AGENDA

PHILADELPHIA LAND BANK BOARD OF DIRECTORS' SPECIAL MEETING

SATURDAY, MARCH 22, 2025 – 1:00 PM

THIS MEETING WILL BE HELD REMOTELY ON ZOOM AND IS OPEN TO THE PUBLIC.

INSTRUCTIONS FOR REGISTERING FOR PUBLIC ACCESS TO THIS MEETING
AND FOR SUBMISSION OF PUBLIC COMMENTS ARE LOCATED ON THE PAGE
FOLLOWING THE AGENDA

AGENDA

- I. Roll Call
- **II.** Administrative Matters
 - A. Resolution Approving the Memorandum of Understanding on Land Bank Priority Bidding between the City of Philadelphia, by and through the Sheriff, and the Philadelphia Land Bank
- III. Adjournment



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

— MEMORANDUM —

FROM: Andrea Imredy Saah, Esq., Senior Counsel

RE: Philadelphia Land Bank Special Board Meeting, March 22, 2025

Remote Board Meeting Notice, Public Attendance, and Comment Procedures

DATE: March 21, 2025

This Special Meeting of the Board of Directors of the Philadelphia Land Bank ("Land Bank") is currently scheduled for Saturday, March 22, 2025, with the executive session to begin at 12:45 P.M. and the meeting to begin at 1:00 P.M or as soon as the Executive Session has ended. This meeting will be held remotely using Zoom webinar. The meeting is open to public attendees and for public comments and questions.

PLEASE NOTE: <u>To participate in the meeting on your computer, you must register in advance</u>. This requirement is necessary to allow us to collect the names of participants as required by law. Using a computer, tablet or smartphone, use the following link:

https://us02web.zoom.us/webinar/register/WN_u-jQvGtSQuouoEnHyGogg

After registering, you will receive a confirmation email containing information about joining the webinar. Members of the public who join before 1 P.M. will be given access when the meeting begins.

The Board agenda and the supporting documentation are available to view at https://phdcphila.org/who-we-are/boards/philadelphia-land-bank-board/. Public comment and questions regarding the matter 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 12:00 P.M. on Saturday, March 22, 2025:

- Your full name and group or company affiliation, if applicable;
- Contact information (your email address); and
- State your question/comment in a clear and concise manner.

Questions/comments submitted via email by the 12:00 P.M. 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.

(continued on next page)

Public Comment DURING Board Meeting:

To submit questions or comments during the Board meeting when public comment on an agenda item is requested by the Board Chair, use the "Raise Hand" function at the bottom of the screen. Questions may also be submitted using the "Q&A" function. Q&A submissions will be attached to the minutes of the meeting.

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 muting microphones as needed.

Rules of Conduct:

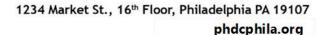
- Comments must be related to the specific agenda item in question.
- There will be no personal attacks or hate speech against anyone, including applicants, staff members, Board members or other members of the public.

Recording of Board Meeting:

If possible, the Board meeting will be recorded and made publicly available within thirty (30) days. 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.





– MEMORANDUM -

Date: March 21, 2025
To: Board of Directors
From: Land Bank Staff

Re: Memorandum of Understanding on Land Bank Priority Bidding between the City of

Philadelphia, by and through the Sheriff of Philadelphia, and the Philadelphia Land Bank

The Land Bank intends to resume its regular monthly process of acquiring tax-delinquent properties at tax sale auctions initiated by the City of Philadelphia ("Tax Sales") via its right to exercise a noncompetitive priority bid ("priority bid") in certain circumstances as authorized by 68 Pa. C.S. § 2117(d) and Code § 16-705. The Land Bank exercises its priority bid at Tax Sales, which are conducted by the Sheriff of Philadelphia (the "Sheriff"), to fulfill its goals and mission as authorized by the PA General Assembly under 68 Pa. C.S. § 2104 and by the City of Philadelphia and City Council under the Philadelphia Code (§ 16-702 and § 16-703). To facilitate this, there must be an understanding between the Land Bank and the City of Philadelphia (the "City"), by and through the Sheriff, to follow a process which respects the Land Bank's interest in acquiring properties it identifies as furthering its mission, the City's interest in using Tax Sales as part of its revenue collection process, and the Sheriff's interest in protecting the interests of owners and creditors.

