I'm not suggesting they have 23 standing at all. That's not what I'm suggesting. 24 MR. RODRIGUEZ: I'm just trying to give context to 25 the confusion that's out there because you have a</p>	<p style="text-align: right;">Page 45</p> <p>1 community engagement? 2 MS. KRISS: How can -- 3 MR. RODRIGUEZ: - if I did not mention to this 4 board that we have had dispositions on RFPs that have 5 the support of Councilmembers, where community members 6 have deliberately not had meetings for up to six 7 months, where we've had to have extraordinary measures 8 on the side to talk to these RCO leaders who refused 9 it. I'm just bringing that up. 10 MR. WETZEL: I get it. There's always objections 11 to lots of things here. 12 MS. KRISS: So -- 13 MR. WETZEL: Excuse me one second. I'm just 14 going to -- I think that it's important to understand 15 if we're requiring a community meeting, it's for some 16 stated purpose on our part. 17 MR. RODRIGUEZ: Correct. 18 MR. WETZEL: I want to understand what that 19 stated purpose is. Not in this meeting, but I'm going 20 to ask the committee to -- we're making it a 21 requirement, then it ought to be meaningful. That's 22 all I'm saying. Okay? 23 MS. KRISS: Andrea, did we receive any 24 communications from the RCOs about their issues with 25 this project?</p>

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<p style="text-align: right;">Page 46</p> <p>1 MS. SAH: No. We received six letters regarding 2 this disposition, and they were all in favor. There 3 were no RCO letters received. 4 MS. KRISS: So besides the Councilperson's letter 5 yesterday, that's the first we've heard that there's 6 community issues? 7 MR. HESTAND: Correct. 8 MS. KRISS: Yeah, all these are project -- 9 MR. WETZEL: I see other people who would like to 10 speak. She had her hand up first. Please come up to 11 the podium and identify yourself. 12 MS. SAMUELS: Hi, my name is Sam Samuels. I'm an 13 RCO representative from Mantua Civic Association (MCA). 14 What needs to happen is that - I have had meetings with 15 the other eight people from Turn the Key that we have 16 supported for 90 parcels, and all of those people came 17 to me -- they were in my office. We had a meeting, 18 whether it was one, whether it was five people there. 19 Okay? These addresses that are in question now, we 20 have been dealing with these same addresses for almost 21 5 to 10 years because one of my old time residents 22 that is at -- he lives on Mantua Avenue, he has kept 23 that land clear ever since I was a little girl, and 24 I'm 50 plus. Okay? 25 So also, we have put a Patti LaBelle statue</p>	<p style="text-align: right;">Page 48</p> <p>1 representative of an organization called Trades for a 2 Difference. Also, I'm in leadership in different 3 workforce development and real estate development 4 initiatives throughout the city and doing work in 5 diversity and inclusion in the construction industry 6 and the real estate industry for the last decade of my 7 life. And I can speak and attest to how hard and how 8 difficult it is to get people like the Exclusive 9 Property Group, Yulonda Paul, who has an application 10 in today to disposition and into this room. 11 To be honest with you, a lot of people from our 12 communities don't know about these opportunities, 13 don't know about these rooms, don't know how to 14 navigate them, don't know how to get into these 15 spaces. And in the last few years, there's been 16 intention that I've been seeing to promote diversity 17 and inclusion in the space, to bring affordable 18 housing with justice into the community and to have 19 our people be a part of it. And Yulonda [the developer] 20 is a clear representation of that. 21 I've been a mentor of her for the last six years. 22 She's undergone every single training program in the 23 city that you could think of to get to this point. 24 And I just don't wanted to go understated. This is 25 not an easy place to get to, to be financially fit, to</p>
<p style="text-align: right;">Page 47</p> <p>1 there. That's on his house. Everybody keeps it 2 clean. When they came to me -- they called and said 3 that they were going to have a Zoom, no one else has 4 had a Zoom meeting because if that was the case, all 5 of the other eight people, I would have let them have 6 a Zoom. No one had a Zoom. And all of these 7 addresses that are supposed to be given to -- parcels 8 that's given to this person, these have been a 9 problem ever since -- I want to say a good -- like I 10 said, 5 to 10 years. Okay? 11 And 3815, I believe, or 3518 and 3520 was supposed 12 to be given to the young lady that has kept up those 13 parcels. She keeps it clean, she lends it out to the 14 community, and everything. Okay. So that's the 15 problem that we have, is because of the fact that this 16 never came to our office to have a physical meeting. 17 This was a Zoom, and the other eight people did not 18 get a chance to have a Zoom. Right is right and wrong 19 is wrong. 20 MR. WETZEL: Thank you very much. There was a 21 hand back there up earlier too. 22 MR. PARISSSE-FERRARINI: Yeah -- 23 MR. WETZEL: Go ahead. 24 MR. PARISSSE-FERRARINI: Good morning, everybody. 25 My name is Jordan Parisse-Ferrarini. I'm a</p>	<p style="text-align: right;">Page 49</p> <p>1 have a sound application, to be in a position to build 2 affordable housing within your community, and be a 3 black woman, all at the same time. I commend her for 4 getting here, and I'm in support of her getting past 5 here and moving forward. But I can't help myself but 6 feel concerned and just have a wondering of why. 7 I've sat here and seen a lot of applications come 8 through this process on Zoom, in person. I've been 9 blessed to take part of them over the last few years. 10 Something seems a little bit different about this 11 application to me though. It's not a sizable 12 application. This is six houses. I've seen 40, 50, 13 100 developers from all cultures, all walks of life, 14 approved -- no problem. A Black woman wants to build 15 affordable housing, and something in here seems a little 16 bit personal, to be honest with you, if you ask me. The 17 community meeting was had. She reached out to multiple 18 different RCOs. What was accepted was a Zoom hearing, 19 and that Zoom hearing took place. 20 Yulonda is personally going through some serious 21 matters right now with a death in the family, but I 22 just wanted to be here today to just kind of speak on 23 her behalf and just really ask us all here, what are 24 we doing? The mission of the Land Bank is to activate 25 public land for public use. The Mayor is committed to</p>

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<p style="text-align: right;">Page 50</p> <p>1 affordable housing. We talk all this diversity and 2 inclusion stuff. And I've seen time and time again 3 the difference between reality of talk of wanting 4 Black women in the trades and Black women in 5 development. Now we have an application from a Black 6 woman that's getting ready to get tabled for low 7 community attendance? Violent concerns, I could 8 understand and empathize with. So what -- is that 9 enough? Is that true justification? So I -- 10 MR. WETZEL: Yes. Others. You two as well. 11 Okay. 12 MR. BLATSTEIN: Hi, my name is Jeremy Blatstein. 13 How's Andrew speaking on this or part of this 14 discussion? That's my first question. 15 MR. GOODMAN: I don't understand your question. 16 MR. BLATSTEIN: Isn't Andrew Goodman working for 17 Jamie Gauthier? Is that not a conflict of interest? 18 That's my first question. Is that not a valid 19 question? 20 MR. GOODMAN: No, it is. For me, I don't have 21 any direct financial stake in this proposal. My job 22 status is not affected by the outcome of this vote. 23 MR. BLATSTEIN: Interesting. Okay. So when the 24 Land Bank votes on one of these projects like we just 25 heard, it has to go through the process. There's no</p>	<p style="text-align: right;">Page 52</p> <p>1 "You know what? We're going to have to make you wait 2 another month." Guess what? Time is money, and to 3 make her wait is a shame. And I really would -- it's 4 just a slap in the face to say, "Oh, you went through 5 this whole process, and then, you know what? Sorry, 6 this person wants us to hold it for them." So I just 7 want to -- thank you. 8 MR. AMBROISE: Trevian Ambroise. Good morning, 9 Chair. Good morning, Chair boards -- board members, 10 excuse me. My name is Trevian Ambroise. I'm the 11 Zoning and Planning Aide for Councilmember Jamie 12 Gauthier. I just want to reiterate on behalf of the 13 Councilmember that she is of course requesting this 14 motion to be tabled. As a Councilmember, but also as 15 an elected official, but also as a planner, the 16 Councilmember values genuine community engagement, and 17 this matter is very important. 18 Her support for Turn the Key is well documented, 19 and as this board knows, it's very important that when 20 engaging with community members that folks are 21 listened to, those concerns are heard publicly and 22 openly. Yes, there was a community meeting held via 23 Zoom. Yes, that meeting had low attendance. Yes, RCO 24 leaders were notified of this meeting quite late for 25 voting on the matter and tried to, on their own,</p>
<p style="text-align: right;">Page 51</p> <p>1 requirement for it to be an in-person meeting. Right? 2 The Zoom meeting is allowed. So is that correct? 3 MR. RODRIGUEZ: True. 4 MR. BLATSTEIN: So I want to make that point 5 order as well in terms of making sure of what happens. 6 Zoom is allowed. Secondly, in terms of what needs to 7 be happen, in terms of giving notification to the 8 neighbors, it is about handing out things to the 9 neighbors. Did that occur? 10 MR. RODRIGUEZ: Correct. 11 MR. BLATSTEIN: So in terms of what we hear now 12 this is a very personal issue that is coming down to 13 somebody else wanting land that is going to be put into 14 housing. And if at every point in time projects that 15 qualify for disposition get held up by people in the 16 neighborhood, we will never hit Mayor Parker's goal of 17 30,000 units, straight up. So it's just very 18 disconcerting to hear projects that are being put to the 19 board that qualify that are then getting tabled in the 20 name of community meetings, which isn't even the case 21 because they followed the rules. 22 So in terms of what we're doing -- fine, you want 23 to change the whole Land Bank process, do that. But 24 right now, what we have today is a woman who has put 25 her heart and soul into this. And you're telling her,</p>	<p style="text-align: right;">Page 53</p> <p>1 remediate that in some form or fashion. 2 Additionally, our office was able or attempted to 3 contact the applicant several occasions. I actually 4 had a conversation with her expressing the concern 5 that residents expressed to us. We at that time 6 agreed to possibly engage, recognizing that she was 7 dealing with personal matters, recognizing that it was 8 on her time and her schedule that we would be open to 9 continuing this process towards meeting. That is why 10 the Councilmember continues to advocate for tabling 11 this motion, but also for genuine community engagement 12 to be a part of this process which is so valid and so 13 important for publicly owned land, which is a resource 14 for, yes, achieving affordable housing, but also open 15 spaces and urban gardening and as well as other 16 community uses as well. Thank you for your time. 17 MS. KRISS: I have a question. 18 MR. AMBROISE: Yes. 19 MS. KRISS: Can you articulate how -- you said 20 that the notification was very late. What does that 21 mean? 22 MR. AMBROISE: So I would say that -- and so I'm 23 going to speak more on this for the RCO, for MCA. 24 Their response to it was kind of late. We were 25 notified of the application as soon as MCA sent it</p>