The Memorandum of Understanding (MOU) under consideration proposes a process to allow the Land Bank to exercise its priority bid to acquire properties at Sheriff's sales held on the electronic auction platform Bid4Assets. In cooperation with the City's Revenue, Finance, and Law Departments and the Sheriff, the Land Bank may identify specific properties it intends to acquire via priority bid, provide notice of its intent to exercise its priority bid for a particular property to all interested parties, and acquire properties to further its mission.

While this MOU creates a unified and systematic approach to the exercise of the Land Bank's priority bid at Sheriff's Tax Sales on the Bid4Assets platform, the MOU does not authorize acquisition of any specific property/ies or payment of any delinquent municipal charges. Such authorizations will be addressed in future resolutions.

The Resolution and the MOU are attached for the Board's consideration.

RESOLUTION NO. 2025 - ___

RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING ON LAND BANK PRIORITY BIDDING BETWEEN THE CITY OF PHILADELPHIA, BY AND THROUGH THE SHERIFF, AND THE PHILADELPHIA LAND BANK

WHEREAS, the Philadelphia Land Bank, as a means to acquire property for use in its mission, has the right to exercise a noncompetitive priority bid ("priority bid") in certain circumstances as authorized by 68 Pa. C.S. § 2117(d) and Philadelphia Code § 16-705, and intends to resume its acquisition, by exercise of its priority bid, of certain tax delinquent property which the City of Philadelphia (the "City") will expose to sheriff sale pursuant to the Municipal Claim and Tax Lien Law ("Tax Sales") on the Bid4Assets electronic platform currently in use by the Sheriff of Philadelphia (the "Sheriff");

WHEREAS, the City understands the value and benefit of the Land Bank and the special powers granted to it by the General Assembly to acquire and repurpose vacant tax delinquent properties for the benefit of the City and its citizens;

WHEREAS, Tax Sale auctions ordered by the courts in Philadelphia are conducted by the Sheriff, who is mandated to be a neutral party and, in general, to conduct Tax Sales so as to reasonably maximize the proceeds available for distribution to creditors and to the owners whose properties are sold at auction;

WHEREAS, the Land Bank understands the value and benefit of swift and consistent enforcement of tax delinquencies to maximize revenues for the benefit of the City and Philadelphia School District and their residents and students while respecting the Sheriff's role in conducting Tax Sales;

WHEREAS, the City, by and through the Sheriff, and the Land Bank wish to create a process that respects the Land Bank's interest in acquiring properties it identifies as furthering its mission, the City's interest in using Tax Sales as part of its revenue collection process, and the Sheriff's interest in protecting the interests of owners and creditors;

WHEREAS, the City, by and through the Sheriff, and the Land Bank have developed a Memorandum of Understanding, attached to this Resolution as **Exhibit A**, which creates a mutually acceptable process for the Land Bank to identify and acquire tax delinquent properties while making payment to the City, by and through the Sheriff, for certain real property delinquent taxes; and

WHEREAS, the Board has considered the Memorandum of Understanding and finds its adoption to be in the best interests of the Land Bank;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Philadelphia Land Bank that the Executive Director and Senior Counsel:

- 1. May, under the authority granted by Board Resolution 2017-43 adopted on October 12, 2017, enter into the Memorandum of Understanding, which is attached to this Resolution.
- 2. With the advice of counsel, may allow modifications to the attached Memorandum of Understanding which are in the best interests of the Land Bank and which do not materially alter the substantive process now represented in the attached Memorandum of Understanding, provided that the Executive Director or Senior Counsel will notify the Board of all modifications to Memorandum of Understanding at the next Board meeting following the date of such modifications.
- 3. Shall present at the April 8, 2025 Board Meeting the Memorandum of Understanding as executed by all parties.

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

Adopted by Philadelphia Land Bank Board of Directors on	
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Exhibit A

City Agreement No. 25-6422

Memorandum of Understanding on Land Bank Priority Bidding

This Memorandum of Understanding (the "MOU") is entered into on between The City of Philadelphia (the "City"), by and through the Sheriff (the "Sheriff"), and the Philadelphia Land Bank (the "Land Bank").