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<p style="text-align: right;">Page 54</p> <p>1 over to us. And we were actually notified by a near 2 neighbor who was very concerned with the application. 3 So this was about a month ago in November -- 4 MS. KRISS: Wait. The notification note is to 5 the near neighbors? 6 MR. AMBROSE: Yes. 7 MS. KRISS: And was that late? 8 MR. RODRIGUEZ: The notification is through a 9 geographic area. And they have to send a notification 10 to the ROOs because we are required, before we bring 11 anything, to post and notice ROOs. So all of that has 12 to happen. 13 MS. KRISS: Sure. So when you've said it was 14 late, what does that mean? 15 MR. AMBROISE: So when I'm saying that it was 16 late, I'm saying that we as an office was notified of 17 this process late. Okay. And so 20 days, yes, they 18 were notified, but we received that notification later 19 than that. And that was the near neighbors sending 20 that to us. 21 MS. KRISS: Within 20 days, you received that? 22 MR. AMBROISE: Roughly about 20 days, yes. I 23 would just simply say that once again, genuine 24 community engagement, a part of this process, is why 25 the Councilmember is advocating for this to be tabled.</p>	<p style="text-align: right;">Page 56</p> <p>1 it, would qualify for a side yard disposition because 2 the others are too large under the disposition policy. 3 MR. WETZEL: Did you mention -- go ahead. I'm 4 sorry. 5 MS. GONZALEZ: I'm sorry. I just want to say 6 that I think there are disparate opinions on this 7 particular agenda item, and it's very challenging, at 8 least for me, to make any decision because we don't 9 have the developer here. Everything that we're 10 hearing is hearsay from both sides. And I think it 11 will be helpful for us to get to making a decision if 12 the person was here and we can hear from her firsthand 13 as to what occurred and we can have an opportunity to 14 ask about the development and the engagement process. 15 MR. WETZEL: One more commenter. 16 MR. HARTSFIELD: Yes. How are you doing? 17 MR. WETZEL: Good morning. 18 MR. HARTSFIELD: This is Troy Hartsfield. I'm a 19 Philadelphia resident, born and raised. I am a 20 personal friend of Yulonda. She's not here because 21 her husband passed away. Next to me is her. I spoke 22 to her. She asked me to come down here personally. I 23 helped her with all of her real estate and deals that 24 she does. I'm not your typical individual that's 25 related with this process and things of that nature.</p>
<p style="text-align: right;">Page 55</p> <p>1 MS. KRISS: Can you help us understand what those 2 issues are? 3 MR. AMBROISE Yes. And so, for example, the 4 properties in question, particularly the 3500 block of 5 Wallace Street, there was concerns that community 6 members heard that this was a "community centered open 7 space", whereas the 700 blocks of 35th Street, there 8 were concerns, as the ROO representative for MCA 9 expressed, that there were differing visions for that 10 particular property. And so the office sought to 11 table this motion to engage in thoughtful 12 conversation as well as to make sure that ROOs would be 13 able to attend as well as wider group of folks and as 14 well as the office representatives. 15 MS. KRISS: It sounds like some of those issues 16 were addressed already and there is not a qualified 17 applicant to take some of those properties as side 18 yards. Is that correct? 19 MR. RODRIGUEZ: There were no applications prior 20 to standard process. When we look at it, it is to see 21 if there are any existing applications -- 22 MS. KRISS: And there were no existing 23 applications? 24 MS. SAH: I can speak to that -- I can say that 25 only one of the properties, which has no home next to</p>	<p style="text-align: right;">Page 57</p> <p>1 But one thing I can tell you is she's a rule follower. 2 She does not deviate whatsoever. If there was a 3 deadline, she made it. 4 I am familiar with the council representatives 5 reaching out to her. Every time that they contact 6 her, she contacts me. We're one and the same. So I 7 can assure you that they reached out, she reached 8 back. She consulted with different individuals about 9 whether or not it would be detrimental and things of 10 that nature, the whole nine yards. So yes, they did 11 reach out, but it was never a time to where though she 12 was unreachable, even while she's dealing with death. 13 Her husband passed away. They were together for 30 14 years when he passed away, right before her birthday. 15 So she's not here because of that. 16 And I think that she would agree that I can speak 17 on her behalf in regards to all these matters, because 18 every single thing that transpired, I was privy to the 19 information. So the councilwoman, some Gauthier, 20 someone like that, they reached out. Someone from her 21 office reached out in regards to these lots. I can 22 tell you that this is not her first application that 23 she put in. I personally went to these properties 24 with her. 25 Her first batch of lots that she attempted to</p>

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<p style="text-align: right;">Page 58</p> <p>1 get, she did all the process and then they told her, 2 "Oh, someone snagged these lots up." I personally 3 went back with her and we found lots that were 4 available. So I do not think it would be fair to then 5 go ahead and push her right back to square one again. 6 She's personally put out money to get new plans when 7 they told her that she needed to alter these plans and 8 things of that nature. So it's not just a time thing. 9 She has invested her money and everything. 10 And even while she's dealing with that, she still 11 asked me to be here. She's not just ignoring the 12 process. She is a person --- and I'll be honest, I'm 13 the one that I will go ahead and -- I'm the one that 14 don't follow rules. She does. She follows every 15 single rule to the letters. So I think it would be 16 doing a disservice for her as well as the community by 17 denying her the opportunity to build these affordable 18 houses. This is something that she looks forward to. 19 She doesn't want to do anything else besides this. 20 And whether it's these lots or any other lots, 21 she's going to do it, but I don't think that it's fair 22 -- and we've spoken about this situation numerous 23 times. I don't think it would be fair because these 24 lots, they belong to the Land Bank. The individual 25 that reached out, they weren't speaking about these</p>	<p style="text-align: right;">Page 60</p> <p>1 that they reached out. And she did not respond then 2 because as I told her husband just passed away, not 3 even a month. The funeral was just a week and a half 4 ago. So she didn't reach back out, I mean, for the 5 obvious reason. But she's never not responded to what 6 they asked her, even though there were individuals 7 that said that she -- 8 MR. BEAUVAIS: What did they ask her? 9 MR. HARTSFIELD: They were asking her to have 10 some sort of formal meeting. This was after the Zoom 11 meeting took place. So she inquired to -- and I'll 12 have to ask her exactly who she spoke to. I believe 13 me and Jordan. She said, "Okay. Do I need to speak 14 with these individuals? Because I've done 15 everything that I'm required to do." So she was doing 16 everything that the rules needed to do. She's not a 17 person that -- she didn't just go ahead and do 18 whatever she wanted to. Every time they reached out 19 to her, she reached out to Jordan and she reached out 20 to me. I mean, we even spoke to the mayor's 21 assistant. That's how far. 22 MR. BEAUVAIS: Thank you. Can I ask you a 23 question? 24 MR. HARTSFIELD: Yes. 25 MR. BEAUVAIS: I heard him say that the office</p>
<p style="text-align: right;">Page 59</p> <p>1 lots as if they were their lots. They're not their 2 lots. 3 MR. BEAUVAIS: I heard you said, correct me if 4 I'm wrong, that -- I heard rule follower. I heard you 5 also said that you sat down with the office, with 6 Jamie's office. 7 MR. HARTSFIELD: No. Her office continuously 8 reached out. She didn't reach -- 9 MR. BEAUVAIS: So she continually reached out -- 10 MR. HARTSFIELD: Their office. They were made 11 aware that she had this application. There was also 12 individuals present. So they said that they had 13 concerns from the community in regards to the lots 14 that she had put on hold with the Land Bank. She 15 spoke with them and there were communications between 16 -- 17 MR. BEAUVAIS: When you say them, meaning members 18 of Jamie Gauthier's office? 19 MR. HARTSFIELD: Yes. 20 MR. BEAUVAIS: So was it this -- 21 MR. HARTSFIELD: I don't know. I didn't see 22 anyone in person, but these were phone communication. 23 This was up until the other day. She told them that 24 she was dealing with death in the family, and they 25 still proceed to reach out. So that's the last time</p>	<p style="text-align: right;">Page 61</p> <p>1 reached out. 2 MR. HARTSFIELD: Yes. 3 MR. BEAUVAIS: And there was a conversation. 4 MR. HARTSFIELD: Yes. 5 MR. BEAUVAIS: I just want to know, is that your 6 understanding? 7 MR. HARTSFIELD: Yes. 8 MR. BEAUVAIS: Thank you. 9 MR. AMBROISE: So -- 10 MR. JOHNS: What was it? 11 MR. AMBROISE: But when we were notified from the 12 ROO of the lack of attendance, we reached out to Ms. 13 Yulonda, the applicant, for broader attendance at the 14 community meeting. We expressed that folks had concerns 15 there was low attendance, but that also there were 16 concerns with the lots in question. At that time, she 17 informed me of the passing of her husband through some 18 other instances or matter. And then it was in that 19 conversation that I said, as I said before, that we as 20 an office were ready and able when she was ready and 21 able to continue that process with community 22 engagement. 23 We continued to follow up with her as an objective. 24 And up until I think of this last week, we reached out 25 again to her because the matter was put on the Land</p>

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<p style="text-align: right;">Page 62</p> <p>1 Bank Board's agenda. And so that's the way we 2 continue to advocate for it, but also continue to make 3 sure that we were working with her time as opposed to 4 putting a date set. We wanted to make sure as she's 5 going through this process that we as an office are 6 ready and able to respond to her as best as we could. 7 MS. KRISS: I have one comment. So if the issue 8 is low attendance, it sounds like people just don't 9 have to go and then ask for us to table it and then 10 say, "Well, nobody came to the meeting." I mean, it's 11 kind of a disincentive to attend. And it doesn't 12 actually sound like there is a meaningful conversation 13 when there is the developer who would like to develop 14 these properties and there's clearly residents who do 15 not want them developed or have other claims on them 16 which we find are not legal. So I don't exactly know 17 what an additional meeting will accomplish. 18 MR. AMBROISE: Understand that. And part of the 19 process that the councilmember engages on, and not 20 just some of the matters regarding Land Bank 21 disposition, but other matters as well, is continuing 22 that process towards a genuine engagement, whether 23 that be an additional meeting, right, making sure that 24 other folks involved regarding notifying folks in 25 general -- excuse me -- regarding this process. Yes,</p>	<p style="text-align: right;">Page 64</p> <p>1 the same process. They have followed the same 2 community meeting instructions and guidelines as has 3 Ms. Paul and Exclusive Property Group. 4 I have personally shepherded every last one of 5 these developers working with the UDA, with BIA, and 6 with Black Squirrel's Philly RiSE. And I will say, of 7 all 23, Ms. Paul has been one of the most responsive, 8 professional, and teachable of all of those. Despite 9 having a tragic loss, in the middle of all this 10 process, we asked her to go above and beyond. 11 This board, at least the disposition review 12 committee, has asked her for additional floor plans. 13 And in the midst of all of the family tragedy that she 14 still dealing with she was able to provide all of those 15 in the middle of that -- in that middle of that tumult. 16 She has been professional. She has followed the 17 rules. She has met every guideline along the way. 18 And I appreciate you hearing her out in this particular 19 development. Thank you. 20 MR. WETZEL: So we're at a point, and I'm going 21 to ask and then we'll move from there, the Councilwoman 22 has asked us to consider table on this. Is anyone 23 prepared to make a motion to table this from the 24 board? 25 MR. DEMA: I'll make a motion.</p>
<p style="text-align: right;">Page 63</p> <p>1 it may have resulted in the similar outcome, but 2 certainly it's the attempt to try. 3 MR. WETZEL: Was yours an offer to facilitate? 4 MR. AMBROISE: No. 5 MR. WETZEL: No. Okay. I got you. 6 MR. JOHNS: And did the developer agree? 7 MR. AMBROISE: At that time, she said she was open 8 to having a conversation with the office, but because 9 of her husband's passing -- 10 MR. JOHNS: Sure. Right. 11 MR. AMBROISE: -- she wanted to make sure that she 12 was ready and able whenever we were ready and able to 13 work with her schedule as well, so. 14 MR. WETZEL: I think it's time to close this 15 discussion, to be honest with you, because we're going 16 to repeat the same thing. 17 MR. HESTAND: Board Chair, if I may. 18 MS. SAAH: The project manager would like to speak. 19 MR. HESTAND: As the senior project 20 development specialist for this, I'd like to point out 21 that over the course of the last three years, we have 22 23 new minority developers that have been approved by 23 this board and its predecessors. 23 have entered this 24 ecosystem, which is one of our goals in this 25 administration and previous one. All 23 have followed</p>	<p style="text-align: right;">Page 65</p> <p>1 MR. WETZEL: Is anyone willing to second that? 2 MS. GONZALEZ: I second. 3 MR. WETZEL: Motion has been made and properly 4 seconded to table this agenda item until the January 5 meeting. All in favor say aye. 6 (Aye.) 7 MR. WETZEL: Maybe we need a roll call. 8 MS. SAAH: Should we ask for nays? 9 MR. WETZEL: And opposed, nay. 10 MS. KRISS: Nay. 11 MR. JOHNS: Nay. 12 MR. BEAUVAIS: Nay. 13 MS. SAAH: So that's three to seven. Is that 14 right? Let's poll the Board, please. 15 MS. SAAH: Michael Johns. 16 MR. JOHNS: Aye. 17 MS. SAAH: Maria Gonzalez. 18 MS. GONZALEZ: Yes. 19 MS. SAAH: Jenny Greenberg. 20 MS. GREENBERG: Yes. 21 MS. SAAH: Andrew Goodman. 22 MR. GOODMAN: Yes. 23 MS. SAAH: Rebecca Lopez-Kriss. 24 MS. KRISS: Nay. 25 MS. SAAH: Mr. Wetzel.</p>

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<p style="text-align: right;">Page 66</p> <p>1 MR. WETZEL: Yes. 2 MS. SAAH: Cornelius Brown. 3 MR. BROWN: Nay. 4 MS. SAAH: Darwin Beauvais. 5 MR. BEAUVAIS: No. 6 MS. SAAH: Majeedah Rashid. 7 MS. RASHID: No. 8 MS. SAAH: So we have four nays to six ayes. 9 MS. KRISS: Six, four. 10 MS. SAAH: Let me see. Yes, six to four in 11 favor of tabling this agenda item - the motion carries. 12 MR. WETZEL: All right. Is there any old or new 13 business? Yes, sir. 14 MR. RUSHDY: Yeah. Just for public comment, I'm 15 again going to be expressing my frustration. This is 16 not a zoning board. There is not a -- there is not a 17 relief that is being asked here with these 18 applications. When someone submits a zoning 19 application, they're asking for relief. And so a 20 councilmember that sends a letter in is because 21 there's a relief that is being asked by the applicant. 22 In this case, there is no relief being asked. 23 When a qualified application is submitted, 24 especially -- well, I can't say that, but especially 25 when there's work that's being put with a lot of black</p>	<p style="text-align: right;">Page 68</p> <p>1 on even a proposal that meets the standard. 2 And it really is a disservice and a slap in the 3 face of this woman who's put her time and energy into 4 developing affordable housing for Philadelphia. And 5 you just told her, "You know what? Wait till after 6 Christmas." So I just really don't know how we move 7 forward and really build -- how do you get any new 8 people into this process if you just really -- thank 9 you. 10 MR. HARTSFIELD: Good question. So I just want 11 to get a clear understanding. So when you say table, 12 this means that's finalized. It will not happen 13 moving forward or -- I just want to have a clear 14 understanding as to what this outcome is. 15 MR. RODRIGUEZ: I think you bring up a good point 16 that the board should in that motion to table a set 17 standard for bringing the project back or because it's 18 not a determination that it was rejected or approved. 19 So what is the standard standards of bringing that 20 project back? 21 MR. WETZEL: Yeah, and I don't think we can do it 22 right now. 23 MS. KRISS: I don't think that is not -- if we 24 are not prepared to say what someone has to do, then 25 we cannot say no.</p>
<p style="text-align: right;">Page 67</p> <p>1 and brown developers in these neighborhoods, we today 2 have just done a young lady a disservice. This board 3 has done this today. Thank you. 4 MR. BLATSTEIN: Jeremy Blatstein. Yeah, I'm just 5 going to echo that. Right. I don't understand the 6 standard that's being set. And it's a very slippery 7 slope that's going to be set because if we're going to 8 allow things to get tabled because of community 9 meetings, I don't see how this board is going to be 10 able to pass anything. Right? You just set the worst 11 precedent ever that you're going to tell these RCOs to 12 not communicate with any developer. So I'm not sure 13 how you're going to go about that. 14 And the councilpeople's offices are now going to 15 be more involved and you're giving them an opportunity 16 to meddle in the Land Bank, straight up. And now 17 you're not going to be able to say, "Okay. Does the 18 person qualify?" You now are literally saying, "Does 19 the person qualify and do they have the approval of 20 the councilperson now?", which is not what the point 21 of this Philadelphia Land Bank is, and that is not 22 what the rules say. And I don't know how we move 23 forward to hit Mayor Parker's goal of 30,000 units if 24 every time there is a disagreement when it comes to 25 community engagement, this board is not going to vote</p>	<p style="text-align: right;">Page 69</p> <p>1 MR. BEAUVAIS: That's going to be tabled to the 2 next month. 3 MS. KRISS: Yeah, that's what -- 4 MR. RUSHDY: That's what I said. 5 MS. KRISS: But we didn't say that. 6 MR. RODRIGUEZ: -- community meeting and the same 7 letter submitted -- 8 MR. WETZEL: We'll have the judge make a decision 9 then. That's right. 10 MR. JOHNS: Wait a minute. I assumed that it 11 would be coming back next week. I was wrong. This is 12 why -- 13 MR. WETZEL: No, I'm assuming that it's coming 14 back next month. 15 MS. KRISS: Yes. 16 MR. WETZEL: There's no reason for it to not come 17 back. 18 MR. BROWN: But what needs to happen between now 19 and next month? 20 MR. WETZEL: A community meeting, I'd say. 21 MS. KRISS: But here's the thing. She's going to 22 have another committee meeting, and then the community 23 doesn't have to show up. And then if they're not 24 going to -- even if they did show up, this is just 25 going to be tit for tat back and forth because she</p>

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<p style="text-align: right;">Page 70</p> <p>1 wants to build, they don't want it to be built. 2 Right? This thing's very -- 3 MR. WETZEL: I don't know. 4 MS. KRISS: We do know. And also -- 5 MR. BEAUVAIS: Oh, in fairness, we don't know. 6 MR. WETZEL: We don't. 7 MR. BEAUVAIS: The letter is asking for, as we -- 8 what I just understand is that we just voted our first 9 split vote to make sure that we honor the 10 councilwoman's wishes. So I'm just -- 11 MR. RODRIGUEZ: To stipulate, the board's tabling 12 predicated on the rationale that's put forth by the 13 councilperson that another community meeting happens. 14 So therefore, a community meeting has to happen before 15 this board will consider it again. I'm looking for 16 direction because I have to tell my staff what to do 17 and the staff have to instruct the developer. If 18 we're just waiting until second week of June -- I 19 mean, January -- and it comes back but nothing's 20 changed, I mean, there has to be a -- there has to be 21 some direct -- 22 MR. WETZEL: The request for tabling was to have 23 another meeting. 24 MS. GONZALEZ: Correct. 25 MR. WETZEL: Correct me if I'm wrong.</p>	<p style="text-align: right;">Page 72</p> <p>1 looking for something at this meeting? Because I 2 don't want to just -- 3 MR. WETZEL: Here's my suggestion. The gentleman 4 back here who works for the councilwoman, can you work 5 with them to be clear what makes sense for a community 6 meeting? 7 MR. RODRIGUEZ: Mr. Chair, I would ask you not to 8 do that because there is a separation between this 9 body and this agency and the council office. You've 10 had these issues -- 11 MR. WETZEL: So let me make this simple. We're 12 asking another meeting happen? 13 MR. RODRIGUEZ: Correct. 14 MR. WETZEL: However you all figure it out, you 15 figure it out. 16 MS. GONZALEZ: Right. 17 MR. JOHNS: Right. 18 MR. HARTSFIELD: That's fine. And I don't mean 19 to be redundant, but I just want to be clear -- I just 20 want some real clarity. 21 MR. WETZEL: We did not reject. 22 MS. GONZALEZ: We did not reject. 23 MR. HARTSFIELD: I get that. So my thing is 24 this, okay, we have this meeting because the meeting 25 was going to take place. I was present at the meeting</p>
<p style="text-align: right;">Page 71</p> <p>1 MS. GONZALEZ: Correct. So -- 2 MR. WETZEL: So that's the criteria. 3 MR. RODRIGUEZ: Okay. 4 MS. GONZALEZ: And if no one attends that second 5 meeting -- 6 MR. WETZEL: That's too bad. 7 MS. GONZALEZ: -- that's too bad. Then, oh, 8 well, we make a decision. 9 MR. WETZEL: Yeah. 10 MR. JOHNS: That was why I voted, but other than 11 that, I vote to not -- 12 MR. WETZEL: The ask was to have another 13 community meeting. I think it's reasonable, correct 14 me if I'm wrong -- I made the same assumption -- 15 MS. GONZALEZ: Yes. 16 MR. WETZEL: -- that this was being tabled and 17 it'll be brought back and there'll be another 18 community meeting and we'll decide. If no one shows 19 up or everybody shows up, we'll make a decision then. 20 MS. GONZALEZ: Correct. 21 MR. WETZEL: We are not rejecting this applicant. 22 MR. HARTSFIELD: Is it a standard at this 23 meeting? Because the individuals who had the issue, 24 not the councilwoman, the community individuals, they 25 were present. So is there some sort of -- are we</p>	<p style="text-align: right;">Page 73</p> <p>1 and I heard the individuals of what their rights were. 2 We knew about the rights prior to the meeting. So we 3 had this meeting. Is there some sort of standard -- 4 is there something that we're looking for at this 5 meeting that did not take place at the last meeting? 6 Because we had this meeting, then we come back here 7 and then they're going to come say the same things. 8 What are we looking for? They are there. 9 Is it the sake of having to meet -- because to my 10 understanding, the councilwoman is separate from this. 11 She's representing that she's stepping up for the 12 individuals in the community. So to my understanding, 13 they don't personally have an issue with this. 14 They're representing the other individuals from the 15 community. There's a lady that was taking care of the 16 lot. We are privy to this information. So we already 17 know that there's gates up on it on three of the lots. 18 The lady's been taking care of the lots. We 19 understand it. I'm from Philadelphia, born and 20 raised. We understand it, but that doesn't make more 21 that she owns it. 22 So my thing is this. When we have this meeting, 23 is there some sort of standard that we must comply 24 with other than just having a meeting? Because other 25 than that, I don't see the purpose of tabling if we're</p>

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Exhibit A

**Board of Directors Annual Meeting
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<p style="text-align: right;">Page 74</p> <p>1 just going to have a meeting that these people are 2 going to come, it's going to be an argument. Okay. 3 They don't have a legal standard. That's my thing. 4 What are we following? Do we have some sort of legal 5 -- 6 MR. RODRIGUEZ: So let me address a couple of 7 things. Let's talk about this strategically. All 8 right? There is a benefit to being tabled. All 9 right? Had this board approved that, it could just 10 sit silently and I would have rejected in 60 days. 11 I'm just letting you know that is our process. The 12 community meeting and the standard for the community 13 meeting is for informational purposes only. At that 14 community meeting, and I think what we've heard 15 clearly is a level of attendance to say that there was 16 representation. I think at this point, notably, they 17 were saying, "Okay. ROO numbers were not 18 represented." I think you heard feedback about having 19 in person versus Zoom. 20 You have to determine whether you have to do 21 that. That's a business decision. At the meeting, 22 you will present your piece. They will give you 23 feedback. Again, it's an interim step. As a 24 developer and a business decision, you can take in 25 that feedback back and amend your application. You</p>	<p style="text-align: right;">Page 76</p> <p>1 illegally occupying the land does not have an 2 application and they don't own that land. You're 3 absolutely right on that point. I just want to 4 underscore that. But what we're talking about here, 5 repeat the process, pay attention to who's in 6 attendance, make sure that there's -- you can say 7 there was valid attendance. It doesn't mean the 8 content's going to be positive. It could be very 9 overwhelmingly negative, in which case you have to act 10 accordingly and the board will hear about it. 11 MS. KRISS: One other comment. I think you need 12 to document very clearly when did you send 13 notification about the meeting and how you advertise 14 the meeting. 15 MR. WETZEL: Who you send it to. 16 MS. KRISS: Right. I think it's just -- 17 MR. RODRIGUEZ: That's part of the package. 18 MS. KRISS: Right. I just -- 19 MR. HARTSFIELD: That was done. That's the 20 reason why I'm even representing it this way, because 21 there's a list of the community that we received. She 22 paid money to send these out to certified mail. So 23 everything that you guys -- that's the reason why I 24 was asking, because everything that you guys are 25 mentioning was already done.</p>
<p style="text-align: right;">Page 75</p> <p>1 can decide not to. And then it comes to the board. 2 It's for information purposes only. At that time 3 then, the community members have every right to write 4 up and inform Ms. Saah of their displeasure or just 5 they don't support your application. And then this 6 board will hear all of it and deliberate on the 7 decision. 8 So in terms of what you're required to do and 9 what we're hearing from the board is based on this, 10 you're going to have another community meeting. I 11 would press upon you to make sure that you have 12 attendance, and sometimes it's not the number but the 13 people who are in attendance, and that you hear what 14 they have to say. And then you will make a business 15 decision afterwards. Then that will mean that you 16 have complied and we will bring you back to the board 17 for consideration. That does not mean that you will 18 not get a list of letters in opposition, does not mean 19 that the councilmember will not issue another letter. 20 Right? So you have to understand that. So it's not 21 that this board has deliberated. It is about having 22 another meeting. There will be another piece to it. 23 Again, it's incumbent on you as representing the 24 developer, you have a series of business decisions to 25 make. Right? So you're absolutely right. Whoever's</p>	<p style="text-align: right;">Page 77</p> <p>1 MR. WETZEL: So here's what I'd like to bring 2 sort of closure for today because we're bringing this 3 back at our January board meeting for a vote. 4 MR. RODRIGUEZ: Yeah, you're going to have to 5 think about the schedule. 6 MR. WETZEL: Yes. 7 MS. KRISS: Yeah -- 8 MR. WETZEL: Right. I mean, that's our intent -- 9 MR. RODRIGUEZ: Yeah. 10 MR. WETZEL: -- right now. And I think Angel has 11 given you a roadmap to get to that point. We have 12 voted for dispositions where there's been oppositions 13 to them. So we're not asking them to sort of validate 14 your application. We're just asking that you have 15 that kind of meeting. And I think Angel is right, 16 there'll be some negative comments that come back to 17 us, but that has not deterred us from making the right 18 decision in the past. So that's what we're asking you 19 to do. 20 MR. HARTSFIELD: No problem. 21 MR. WETZEL: And I appreciate it. 22 MR. HARTSFIELD: I appreciate you -- 23 MR. BEAUVAIS: I understand she's not here. 24 MR. WETZEL: No, if she were here. 25 MR. BEAUVAIS: Yeah. Right. I think it is.</p>