Background

- A. The Land Bank is a public body corporate and politic created under the authority of <u>68 Pa. C.S. § 2104</u> and the Philadelphia Code ("Code"), <u>§ 16-702</u>. Its mission is to return underutilized property to productive use through a unified, predictable, and transparent process, thereby to assist in revitalizing neighborhoods, creating socially and economically diverse communities, and strengthening the City's tax base. Code <u>§ 16-703</u>.
- B. A key means for the Land Bank to acquire and consolidate property for use in its mission is by acquiring properties offered at tax sale auctions initiated by the City, utilizing the Land Bank's right to exercise a noncompetitive priority bid ("priority bid") in certain circumstances as authorized by 68 Pa. C.S. § 2117(d) and Code § 16-705.
- C. Tax sale auctions ordered by the courts in Philadelphia are conducted by the Sheriff, who is mandated to be a neutral party and, in general, to conduct sales so as to reasonably maximize the proceeds available for distribution to creditors and to the owners whose properties are sold at auction.
- D. Applicable law, including <u>68 Pa. C.S. § 2107</u> and the Philadelphia Home Rule Charter, <u>§ 8-402</u>, authorizes and directs the Land Bank and the Sheriff to enter into appropriate cooperative agreements in the furtherance of their respective purposes. This MOU is such an agreement with respect to matters relating to the

Land Bank's exercise of priority bids to acquire properties at Sheriff's sales.

Accordingly, the Land Bank and the City (the "Parties") enter into this MOU, intending to be legally bound:

- 1. <u>Incorporation of Background</u>. The Background is incorporated as part of the MOU.
- 2. <u>Term</u>. This MOU shall take effect on March 24, 2025, and shall initially terminate on March 23, 2026. By written amendment, the Parties may add additional terms of up to one (1) year, on the same terms as set forth in this MOU except as otherwise set forth in the amendment. The first additional term, if any, shall end on June 30, 2026. Approximately thirty (30) days before the end of each term, the Parties shall discuss whether to add another term and whether to revise any provisions; and they will promptly memorialize any agreement.
- 3. <u>Initial Eligibility of Properties for Priority Bidding</u>. The Land Bank shall not exercise a priority bid unless the petitioner is the City (through Law Department or outside counsel), and all interested parties have been served with notice of the Land Bank's right to exercise such a priority bid and the right of an interested party to request open bidding pursuant to <u>Section 16-705(3)(d)</u> of the Code.
- a. This requirement shall be deemed satisfied if such notice is included in the tax sale petition filed and duly served by the City Law Department or its outside counsel.
- b. This requirement shall also be deemed satisfied if the tax sale petition was filed prior to June 12, 2024, and such notice has been sent to all interested parties by first-class mail.
- 4. <u>Acquisition of Structures</u>. The Land Bank's general practice in exercising its priority bid is to acquire vacant land and, on occasion, a vacant structure, although it reserves the right to exercise its priority bid for an occupied structure. The Land Bank

does not wish to divest Philadelphia homeowners and their families and heirs of their interest in their homes and will therefore not knowingly exercise its priority bid to acquire an occupied single-family home which is occupied by the owner of record or said owner's heirs. If the Land Bank intends to exercise its priority bid to acquire an occupied structure other than a single-family home occupied by the owner or the owner's family or heirs, the Land Bank will seek approval by resolution from the Land Bank Board of Directors prior to sending the notice described in Section 5 below. The Land Bank shall also communicate its intent and an explanation for the intended acquisition to the Sheriff prior to the Board meeting at which the resolution will be considered and consult with the Sheriff on the proposed acquisition.

- 5. Land Bank Notice for Properties Proposed for Priority Bidding. Once the Land Bank is made aware of which properties are listed for sale on a particular date, which is generally forty-five (45) to sixty (60) days before the sale, the Land Bank will send notice of its intent to exercise its priority bid for a particular property to all interested parties, as defined in Section 16-705(3)(c) of the Code, by first-class mail postmarked no later than thirty (30) days in advance of the tax sale date.
- a. In addition to the information expressly required under Section 16-705(3)(d) of the Code (as summarized in Section 3 hereof), each notice will identify the property, the petitioner and its counsel, the expected auction date, and the Bid4Assets website for information on the sale.
- b. The notice to the current owner(s) of record will also include statements that the owner(s) at the time of sale may reacquire the property following the Sheriff's tax sale by giving written notice to the Land Bank within sixty (60) days after the date of the tax sale and paying the Land Bank the full amount of its priority bid offered at the sale within sixty (60) days after delivery of the written notice to the Land Bank.