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Exhibit A



**Board of Directors Annual Meeting
12/10/2024**

<p style="text-align: right;">Page 78</p> <p>1 MR. WETZEL: Listen, thank you. The Land Bank is 2 always interesting, if not frustrating at times, but I 3 do appreciate the board and the participation today. 4 MS. SPAH: Is there any other old business -- 5 MR. WETZEL: Oh, I'm sorry. I keep getting 6 reminded of this. Is there any other old business or 7 new business from the board. 8 MR. RODRIGUEZ: If I may, I'll make a comment. I 9 just want the board members to understand I'm not 10 saying this is not the way it's supposed to work. It is. 11 Sometimes you get it rough too. 12 MR. WETZEL: Yeah. I mean -- 13 MR. RODRIGUEZ: A lot of you haven't been through 14 the worst board meetings, but the fact of the matter 15 is that it happened. It happened in public. It's a 16 very good conversation to have. 17 MR. WETZEL: It is. 18 MR. RODRIGUEZ: And you should never question 19 your decision making. You deliberated, you made the 20 decision. It is what it is, and you move on from 21 that. 22 MR. WETZEL: Yeah. 23 MR. RODRIGUEZ: It's always sausage making it 24 through the process. Don't feel guilty -- 25 MR. JOHNS: I agree. I'm going to say I agree</p>	<p style="text-align: right;">Page 80</p> <p>1 publicly owned land, there's not a reuse plan that 2 we're sitting here. It's just sitting out there. I 3 mean, if we had engaged Councilmember and the planning 4 commission to sit down and say, "Here's the public 5 inventory in this district, we need to hold a 6 community meeting in each one of these areas because 7 people are using them. There may be gardens there and 8 stuff, but let's label stuff as available or reserved 9 for something or reserved for affordable housing so 10 11 that people don't go through this because it says it's 12 available when it really has maybe underlying issues 13 there that don't come out until disposition arises." 13 14 So to me, I think we need -- it's not this 15 board's job to do that necessarily. I think it would 16 benefit the city as a whole to have a thorough review 17 of the public inventory and categorize it into uses. 17 18 And if some of it is just not going to be available or 19 it's reserved for LIHTC projects, then somebody 20 looking at it knows it's not available. If we let 21 people get to the point they did today, we have an 22 obligation to deal with it because it's not their 23 fault that somebody may have been gardening something 24 or not their fault that somebody's been taking care of 25 something because on our website it was available. So 26 we need to think about that.</p>
<p style="text-align: right;">Page 79</p> <p>1 and -- I agree, but the senior project manager's 2 comments, I think they came after we voted. I don't 3 know if they -- but you're right. So that resonated 4 with me. You know what I mean? Because he literally 5 said she did everything -- 6 MR. RODRIGUEZ: I think this is why we have our 7 acquisition and disposition meeting; it was reviewed 8 by the committee. A suggestion was made. We did have 9 a conversation about cost. We know the impact, she did 10 choose to do spend that money, but I think there's 11 also an inference that this board should understand 12 that we follow a very prescriptive, very diligent 13 thing. 14 I don't bring projects to this board for 15 consideration if they haven't been checked again and 16 again. Nobody here wants a public session where, "Why'd 17 you bring it to the board?" That is not the case. So 18 I appreciate you stating that. The fact that Todd had 19 to say that to have impact, I think is really the 20 question. It's sort of like we are doing what we're 21 supposed to. We're qualified, but the question here is 22 this was a different issue. This is an X factor. 23 MS. GONZALEZ: And I think -- 24 MR. WETZEL: And I just want to say one of my 25 historic concerns though has been that for the</p>	<p style="text-align: right;">Page 81</p> <p>1 That's a message I want to share. I want to talk 2 to the administration and to some of the colleagues on 3 the board that work for Council. I think we would all 4 benefit from having a very tight inventory. So if 5 it's available, it's available, meaning there are no 6 issues in terms of its reuse. 7 MS. GONZALEZ: I don't know if that's possible. 8 MR. WETZEL: Well, even if you got halfway there, 9 it'd be better than what we have here. 10 MS. GONZALEZ: I think striving for best, I think 11 it will at least get us somewhat there. 12 MR. WETZEL: Yeah. 13 MS. GONZALEZ: And I think as difficult as this 14 decision was for the board on this situation, because 15 we do feel for the applicant, getting to move it to 16 the next -- to table it to the next board meeting, 17 it's not the worst. It gives an opportunity for the 18 community and to hear all voices on this particular 19 issue. And again, if the community chooses not to 20 participate, then that's on them, because ultimately 21 this board is going to make a decision. 22 MR. WETZEL: Yes. Thank you. Okay. Before we 23 get a motion to adjourn, I want to thank everyone. I 24 want to thank the committees and their chairs and I 25 want to thank everybody who's on the Land Bank Board.</p>

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Exhibit A

Board of Directors Annual Meeting
12/10/2024

<p style="text-align: right;">Page 82</p> <p>1 Because we won't be seeing each other until next year, 2 so I want to wish everyone a happy holiday season. 3 And thank you, thank you, thank you for being here. I 4 appreciate it. And to the public, thank you for being 5 here today. A motion to adjourn? 6 MR. JOHNS: So moved. 7 MR. WETZEL: Second? 8 MS. GONZALEZ: Second. 9 MR. WETZEL: All in favor, aye. 10 (Aye.) 11 MR. WETZEL: Thank you all. 12 (The meeting was adjourned.) 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 84</p> <p style="text-align: center;">CERTIFICATE OF TRANSCRIPTIONIST</p> <p>1 2 3 I, SAM TINEGA, Legal Transcriptionist, do hereby 4 certify: 5 That the foregoing is a complete and true 6 transcription of the original digital audio recording 7 of the testimony and proceedings captured in the 8 above-entitled matter. As the transcriptionist, I 9 have reviewed and transcribed the entirety of the 10 original digital audio recording of the proceeding to 11 ensure a verbatim record to the best of my ability. 12 I further certify that I am neither attorney for 13 nor a relative or employee of any of the parties to 14 the action; further, that I am not a relative or 15 employee of any attorney employed by the parties 16 hereto, nor financially or otherwise interested in the 17 outcome of this matter. 18 19 IN WITNESS THEREOF, I have hereunto set my hand 20 this 29th day of December, 2024. 21 22 23  24 Sam Tinaga 25</p>
<p style="text-align: right;">Page 83</p> <p style="text-align: center;">CERTIFICATE OF DIGITAL REPORTER</p> <p>1 2 3 I, AYANNA BETHEA THORPE, a Digital Reporter, do 4 hereby certify: 5 6 That the foregoing proceeding hereinbefore set 7 forth was accurately captured with annotations by me 8 during the proceeding. 9 10 I further certify that I am not related to any of 11 the parties to this action by blood or marriage, and 12 that I am in no way interested in the outcome of this 13 matter. 14 15 IN WITNESS THEREOF, I have hereunto set my hand 16 this 10th day of December, 2024. 17 18 19  20 Ayanna Bethea Thorpe 21 22 23 24 25</p>	

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Exhibit B

RESOLUTION NO. 2024 - 54

**RESOLUTION ACCEPTING PHILADELPHIA LAND BANK
AUDITED FINANCIAL STATEMENTS FOR YEAR ENDING JUNE 30, 2024**

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

WHEREAS, the Land Bank engaged the audit firm of Mercadien, P.C., Certified Public Accountants (“**Mercadien**”) to audit the Land Bank’s financial statements for Fiscal Year 2024;

WHEREAS, Mercadien has issued its Independent Auditor’s Report (attached to this Resolution); and

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

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

1. The Independent Auditor’s Report of the Philadelphia Land Bank issued by Mercadien, P.C., Certified Public Accountants for Year Ended June 30, 2024, is hereby accepted.
2. Land Bank staff is directed to submit the Auditor’s Report to the Department of Community and Economic Development and to Philadelphia City Council as required by the Land Bank Act.
3. This Resolution shall take effect immediately upon adoption by the Board.

Adopted by Philadelphia Land Bank Board of Directors on December 10, 2024.

Exhibit B

PHILADELPHIA LAND BANK
(A Component Unit of the City of Philadelphia,
Commonwealth of Pennsylvania)

Financial Statements
and
Supplementary Information

June 30, 2024

Exhibit B

PHILADELPHIA LAND BANK
(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

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Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of the financial performance of the Philadelphia Land Bank ("Land Bank") provides an overview of the Land Bank's significant financial activities for the fiscal years ended June 30, 2024 and 2023. Please read it in conjunction with the attached financial statements for a comprehensive understanding of the reports.

Overview and Use of the Financial Statements

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

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

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

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

The statements of revenues, expenses and changes in net position present information on how the Land Bank's net position at June 30, 2024 and 2023, is derived.

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

Basic Financial Statements

The Land Bank's audited statements of net position, statements of revenues, expenses and changes in net position, and statements of cash flows are presented on pages 12 through 14.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Assets

The Land Bank's total assets as of June 30, 2024, 2023 and 2022, consisted of the following:

	2024	2023	2022	\$ Change	% Change
<u>Current</u>					
Cash	\$ 7,182,513	\$ 1,786,614	\$ 2,320,716	\$ 5,395,899	302%
Accounts Receivable	3,587,798	3,346,042	2,259,271	241,756	7%
Prepaid Assets	17,821	11,000	-	-	62%
<u>Non-Current</u>					
Property Held for Development or Sale	32,633,217	37,562,758	30,017,607	(4,929,541)	-13%
Capital Assets	18,968	26,125	7,674	(7,157)	-27%
	<u>\$ 43,440,317</u>	<u>\$ 42,732,539</u>	<u>\$ 34,605,268</u>	<u>\$ 707,778</u>	<u>2%</u>

2024

Total assets as of June 30, 2024, reflected a net increase of approximately \$708 thousand (2%) from the prior year. In the current year, the Land Bank acquired one property through sheriff sales and added one hundred three (103) properties from other sources. Property held for development or sale accounts for approximately 75% of total assets, with a valuation of approximately \$32.6 million. The Land Bank sold two hundred (200) properties during the fiscal year. The Land Bank continues to utilize the City's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties. This methodology will be reassessed in the subsequent year; the Land Bank did evaluate and record an impairment allowance to adjust the values of properties valued at \$10,000 or less, for which the transfer of ownership may be prohibitive, to reflect changing/current market conditions beyond the pricing model.

Total properties acquired and the entity of origin as of June 30, 2024, 2023 and 2022, consisted of the following:

	2024	2023	2022
<u>Properties Acquired</u>			
PHDC	3	2	-
PRA	46	57	12
City of Philadelphia (Public Properties)	54	121	-
Sheriff Sales	1	-	-
Private	-	1	-
Total Properties	<u>104</u>	<u>181</u>	<u>12</u>

Cash on hand increased by approximately 302% from June 30, 2023, to approximately \$7.2 million. Accounts receivable accounted for approximately 8% of total assets.

The receivable balance of approximately \$3.6 million includes \$3.3 million pertaining to 132 Vacant Property Review Committee ("VPRC") purchase money mortgages.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Assets (Continued)

2023

Total assets at June 30, 2023, reflected a net increase of approximately \$8.1 million (23%) from the prior year. The Land Bank made no acquisitions in the current year through sheriff sales but added one hundred eighty-one (181) properties from other sources. Property held for development or sale accounts for approximately 88% of total assets with a valuation of approximately \$37.6 million. The Land Bank sold one hundred eighty-three (183) properties during the fiscal year. The Land Bank continues to utilize the City's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties. This methodology will be reassessed in the subsequent year; the Land Bank did evaluate and record an impairment allowance to adjust the values of properties valued at \$10,000 or less, for which transfer of ownership may be prohibitive, to reflect changing/current market conditions beyond the pricing model.

Cash on hand decreased by approximately 23% from June 30, 2022, to approximately \$1.8 million. Accounts receivable accounted for approximately 8% of total assets.

The receivable balance of approximately \$3.4 million includes \$2.7 million pertaining to 116 Vacant Property Review Committee ("VPRC") purchase money mortgages.

Liabilities

The Land Bank's total liabilities as of June 30, 2024, 2023 and 2022, consisted of the following:

<u>Liabilities</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
<u>Current</u>					
Accounts Payable	\$ 402,467	\$ 503,395	\$ 539,196	\$ (100,928)	-20%
Escrows Payable	219,991	197,391	166,289	22,600	11%
Accrued Liabilities	385,768	226,899	218,063	158,869	70%
Compensated Absences	172,433	151,487	183,852	20,946	14%
Unearned Revenue	4,500,000	1,500	-	4,498,500	0%
	<u>\$ 5,680,659</u>	<u>\$ 1,080,672</u>	<u>\$ 1,107,400</u>	<u>\$ 4,599,987</u>	<u>426%</u>

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Liabilities (Continued)

2024

As of June 30, 2024, total liabilities increased by approximately \$4.6 million (426%), remaining at approximately \$5.7 million. Liabilities primarily consist of:

- Accounts payable obligations of approximately \$402 thousand, which are primarily due to timing differences from the recording of vendor invoices.
- Escrow payables increased by approximately \$23,000. Land Bank received twenty security escrow deposits totaling \$39,600 which will be repaid to the developers upon the issuance of construction completion certificates.
- Accrued administrative expenses and contractual obligations as of June 30, 2024, were approximately \$386 thousand.
- Compensated absences increased by approximately 14% to \$172 thousand as the Land Bank's staff accrued more time than they used.
- Unearned revenue of \$4.5 million, which consists of funds received from the City of Philadelphia, by the Land Bank for Fiscal Year 2025 land and garden acquisitions.

2023

As of June 30, 2023, total liabilities decreased by approximately \$26 thousand (2%), remaining at approximately \$1.1 million. Liabilities primarily consist of:

- Accounts payable obligations of approximately \$503 thousand which is primarily timing differences from recording of deed payments.
- Escrow payables increased by approximately \$31,000. Land Bank received twelve security escrow deposits totaling \$39,950 which will be repaid to the developers upon the issuance of construction completion certificates.
- Accrued administrative expenses and contractual obligations as of June 30, 2023, were approximately \$227 thousand.
- Compensated absences decreased by approximately 18% to \$151 thousand as the Land Bank's staff accrued less time than they used.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Revenues

The Land Bank's total revenues for the years ended June 30, 2024, 2023 and 2022, consisted of the following:

	2024	2023	2022	\$ Change	% Change
<u>Revenues applicable to:</u>					
City of Philadelphia	\$ 3,500,000	\$ 3,001,410	\$ 3,001,814	\$ 498,590	17%
(Loss) gain on land sales	(13,920,893)	(2,122,971)	820,764	(11,797,922)	0%
	<u>\$ (10,420,893)</u>	<u>\$ 3,001,410</u>	<u>\$ 3,001,814</u>	<u>\$ (13,422,303)</u>	<u>-447%</u>

2024

In Fiscal Year 2024, total revenue decreased due to increase in loss on land sales.

As the Land Bank continues to record the transfer of incoming properties from other City land holding agencies, donated property revenue is generated to offset the recording of assets on the Land Bank's statement of net position. These are synthetic transactions with no offsetting consideration. Consequently, in the initial year when properties are first recorded, revenue artificially increases the Land Bank's net position. During Fiscal Year 2024, two hundred (200) properties were sold with most of them below market value with and/or without subsidy generating net sales proceeds of approximately \$419 thousand, the book value of these properties was approximately \$15.2 million resulting in an annual operating loss of approximately \$14.8 million. This loss on land sales was netted with revenues recognized in the amount of \$866 thousand for proceeds received on the sale of properties for which purchase money mortgage receivables were held.

2023

In Fiscal Year 2023, total revenue was consistent with prior year.

As the Land Bank continues to record the transfer of incoming properties from other City land holding agencies, donated property revenue is generated to offset the recording of assets on the Land Bank's statement of net position. These are synthetic transactions with no offsetting consideration. Consequently, in the initial year when properties are first recorded, revenue artificially increases the Land Bank's net position. During Fiscal Year 2023, one hundred eighty-three (183) properties were sold with most of them below market value with and/or without subsidy generating net sales proceeds of approximately \$328 thousand, the book value of these properties was approximately \$3.18 million resulting in an annual operating loss of approximately \$2.85 million. This loss on land sales was netted with revenues recognized in the amount of \$725 thousand for proceeds received on the sale of properties for which purchase money mortgage receivables were held.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Expenses

The Land Bank's total expenses for the years ended June 30, 2024, 2023 and 2022, consisted of the following:

	2024	2023	2022	\$ Change	% Change
Personnel	\$ 2,354,026	\$ 1,827,896	\$ 1,657,047	\$ 526,130	29%
Office rental	-	(55,476)	-	55,476	0%
Outside service fees	1,283,895	1,313,527	1,136,857	(29,632)	-2%
Depreciation and amortization	166,850	141,691	92,445	25,159	18%
	<u>\$ 3,804,771</u>	<u>\$ 3,227,638</u>	<u>\$ 2,886,349</u>	<u>\$ 577,133</u>	<u>18%</u>

2024

Total operating expenses increased by approximately \$577 thousand (18%) driven primarily by personnel costs and outside service fees. For Fiscal Year 2024, 34% of total expenses incurred pertained to outside contracts and service fees which include primarily legal fees and claims \$62 thousand, insurance \$531 thousand, \$585 thousand of property maintenance costs and \$105,000 for other administrative and technology expenses. Personnel expenses increased by 29% to \$2.4 million. Personnel at June 30, 2024, includes eighteen (18) full-time assigned staff compared to nineteen (19) in Fiscal Year 2023. An indirect allocation of \$293,000 for support staff expenses from PHDC as approved by the inter-agency memorandum of understanding continues to be applied.

For Fiscal Year 2024, the Land Bank did not receive a pro rata allocation of its office rental lease space. The full obligation of the rental of the 16th floor was paid entirely by PHDC. As PHDC reports consolidated budgetary and expenditure information to its stakeholders, in a consolidated format, PHDC management made the determination to exclude the annual lease obligation as part of the annual Land bank budget and reverse out any prior year accruals.

2023

Total operating expenses increased by approximately \$341 thousand (12%) driven primarily by personnel costs and outside service fees. For Fiscal Year 2023, 41% of total expenses incurred pertained to outside contracts and service fees which include primarily legal fees and claims \$64 thousand, insurance \$540 thousand, \$513 thousand of property maintenance costs and \$212,000 for other administrative and technology expenses. Personnel expenses increased by 10% to \$1.8 million. Personnel at June 30, 2023, includes nineteen (19) full-time assigned staff compared to seventeen (17) in Fiscal Year 2022. An indirect allocation of \$93,387 for support staff expenses from PHDC as approved by the inter-agency memorandum of understanding continues to be applied.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Net Position

2024

The Land Bank's net position for Fiscal Year 2024 is derived from the difference between operating and non-operating revenues and expenses. As of June 30, 2024, the Land Bank's net position of \$37,759,658 represents approximately one hundred sixteen percent (116%) of the value of the 2,427 properties held for development or sale, net of reserves totaling \$32,633,217. The change from the prior year was primarily due to the net loss on land sales and gain on donated property, which totaled a combined loss of \$3.7 million. In subsequent years, the Land Bank's net position surplus or deficit will be contingent on the number of properties the Land Bank acquires and disposes of, as well as on changes to the City's land disposition policy.

2023

The Land Bank's net position is derived for Fiscal Year 2023 by the difference between operating and non-operating revenues and expenses. Through June 30, 2023, the Land Bank's net position of \$41,651,867 represents approximately one-hundred and eleven percent (111%), the value of the 2,524 Land Bank properties held for development or sale net of reserves totaling \$37,562,758. The change from the prior year was primarily due to the net loss on land sales and gain on donated property that totaled \$7 million combined. In subsequent years the Land Bank's net position surplus/deficit will be contingent on how many properties the Land Bank acquires and disposes of and changes to the City's land disposition policy.

Alternative Funding

The Land Bank has been the recipient of funds made available directly or indirectly from the City to support the Land Bank's operations since its origination. As property is transferred into the Land Bank and tax foreclosure properties are acquired, the Land Bank strives to reduce the dependency on the City subsidy and the Land Bank will continue to strive to reduce the financial dependency on the City.

Notes to the Financial Statements

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

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Issues That May Have a Significant Impact

For the close of Fiscal Year 2024, two events occurred that had a significant impact on the operations of the Land Bank.

First, the sheriff's sales continued to be suspended for the fourth year in a row; second, the City of Philadelphia and City Council's "Turn the Key" program started to deliver completed single-family homes for sale to households at or below 100% of Area Median Income.

The Land Bank has resumed hosting public meetings in person to satisfy legislative requirements for the disposition of public property.

Sheriff's sales for municipal tax liens did not resume in Fiscal Year 2024. They did resume in July of Fiscal Year 2025. The Land Bank is currently working with the Sheriff's Office to review the fee structure, adherence to the revised Land Bank Ordinance regarding priority bids (which provides new requirements and provisions for notice of the Land Bank's intention to acquire property at sheriff's sales utilizing its priority bid), and how the Land Bank will interface with Bid4Assets, the selected vendor hosting and operating the new online platform for municipal tax lien sales. For Fiscal Year 2024, the Land Bank did not acquire any tax-delinquent properties.


For Fiscal Year 2024, the City of Philadelphia and City Council approved a third tranche of \$100 million of the \$400 million bond issuance. As part of that bond issuance, money was allocated for the Turn the Key program (TTK). The Turn the Key program is a subsidy directed at first-time homebuyers; this program is to work in conjunction with increased affordable housing production by the Land Bank.

The Land Bank continues to bring approved Requests for Proposals (RFP) and unsolicited developers to settlement. By the close of Fiscal Year 2024, the Land Bank approved the development of 724 units of affordable housing for homeownership on undeveloped publicly owned land; 460 (64%) of those housing units are either complete or under construction.

- 100 TTK homes went to settlement and are occupied.
- TTK average monthly payment for a 3-bedroom home: \$1,353 (average cost of rent in Philly for a 2-bedroom apartment is \$1,800).
- Average annual income of TTK homebuyers: \$45,000.
- Average TTK homebuyer credit score: 600.
- Average TTK homebuyer earns 57% of Area Median Income.
- Average hours of free housing counseling provided to set TTK homebuyers up for success: 8.
- Average sales price of a home in Philadelphia: over \$300,000.
- Average TTK home price before grants and buydowns: \$280,000.
- Average TTK final home price after grants and buydowns: \$183,499.

Sincerely,


Angel Rodriguez
Executive Director


April Samuels
Vice President Finance & Construction

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Exhibit B

INDEPENDENT AUDITORS' REPORT

Exhibit B



INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Philadelphia Land Bank (the "Land Bank"), a Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania (the "City"), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which comprise the Land Bank's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Land Bank as of June 30, 2024 and 2023, and the changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Land Bank and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Land Bank's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Exhibit B

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Land Bank's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Land Bank's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Exhibit B

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2024, on our consideration the Land Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Land Bank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Land Bank's internal control over financial reporting and compliance.

Mercadier, P.C.
Certified Public Accountants

October 15, 2024

Exhibit B

BASIC FINANCIAL STATEMENTS

Exhibit B

PHILADELPHIA LAND BANK
(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

STATEMENTS OF NET POSITION
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Current Assets		
Cash	\$ 7,182,513	\$ 1,786,614
Accounts Receivable, net of allowance for doubtful accounts	3,587,798	3,346,042
Prepaid Assets	17,821	11,000
Total Current Assets	<u>10,788,132</u>	<u>5,143,656</u>
Noncurrent Assets		
Property Held for Development or Sale, net of reserve	32,633,217	37,562,758
Capital Assets, net of accumulated depreciation	18,968	26,125
Total Noncurrent Assets	<u>32,652,185</u>	<u>37,588,883</u>
Total Assets	<u>\$ 43,440,317</u>	<u>\$ 42,732,539</u>
Liabilities		
Current Liabilities		
Accounts payable	\$ 402,467	\$ 503,395
Escrows payable	219,991	197,391
Accrued liabilities	385,768	226,899
Compensated absences	172,433	151,487
Unearned revenue	4,500,000	1,500
Total Current Liabilities	<u>5,680,659</u>	<u>1,080,672</u>
Total Liabilities	<u>5,680,659</u>	<u>1,080,672</u>
Net Position		
Net investment in capital assets	32,652,185	37,588,883
Unrestricted	5,107,473	4,062,984
Total Net Position	<u>37,759,658</u>	<u>41,651,867</u>
Total Liabilities and Net Position	<u>\$ 43,440,317</u>	<u>\$ 42,732,539</u>

See notes to financial statements.

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Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues		
Revenues applicable to:		
City of Philadelphia	\$ 3,500,000	\$ 3,001,410
Total Operating Revenues	<u>3,500,000</u>	<u>3,001,410</u>
Operating Expenses		
Personnel	2,354,026	1,827,896
Office rental	-	(55,476)
Outside services fees	1,283,895	1,313,527
Depreciation and amortization	166,850	141,691
Total Operating Expenses	<u>3,804,771</u>	<u>3,227,638</u>
Operating Loss	<u>(304,771)</u>	<u>(226,228)</u>
Net loss on land sales	(13,920,893)	(2,122,971)
Contributed land	10,228,490	10,456,180
Miscellaneous fees	104,965	47,018
Total Non-Operating Revenues	<u>(3,587,438)</u>	<u>8,380,227</u>
Changes in Net Position	(3,892,209)	8,153,999
Net Position, Beginning of year	41,651,867	33,497,868
Net Position, End of year	<u>\$ 37,759,658</u>	<u>\$ 41,651,867</u>

See notes to financial statements.

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Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Receipts from contracts with the City of Philadelphia and other agencies	\$ 8,716,229	\$ 3,714,477
Payments to employees for wages and benefits	(1,446,413)	(1,301,419)
Payments to suppliers for other costs	(3,056,328)	(3,622,094)
Net cash from operating activities	<u>4,213,488</u>	<u>(1,209,036)</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from sale of property held for development or sale	<u>1,182,412</u>	<u>674,933</u>
Net cash from capital and related financing activities	<u>1,182,412</u>	<u>674,933</u>
Net Change in Cash	5,395,900	(534,103)
Cash, Beginning of year	<u>1,786,613</u>	<u>2,320,716</u>
Cash, End of year	<u>\$ 7,182,513</u>	<u>\$ 1,786,613</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating loss	\$ (304,771)	\$ (226,228)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization	166,850	141,691
Changes in operating assets and liabilities:		
Accounts receivable	(241,756)	(1,086,771)
Prepaid assets	(6,822)	(11,000)
Accounts payable	(100,928)	(35,801)
Accrued liabilities	158,869	8,836
Unearned revenue	4,498,500	1,500
Escrow payable	22,600	31,102
Compensated absences	20,946	(32,365)
Net Cash from Operating Activities	<u>\$ 4,213,488</u>	<u>\$ (1,209,036)</u>

See notes to financial statements.

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Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Reporting Entity

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

The Land Bank's mission is to return vacant and tax delinquent property to productive reuse. The Land Bank consolidates many of the land acquisition and disposition processes of the City of Philadelphia, Commonwealth of Pennsylvania (the "City") under one umbrella, making it easier for private individuals and organizations to acquire properties that contribute to neighborhood disinvestment and turn them into assets for the community in which they are located. The Land Bank possesses a number of tools that enable it to help return derelict properties to productive use. The Land Bank:

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

The Land Bank is governed by a board of directors composed of eleven members, five appointed by the Mayor and five by City Council, with the eleventh appointed by the other ten board members. All board members' terms end with the end of the administration and Council's term in January 2024, although they will serve until they are replaced. Members serve at the pleasure of their appointing authority.

Financial Reporting

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

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

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

Related Party and Memorandum of Understanding

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

Component Unit

The City considers the Land Bank as a component unit of the City, with its annual financial information being consolidated into the City's Annual Comprehensive Financial Report ("ACFR").

Measurement Focus and Basis of Accounting

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

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

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

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

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

Measurement Focus and Basis of Accounting (Continued)

widely recognized and prevalent in state and local government; literature of other professional associations or regulatory agencies; and accounting textbooks, handbooks and articles.

Use of Estimates

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

Cash

For purposes of the statements of cash flows, the Land Bank considers short-term investments that have original maturities of ninety days or less to be cash.

Accounts Receivable

Accounts receivable generally represent amounts due under terms of grants and contracts for expenditures incurred or services provided prior to year end. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off. The Land Bank had no such balances at June 30, 2024. See Note D.

Revenue Recognition - Government Grants and Contracts

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

Property Held for Sale

Property held for development or sale will be stated at the lower of the cost of acquisition (or equivalent valuation) or an impaired value, which reflects the land/property true valuation in accordance with GASB Statement No.'s 34, 42 and 72. This methodology will be applied to long-held vacant properties, as well as units recently acquired for sale. As of June 30, 2023, the Land Bank owned 2,527 total properties, 685 acquired from PHDC, 1,080 acquired from the City's Department of Public Property, 177 acquired from the PRA, 585 from sheriff sale, and one private acquisition. As of June 30, 2024, the Land Bank owned 2,708 total properties, 687 acquired from PHDC, 1,202 acquired from the City's Department of Public Property, 234 acquired from the PRA, 585 from sheriff sale, and one private acquisition. The Land Bank utilizes the City's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties as the equivalent of the cost of acquisition. This methodology will be reassessed in 2024, coupled with consideration for adjusting the impairment allowance if the Land Bank maintains ownership of these properties for an extended period of time.

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Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

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

Inventory (Property) Impairment Reserve Account

The Land Bank utilizes the City's Office of Property Assessment pricing model to determine the valuation "pricing" of its properties as the equivalent of the cost of acquisition. Prior to the current fiscal year, the Land Bank has not attempted to adjust its property valuation to reflect changing/current market conditions. A large tranche of properties the Land Bank maintains interest in are in economically and geographically challenged locations, sometimes prohibiting the easy transfer of ownership. Accordingly, the valuations of these properties are unlikely to appreciate thus inflating the Land Bank's statements of net position. Effective July 1, 2018, the following methodology was adopted to more accurately account for potential property value impairment. A fifteen (15) percent contra asset impairment account reserve was set up by the Land Bank (as a provision for the potential future loss of market value of its property inventory portfolio at the end of the reporting period). This methodology was applied to all properties in the inventory with a book value of \$10,000 or less. A corresponding reduction in current year revenue was recorded in the Land Bank's statements of revenues, expenses, and changes in net position.

Capital Assets and Depreciation

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

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

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

Compensated Absences

Land Bank staff are employed by PHDC and accrue leave time in accordance with PHDC personnel policies. PHDC employees accumulate sick and vacation time in accordance with their applicable contracts. Employees are not compensated for unused sick leave upon termination unless termination is due to retirement. Retiring employees are entitled to 30% of their accumulated sick time. Employees may carry over unused vacation on January 1 of each year, up to 525 hours. Compensated absences are accrued when incurred and reported as a liability. A corresponding entry is recorded to accounts receivable, since all such amounts are reimbursable by the respective agencies. The accrued liability for compensated absences is also reflected in PHDC's financial statements.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

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

Other Post-employment Benefits

On behalf of Land Bank, PHDC accounts for other post-employment benefits under GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires governmental agencies to recognize an expense under the accrual basis for the annual required other post-employment benefits contributions, regardless of amounts paid into the plan annually. The cumulative difference between amounts expensed and paid creates a liability (asset) similar to net pension obligations. For the years ended June 30, 2024 and 2023, the Land Bank did not incur costs for other post-employment benefits.

Net Position

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

Income Taxes

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

B. BUDGETARY INFORMATION

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

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

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

C. CASH AND CASH EQUIVALENTS

Legal and Contractual Restrictions

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

Analysis of Custodial Credit Risk

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

D. ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2024 and 2023, are as follows:

	2024	2023
Private Developers	\$ 115,000	\$ 115,000
Purchase Money Mortgages	3,332,535	2,674,077
Other	140,263	556,965
	<u>\$ 3,587,798</u>	<u>\$ 3,346,042</u>

The Vacant Property Review Committee ("VPRC") program is administered directly by Land Bank staff coordinating the disposition of City-owned properties. Effective April 2018, the Land Bank processes all VPRC sales and directly collects the sales proceeds. Previously, PRA would administer the process and the Land Bank would receive the net sales proceeds. The purchase money mortgages ("PMM") receivable will likely be unrealized and the expense is being amortized over the life of the mortgage. Amortization expense was \$159,693 and \$137,193 for the years ended June 30, 2024 and 2023, respectively.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

E. NONCURRENT ASSETS

Noncurrent assets consist of property held for development or sale and capital assets. Property held for development or sale and capital asset activity as of June 30, 2024 and 2023, was as follows:

	<u>2024</u>	<u>2023</u>
Property held for development or sale	\$ 33,791,997	\$ 38,785,769
Property reserve	(1,158,780)	(1,223,010)
Total property held for development or sale	<u>\$ 32,633,217</u>	<u>\$ 37,562,759</u>
Computers and equipment	\$ 75,767	\$ 75,767
Furniture and equipment	2,870	2,870
Vehicles	<u>19,905</u>	<u>19,905</u>
Total capital assets	98,542	98,542
Less - accumulated depreciation	<u>(79,574)</u>	<u>(72,417)</u>
Total capital assets	<u>\$ 18,968</u>	<u>\$ 26,125</u>

Depreciation expenses for capital assets were \$7,157 and \$4,499 for the years ended June 30, 2024 and 2023, respectively.

F. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at June 30, 2024 and 2023, consist of the following:

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 402,467	\$ 503,395
Escrows payable	219,991	197,391
Accrued administrative expenses	385,768	226,899
Compensated absences	172,433	151,487
Unearned revenue	<u>4,500,000</u>	<u>1,500</u>
	<u>\$ 5,680,659</u>	<u>\$ 1,080,672</u>

G. RELATED-PARTY TRANSACTIONS

Related parties of the Land Bank include the City, PHDC and the PRA. Net accounts payable and accounts receivable were \$528,902 and (\$204,368) with all three entities as of June 30, 2024 and 2023, respectively. Substantially all assets, liabilities, revenues and expenses as of and for the years ended June 30, 2024 and 2023, are included under and dependent upon contracts and management agreements with the City and its agencies. Liabilities are included in the accounts payable and accounts receivable line items in the statements of net position. Transactions include City budget appropriation revenue, PHDC allocated staff payroll, and rental of PHDC office space.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

H. PENSION PLAN

Plan Description

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

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

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

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

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

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

H. PENSION PLAN (CONTINUED)

Contributions Required and Made

PHDC employees were required to pay 3.66% (4.66% if hired after September 9, 2014), 5.29% (6.29% if hired after September 9, 2014), 4.17% (4.64% if non-represented), and 2.60% (3.49% if non-represented) of their gross earnings to the pension plan for the Y Plan, Y5 Plan, S16 Plan, and 10 Plan, respectively, for 2024. For 2023, they were required to pay 3.63% (4.63% if hired after September 9, 2014), 4.61% (5.61% if hired after September 9, 2014), 4.14% (4.52% if non-represented), and 2.44% (2.93% if non-represented) of their gross earnings to the pension plan for the Y Plan, Y5 Plan, S16 Plan, and 10 Plan, respectively. Employees of the higher DC-33 Plan pay based on a tiered system.

PHDC was required to contribute at actuarially determined rates, which were 671.689% and 546.364% of covered payroll for the J Plan in 2024 and 2023, respectively, and 13.679% and 12.440% of covered payroll for the Y Plan in 2024 and 2023, respectively. PHDC contributed 2.530% and 2.553% of covered payroll for Plan 16 in 2024 and 2023, respectively. PHDC makes quarterly payments to the City PERS within 30 days of the end of each quarter. The Land Bank employees are, by default, primarily PHDC employees assigned to the Land Bank. PHDC records all retirees' expenditures—pension and fringe. The Land Bank doesn't recognize any liability or deferred inflows or outflows of resources for retirees since they are PHDC employees and are reflected in PHDC's financials. The Land Bank reimbursed PHDC for \$79,648 and \$68,664 in pension-related expenses for the years ended June 30, 2024, and 2023, respectively. There were no eligible J Plan employees in 2024.

I. RISK MANAGEMENT

The Land Bank is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Land Bank carries insurance. The Land Bank is not currently a named defendant in any pending lawsuits.

J. PURCHASE MONEY MORTGAGES

The Land Bank has the authority to enter into PMM agreements with potential property buyers to subsidize the agreed purchase price which consequently protects the Land Bank's financial interest. These PMMs are self-amortizing over a period of ten years. Amortization expense was \$159,693 and \$137,193 for the years ended June 30, 2024 and 2023, respectively. The Land Bank will recognize the PMM as a receivable and revenue in the agreement year and amortize annually, until forgiven. Upon default, the PMM principal and accrued interest calculated at 4% annually, is due in full immediately. The Land Bank recorded new PMM receivables of \$866,483 in Fiscal Year 2024 and the June 30, 2024 and 2023, ending balances were \$3,332,535 and \$2,674,077, respectively.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

NOTES TO FINANCIAL STATEMENTS

K. POST-EMPLOYMENT BENEFIT PLAN OTHER THAN PENSION ("OPEB")

Plan Description

In addition to pension benefits, Land Bank staff can participate in other post-employment medical, prescription drug, dental, vision and life insurance benefits for retired employees through provisions of City ordinances, civil service regulations, and agreements with its various employee bargaining units (the "Plan"). The Plan is considered to be a single employer, defined benefit OPEB Plan. PHDC provides medical, prescription drug, dental and vision benefits for five years after retirement. PHDC also provides life insurance of \$6,000 until the death of the retiree. Substantially all of PHDC's employees may become eligible for those benefits if they reach normal retirement age while working for PHDC.

PHDC pays the full cost of coverage for these benefits, except for a co-payment for major medical insurance that is based on the coverage selected by retirees in the Plan. The Plan does not issue a stand-alone financial report. All reporting and disclosures pertaining to OPEB are reflected in PHDCs financial accounts.

Funding Policy

PHDC is funding plan benefits on a pay-as-you-go basis. Land Bank is not obligated to contribute to the Plan.

Exhibit B

SUPPLEMENTARY INFORMATION

Exhibit B

PHILADELPHIA LAND BANK
(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

SCHEDULE OF PAYMENTS TO OTHER CITY AGENCIES

Philadelphia Housing Development Corporation (PHDC)

Labor & reimbursable expenses	
Labor expenses	\$ 292,786
Fringe benefits	490,995
Overhead (parking, phone service, etc.)	<u>12,697</u>
Total reimbursed PHDC expenses	<u>\$ 796,478</u>

Philadelphia Redevelopment Authority (PRA)

Labor & reimbursable expenses	
PRA maintenance work on PLB properties for FY 24	\$ 367,481
Total PRA expenses	<u>\$ 367,481</u>

See independent auditors' report

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Exhibit B



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the Philadelphia Land Bank (the "Land Bank"), City of Philadelphia, Commonwealth of Pennsylvania, as of and for the year ended June 30, 2024, and the related notes to financial statements, which comprise the Land Bank's basic financial statements, and have issued our report thereon dated October 15, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Exhibit B

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mercadier, P.C.
Certified Public Accountants

October 15, 2024

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None reported.

Exhibit B

PHILADELPHIA LAND BANK

(A Component Unit of the City of Philadelphia, Commonwealth of Pennsylvania)

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None reported.

Exhibit C

RESOLUTION NO. 2024 - 55

**RESOLUTION ADOPTING PHILADELPHIA LAND BANK
OPERATING BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2025**

WHEREAS, the Board of Directors of the Philadelphia Land Bank (the “**Board**”) was presented with the proposed budget for the fiscal year ending June 30, 2025 (attached to this Resolution), which itemizes the categories and amounts of revenue and expenditures required to fund operations of the Philadelphia Land Bank (“**2025 Operating Budget**”); and

WHEREAS, Section 309 of the Bylaws of the Philadelphia Land Bank (“**Bylaws**”) requires that adoption or amendment of the annual budget be approved by a majority of the “entire Board of Directors” (defined in Section 101 of the Bylaws as the total number of Directors the Land Bank would have if there were no vacancies); and

WHEREAS, the Board deems it necessary and in the best interest of the Land Bank to approve and adopt the Fiscal Year 2025 Operating Budget, subject to the terms of this Resolution.

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

1. The Fiscal Year 2025 Operating Budget, as presented to the Board and attached to this Resolution, is hereby approved and adopted.
2. The Land Bank staff will provide the Board with quarterly financial reporting comparing actual expenditures to the Fiscal Year 2025 budgeted expenditures.
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 December 10, 2024.

Exhibit C

Philadelphia Land Bank – FY 2025 Budget Narrative

A. Staff –	Total: \$1,370,400.00
The Staffing compliment of the Land Bank consists of nineteen (19) full-time employees. Fifteen (15) of those employees are part of a bargaining unit. Currently three (3) positions are vacant the Land Bank is actively recruiting. The positions are as follows: Executive Director; Real Estate Director (vacant); Senior Attorney; Staff Attorney (vacant); Administrative Assistant; Service Representative; Five (5) Clerks Third Grade; Four (4) Senior Development Specialists (one vacancy); One Development Specialist; One Real Estate Specialist; Two (2) Inspectors II.	
B. Fringes –	Total: \$730,600.00
The corresponding fringe benefits for the nineteen (19) full-time employees includes: FICA; PA Unemployment benefits; Retirement for full-time employees; Health Insurance costs for full-time employees; Pensions, PHDC cost allocations for services provided.	
C. Purchase of Services-	Total: \$1,399,000.00
The purchase of services consists of those items requiring the engagement of a third party. They consist of:	
1. Audit Fee	Total: \$43,500.00
a. Annual Audit required for the Land Bank	
2. Consulting Services-General	Total: \$40,000.00
a. Third party professional services related to disposition of properties	
3. Consulting Services-Acquisition Fees etc.	Total: \$5,000.00
a. Municipal Tax lien Servicer fees	
4. Consulting Services-Property Maintenance	Total: \$590,000.00
a. Services for maintaining the Land Bank's surplus inventory	
5. Insurance	Total: \$530,000.00
a. This includes General Liability, Property, Worker's Compensation, etc.	
6. Organization Dues	Total: \$5,800.00
a. Legal Licenses, Notary Public, etc.	
7. Labor Legal Services	Total: \$5,000.00
a. Disputes regarding bargaining unit	
8. Legal Services; Court Settlements	Total: \$80,000.00
a. Lawsuits	
9. License - Computer Software	Total: \$25,000.00
a. Asset management software	
10. Office Supplies/Storage	Total: \$4,000.00
11. Postal Services	Total: \$1,700.00
12. Real Estate Disposition Related Costs	Total: \$5,000.00
a. Filing fees related to settlements	
13. Rent - Office Space	Total: \$56,000.00
a. Pro-rated portion of master lease held by PHDC	
14. Seminar/Conferences/Training	Total: \$2,500.00
a. Continuing Legal Education, training for project management	
15. Subscriptions & Publications	Total: \$1,500.00
16. Meals/Business Lunches	Total: \$2,000.00
a. Ground breakings, Ribbon Cuttings, Trainings for public	
17. Travel	Total: \$1,000.00
18. Other Expenses	Total: \$1,000.00
D. Total Land Bank Expenses	Total: \$3,500,000.00

REVENUE

• General Fund FY2025	\$3,000,000.00
• <u>Program Income FY2024 (Carryover)</u>	<u>\$500,000.00</u>
Total Land Bank Revenue	\$3,500,000.00

ACQUISITION FUNDS

• US Bank Lien Identified Gardens	\$1,500,000.00
• <u>Acquisitions FY2025</u>	<u>\$3,500,000.00</u>
Total Land Bank Acquisition Funds	\$5,000,000.00

Exhibit C
PHILA LAND BANK EXPENSES
FY 2025 Actual vs Budget
October 31, 2024

	FY25 Budget	FY25 Actual	FY2025 YTD \$ Δ	FY2025 YTD % Budget	FY24 ACTUALS
PROFESSIONAL STAFF					
Salary	1,370,400.00	439,231.43	(931,168.57)	32%	1,379,416.02
Compensated Absences	-	-	-	#DIV/0!	20,946.50
FICA & Medicare	103,800.00	33,174.34	(70,625.66)	0.319598651	103,852.71
Group Life Insurance	4,900.00	682.63	(4,217.37)	0.139312245	5,864.38
Health - Medical Contribution	225,000.00	61,211.22	(163,788.78)	0.272049867	468,842.13
Union Legal Services	2,550.00	870.00	(1,680.00)	0.341176471	2,670.00
PA Unemployment	4,350.00	-	(4,350.00)	0	-
Pensions	80,000.00	24,335.11	(55,664.89)	0.304188875	79,647.90
PHDC cost allocations	310,000.00	54,444.45	(255,555.55)	0.175627258	292,786.09
Tuition Reimbursement	-	-	-	#DIV/0!	-
Total Staff Costs	2,101,000.00	613,949.18	(1,487,050.82)	29%	2,354,025.73
PURCHASE OF SERVICES					
Accounting & Systems Services	-	-	-	#DIV/0!	-
Advertising & Promotion Activities	-	-	-	#DIV/0!	-
Audit Fee	43,500.00	(1,500.00)	(45,000.00)	-3%	43,500.00
Consulting Services-General	40,000.00	938.95	(39,061.05)	2%	9,364.54
Consulting Services-Acquisition Fees etc	5,000.00	5,196.35	196.35	104%	3,594.54
Consulting Services-Property Maintenance	590,000.00	116,047.76	(473,952.24)	20%	585,743.06
Employee Incentive	-	-	-	#DIV/0!	-
Housing Finance Legal Services	-	-	-	#DIV/0!	-
Insurance (incl Gen. Liab., Property, WC, etc.)	530,000.00	573,979.00	43,979.00	108%	531,382.82
Leasing - Automotive	-	-	-	#DIV/0!	-
Organization Dues	5,800.00	-	(5,800.00)	0%	5,852.00
Labor Legal Services	5,000.00	-	(5,000.00)	0%	-
Legal Services; Court Settlements	80,000.00	36,668.66	(43,331.34)	46%	62,256.07
License - Equipment	-	-	-	#DIV/0!	-
License - Computer Software	25,000.00	-	(25,000.00)	0%	22,821.16
Office Supplies/Storage	4,000.00	1,739.07	(2,260.93)	43%	2,020.55
Parking, Mileage & Fuel	-	-	-	#DIV/0!	-
Postal Services	1,700.00	231.50	(1,468.50)	14%	1,663.11
Real Estate Disposition Related Costs	5,000.00	950.00	(4,050.00)	19%	9,625.00
Rent - Office Equipment & Machinery	-	-	-	#DIV/0!	-
Rent - Office Space	56,000.00	-	(56,000.00)	0%	56,000.00
Repairs - Office	-	-	-	#DIV/0!	-
Repairs - Property Maintenance	-	-	-	#DIV/0!	-
Repairs - Vehicles	-	-	-	#DIV/0!	-
Seminar/Conferences/Training	2,500.00	-	(2,500.00)	0%	2,362.75
Subscriptions & Publications	1,500.00	483.26	(1,016.74)	32%	1,310.29
Telephone/Internet	-	-	-	#DIV/0!	-
Meals/Business Lunches	2,000.00	-	(2,000.00)	0%	1,992.52
Travel	1,000.00	129.10	(870.90)	13%	406.86
Other Expenses	1,000.00	99.00	(901.00)	10%	-
Total Purchase of Services	1,399,000.00	734,962.65	(664,037.35)	53%	1,339,895.27
Total Land Bank Expenses	3,500,000.00	1,348,911.83	(2,151,088.17)	39%	3,860,770.84
REVENUE					3,804,770.84
General Fund FY2025	3,000,000.00				(56,000.00)
Program Income FY2024 (Carryover)	500,000.00				
Total Land Bank Revenue	3,500,000.00				
ACQUISITION FUNDS					
US Bank Lien Identified Gardens	1,500,000.00				
Acquisitions FY2025	3,500,000.00				
Total Land Bank Acquisition Funds	5,000,000.00				

Exhibit D

RESOLUTION NO. 2024 - 56

**RESOLUTION ADOPTING PHILADELPHIA LAND BANK SCHEDULE OF
REGULAR BOARD OF DIRECTORS MEETINGS FOR CALENDAR YEAR 2025**

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

1. For calendar year 2025, the regular meetings of the Board (“Board Meetings”) shall be held at 10:00 a.m. Eastern Prevailing Time on the following dates (generally the 2nd Tuesday of each month):

January 14, 2025
February 11, 2025
March 11, 2025
April 8, 2025
May 13, 2025
June 10, 2025

July 8, 2025
August 12, 2025
September 9, 2025
October 14, 2025
November 18, 2025 (Third Tuesday)
December 16, 2025 (Third Tuesday)

2. Board Meetings shall be held in person in the 17th Floor Boardroom at 1234 Market Street, Philadelphia, PA 19107.
3. Public notice of this schedule shall be given in accordance with the provisions of the Pennsylvania Sunshine Act, 65 Pa.C.S.A. §§ 701, *et seq.*
4. A memorandum describing the attendance and comment procedures for members of the public will be published at least ten (10) days prior to each Board meeting with the meeting agenda on the Philadelphia Land Bank’s website at <https://phdcphila.org/who-we-are/boards/philadelphia-land-bank-board/>.
5. 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.
6. This Resolution shall take effect immediately upon adoption by the Board.

Adopted by Philadelphia Land Bank Board of Directors on December 10, 2024

Exhibit E

RESOLUTION NO. 2024 - 57

**RESOLUTION ELECTING OFFICERS OF THE PHILADELPHIA LAND BANK
FOR CALENDAR YEAR 2025**

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Philadelphia Land Bank that the following individuals are elected to the position below appearing opposite their names, to hold office for one year or until their successors are appointed and qualified:

Herbert Wetzel – Chair
Nicholas Dema – Vice Chair
Andrew Goodman – Secretary
Rebecca Lopez Kriss – Treasurer

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

Adopted by Philadelphia Land Bank Board of Directors on December 10, 2024.

Exhibit F



2013 RIDGE AVE
PHILADELPHIA, PA 19121
215 684 4174
PHA.PHILA.GOV

KELVIN A. JEREMIAH

Kelvin.Jeremiah@phila.gov

December 2, 2024

Via Certified Mail and Email

Herbert Wetzel
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
Philadelphia, PA 19107

General Counsel
City of Philadelphia Board of Ethics
One Parkway Building
1515 Arch Street, 18th Floor
Philadelphia, PA 19102-1504

James Leonard, Esquire
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 interest in and association with the Philadelphia Housing Authority, of which I am the President and CEO.

The Land Bank Board discussed board agenda item IV.A.1 at its meeting held on November 12, 2024. The property is being transferred to PHA, in which I have a pecuniary interest (I am a salaried employee).

Due to this conflict of interest, I must disqualify myself and abstain from using the authority of my membership on the Land Bank Board to participate in Board discussions or official Board action related to board agenda item IV.A.1. I must remove myself from the opportunity to influence in any manner the Land Bank's actions related to this matter. This includes leaving the meeting while the Executive Director consults with Land Bank Board members and while the Land Bank Board otherwise considers and votes on the matter.

Please note that the above-referenced matter was presented to the Land Bank Board and voted on at the Board meeting held on November 12, 2024. At that meeting, I announced my conflict, recused myself from deliberation and voting, while the Executive Director consulted with Land Bank Board members and while the Land Bank Board considered and 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 abide by the Land Bank's Public Disclosure and Disqualification Procedure for Conflict Issues and will not take official action in any future Land Bank deliberation or official action involving PHA while the above-described conflict exists. Please contact me if you require further clarification.

Sincerely,

Kelvin A. Jeremiah
President & CEO

Exhibit G

RESOLUTION NO. 2024 – 58

**RESOLUTION AUTHORIZING CONVEYANCE OF
1501-17 POINT BREEZE AVENUE
TO PHILADELPHIA HOUSING AUTHORITY**

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 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 convey 1501-17 Point Breeze Avenue (the “**Property**”) to the Philadelphia Housing Authority (“**PHA**”) for disposition, reuse and/or management as determined by PHA.

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

1. The conveyance of the Property to PHA for One and 00/100 U.S. 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 applicable terms and conditions of Section 16-404 of the Philadelphia Code.
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 December 10, 2024.

Exhibit H

RESOLUTION NO. 2024 - 59

**RESOLUTION AUTHORIZING CONVEYANCE OF
139 (ALSO KNOWN AS 139-67) EAST CLEARFIELD STREET
TO PHILADELPHIA HOUSING AUTHORITY**

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 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 convey 139 (also known as 139-67) East Clearfield Street (the “**Property**”) to the Philadelphia Housing Authority (“**PHA**”) for disposition, reuse and/or management as determined by PHA.

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

1. The conveyance of the Property to PHA for One and 00/100 U.S. 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 applicable terms and conditions of Section 16-404 of the Philadelphia Code.
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 December 10, 2024.

Exhibit I

RESOLUTION NO. 2024 - 63

**RESOLUTION AUTHORIZING CONVEYANCE OF
5039, 5045 AND 5047 MARKET STREET
TO PHILADELPHIA HOUSING DEVELOPMENT CORPORATION**

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 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 convey 5039, 5045 and 5047 Market Street (collectively, the “**Property**”) to the Philadelphia Housing Development Corporation (“**PHDC**”) for disposition, reuse and/or management as determined by PHDC.

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

1. The conveyance of the Property to PHDC for One and 00/100 U.S. 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 applicable terms and conditions of Section 16-404 of the Philadelphia Code.
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 December 10, 2024.

Exhibit J

December 9, 2024

Via Certified Mail

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
Philadelphia, PA 19107

General Counsel
City of Philadelphia Board of Ethics
One Parkway Building
1515 Arch Street, 18th Floor
Philadelphia, PA 19102-1504

James Leonard, Esquire
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 interest in and association with the Neighborhood Gardens Trust of which I am the Executive Director.

The Land Bank Board will discuss Board Agenda item IV.E.1. at its meeting to be held on December 10, 2024. This is a proposed Amendment to Resolution No. 2023-44 adopted on October 10, 2023, which would substitute Neighborhood Gardens Trust, as the entity to receive the Chester Avenue Community Garden at 5232 Chester Avenue in the Third (3rd) Council District as a community garden.

Due to this conflict of interest, I must disqualify myself and abstain from using the authority of my membership on the Land Bank Board to participate in Board discussions or official Board action related to Board Agenda item IV.E.1. I must remove myself from the opportunity to influence in any manner the Land Bank’s actions related to this matter. This includes leaving the meeting while the Executive Director consults with Land Bank Board members and while the Land Bank Board otherwise considers and votes on the matter.

This letter will also confirm that I will abide by the Land Bank’s Public Disclosure and Disqualification Procedure for Conflict Issues and will not take official action in any future Land Bank deliberation or official action involving Board Agenda item IV.E.1. while the above-described conflict exists. Please contact me if you require further clarification.

Sincerely,



Jenny Greenberg
Director

Exhibit K

RESOLUTION NO. 2024 - 60

**RESOLUTION AMENDING RESOLUTION 2023-44 TO SUBSTITUTE
NEIGHBORHOOD GARDENS TRUST FOR
CHESTER AVENUE COMMUNITY GARDEN AS PURCHASER AND DEVELOPER**

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 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**”), pursuant to Resolution 2023-44 adopted on October 10, 2023 (the “**Resolution**”), approved the conveyance of 5232 Chester Avenue (the “**Property**”) to Chester Avenue Community Garden for the preservation of the community garden (the “**Project**”);

WHEREAS, Chester Avenue Community Garden has requested that Neighborhood Gardens Trust (“**NGT**”), a Pennsylvania non-profit organization which has recently admitted Chester Avenue Community Garden as a member of NGT, be substituted as the purchaser of the Property and developer of the Project;

WHEREAS, NGT is in all respects qualified to serve as the purchaser of the Property and developer of the Project;

WHEREAS, the Board has determined that it is in the best interests of the Land Bank to approve the substitution of NGT for Chester Avenue Community Garden as the purchaser of the Property and developer of the project, with all other terms of Resolution 2023-44 to remain in full force and effect;

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

1. The substitution of Neighborhood Gardens Trust as purchaser of the Property and developer of the Project is in the best interests of the Land Bank and is hereby approved, subject to approval by resolution of Philadelphia City Council. All other terms and conditions of the approved disposition of the Premises shall remain in full force and effect.
2. The conveyance of the Property to Neighborhood Gardens Trust complies with all applicable terms and conditions of Section 16-404 of the Philadelphia Code.
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 and other documents, as may be necessary or desirable, to consummate the conveyance of the Premises (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

Exhibit K

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 December 10, 2024.

Exhibit L

RESOLUTION NO. 2024 – 61

**RESOLUTION AMENDING RESOLUTIONS 2022-28, 2022-10, AND 2022-9 TO
AUTHORIZE CONVEYANCE OF 623 REAR NORTH 55TH STREET TO CIVETTA 1, LLC
FOR REQUIRED CONSOLIDATION WITH 623-33 NORTH 55TH STREET**

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 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; and

WHEREAS, pursuant to Resolution No. 2022-28, adopted on September 13, 2022, which amended Resolution No. 2022-10, adopted on May 10, 2022, which in turn amended Resolution No. 2022-9, adopted on April 12, 2022, the Board of Directors (the “**Board**”) approved the conveyance of 650, 658 and 662 N. Conestoga Street, 5436 W. Girard Avenue, 5552 Harmer Street, 653 N. Sickels Street, 546 and 550 N. 54th Street, 534-40 N. 54th Street and 623-33 N. 55th Street (collectively, the “**Property**”) to Civetta 1, LLC (the “**Developer**”) for the development of eight (8) single-family homeownership units and twenty-eight (28) homeownership units in fourteen (14) duplexes, all to be sold to purchasers with an income at or below 80% of Area Median Income and eligible for participation in the Turn the Key program; and

WHEREAS, when 623-33 N. 55th Street (the “**Parcel**”) was conveyed to the Developer in June 2023, it was believed that a remainder portion of an alley (the “**Former Alley**”) located to the rear of the Parcel was an official alley that could not be included in the area conveyed, but subsequent inquiry by the the City of Philadelphia’s 7th Survey District has since resulted in a directive issued to the Developer stating that the Former Alley, now assessed as 623 Rear N. 55th Street, must be consolidated with the Parcel before construction permits for the development located at the Parcel will be issued; and

WHEREAS, the Former Alley is neither developable as a separate parcel nor accessible from any property other than 623-33 N. 55th Street; and

WHEREAS, the Board has determined that it is in the best interests of the Land Bank to approve the conveyance of the Former Alley to the Developer;

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

1. The conveyance of the Former Alley to the Developer for One and 00/100 U.S. Dollar (\$1.00) 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

Exhibit L

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 December 10, 2024.

Exhibit M

RESOLUTION NO. 2024 – 62

**RESOLUTION AMENDING RESOLUTIONS 2023-54, 2022-39, AND 2021-52 TO
AUTHORIZE MODIFICATION OF MIXED-INCOME HOMEOWNERSHIP
DEVELOPMENT TO CONVERT SIX (6) MARKET-RATE HOMES TO TURN THE KEY -
ELIGIBLE HOMES**

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 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; and

WHEREAS, pursuant to Resolution 2023-54, adopted on December 12, 2023, which amended Resolution No. 2022-39, adopted October 11, 2022, which in turn amended Resolution No. 2021-52, adopted on November 9, 2021, the Board of Directors (the “**Board**”) approved the conveyance of 2501, 2855 and 2857 Amber Street; 2143, 2155 and 2157 E. Birch Street; 2134 and 2172 E. Cambria Street; 2103 and 2107 E. Cumberland Street; 2107 E. Dakota Street; 2478 and 2480 Emerald Street; 2022 E. Fletcher Street; 1929, 1935, 1943 and 2215-17 E. Harold Street; 2637, 2639, 2643, 2645 and 2649 Janney Street; 2536 Jasper Street; 2639, 2641, 2643 and 2653 Kensington Avenue; 2068 E. Monmouth Street; 1844 E. Oakdale Street; 2140, 2151, 2153 and 2156 E. Orleans Street; 2646 and 2658 Ritter Street; 2089 E. Somerset Street; and 2106, 2133, 2135, 2250 and 2252 E. William Street (collectively, the “**Property**”) to BMK Properties, LLC (the “**Developer**”) for the development of eight (8) homeownership units to be sold to purchasers with an income at or below 80% of Area Median Income (“**AMI**”), seventeen (17) homeownership units to be sold to purchasers with an income at or below 100% of AMI, fourteen (14) homeownership units to be sold at market rate, eight (8) market-rate rental units, and two (2) commercial units.

WHEREAS, the Developer has requested permission to convert six (6) of the fourteen (14) market-rate homeownership units, located at 2637, 2639, 2645 and 2649 Janney Street, 2107 E. Cumberland Street, and 2107 E. Dakota Street, into homes to be sold to households with an income at or below 100% of AMI with a maximum sales price of \$280,000 per unit, and to record a Declaration of Restrictive Covenants against the six (6) homes, permitting the homes to be eligible for participation in the Turn the Key program; and

WHEREAS, the Board has determined that it is in the best interests of the Land Bank to approve the modification of the development plans as requested by the Developer;

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

1. The requested modification of the development plans is in the best interests of the Land Bank and is hereby approved, subject to approval by resolution of Philadelphia City Council.
2. The requested modification 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,

Exhibit M

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 December 10, 2024.

Exhibit N



**CITY OF PHILADELPHIA
CITY COUNCIL**

JAMIE R. GAUTHIER
ROOM 316, CITY HALL
Philadelphia, PA 19107
(215) 686-0460 or 0459
Fax 215-686-1929

COMMITTEES
Chair
Committee on Housing, Neighborhood
Development, and the Homeless
Committee on the Environment

December 6, 2024

Herbert Wetzel
Chair, Philadelphia Land Bank Board
1234 Market Street – 17th Floor
Philadelphia, PA 19107

Member
Committee on Appropriations
Committee on Rules
Committee on Public Safety
Committee on Education
Committee on Commerce and Economic
Development
Committee on Children and Youth
Committee on Public Property and
Public Works
Committee on Licenses and Inspections

RE: 708 N. 34th Street; 705, 709 and 713 N. 35th Street; 3518 and 3520 Wallace Street

Dear Chairperson Wetzel,

As the Councilmember representing the 3rd District, I am writing to request **tabling** the agenda item for the proposed property dispositions for 708 N. 34th Street, 705, 709, and 713 N. 35th Street, and 3518 and 3520 Wallace Street.

While my support of Turn the Key homeownership land dispositions is well documented, I also value genuine community engagement in this process, especially the disposition of publicly owned land—a key resource for achieving important goals such as affordable housing, community open spaces, and urban gardening.

After being informed that the applicant's required community meeting had little attendance and that overlapping RCO reps could not participate, community stakeholders relayed to my Office concerns that they had with the above-mentioned addresses and propose the applicant host an additional meeting. My staff contacted the applicant to express these concerns after the public meeting and again when we saw this month's board agenda; we have not heard back to our most recent outreach.

As Councilmember, I ask the Philadelphia Land Bank Board to table this property disposition and allow for further community engagement. Please feel free to contact Trevian Ambrose, Zoning & Planning Aide, at Trevian.Ambrose@phila.gov if you have any questions or need further information.

Sincerely,

Jamie R. Gauthier
Councilmember, Third District