6. Certification to Sheriff. At the same time when the Land Bank mails notice to the current owner(s) of record and the other interested parties, the Land Bank will deliver a certification to the Sheriff identifying the known current record owner(s) and other interested parties for each property and certifying that all have been sent the notice required under Section 5 hereof on or before a stated date, which must be at least thirty (30) days prior to the sale. The Sheriff will promptly cause the posting of a notice (the "Notice") on the Bid4Assets website, linked to each property for which the Land Bank has given notice of intent to exercise a priority bid, explaining and setting forth the deadlines for requesting open bidding and reacquiring the property after sale. The Sheriff may also cause the separate listing of properties set for priority bids, noting that they may still be removed from the priority bid list.

7. Changes to Priority Bid List.

- a. The Land Bank will give notice to the petitioner and to the Sheriff of any timely request for open bidding or other decision by the Land Bank not to proceed with a priority bid. The Sheriff will promptly postpone the sale and cause the Bid4Assets listing and, if appropriate, the Notice to be updated to reflect and explain the change.
- b. If a property is postponed for later priority bid, the Sheriff will post or continue the posting of the property on the website with the new sale date identified by the petitioner, together with the Notice which will again inform interested parties of the pertinent deadlines. The Land Bank will again cause the mailing of the notices under Section 5 hereof and will provide the certification under Section 6 hereof after first checking the database of the City's Department of Records (PhilaDox) for any change in the current owner(s) of record. The Land Bank will engage in additional due diligence to the extent applicable law, including case law, suggests it is required; and will request postponement again if necessary to enable all required notification.

c. If the Land Bank determines that the sale of a property for which it intends to exercise its priority bid should be postponed or abandoned for reasons other than a request under Code Section 16-705(3)(d), it will notify the petitioner as soon as possible with instructions to modify the listing on the website forthwith. The Land Bank will strive to do so no later than two (2) calendar days prior to the scheduled sale date and will copy the Sheriff on any notification by the Land Bank given two (2) or fewer business days prior to the sale. The Land Bank shall cause the petitioner to notify the Sheriff and Bid4Assets as to whether and when the sale will be postponed and whether new notice to interested parties will be required. Generally, the sale of a property which is removed from the Land Bank's priority bid list due to a timely request for open bidding will be postponed for later tax sale.

8. <u>Procedure for Priority-Bid Auctions</u>.

- a. Bidding at each Sheriff's sale generally begins at 10:00 a.m. However, if the Sheriff has received notice that the Land Bank intends to exercise any priority bids at the sale, and at least one such sale has not been postponed or delisted, then all such priority-bid properties will be available for exclusive priority bidding by the Land Bank beginning at 9:00 a.m. All priority-bid properties will be open for the Land Bank's bids at the same time. The Land Bank will inform the Sheriff when its priority bids are complete, and the Land Bank will promptly ask the petitioner and the Sheriff to postpone any particular property to another sale if the Land Bank is not able to complete its intended priority bid by 10:00 a.m.
- b. Other properties will be open for public bidding beginning at 10:00 a.m. unless Bid4Assets and the Sheriff, each in their sole discretion, believe it may be prudent to extend priority bidding and delay the start of open bidding.
- c. The amount of the priority bid shall be the amount set forth in applicable law, which is currently set forth in 68 Pa. C.S. §

- 2117(d)(4)(i) and described in Section 6.a of the Amended and Restated Memorandum of Understanding Between the Philadelphia Land Bank, The City of Philadelphia, The School District of Philadelphia, and Philadelphia Gas Works to Coordinate the Handling of Tax Delinquent Real Properties, dated September 15, 2018, as it may be amended or replaced from time to time (the "2018 MOU").
- d. The Land Bank will furnish instructions to the Sheriff, or cause the petitioner to furnish instructions, for priority-bid properties concerning the effect of the sale on liens of higher priority than real estate taxes and City municipal liens, pursuant to Section 5.c of the 2018 MOU and other applicable law, including any extent to which such liens would survive the tax sale. The Sheriff will cause such instructions to be included on the sale website.
- 9. <u>Land Bank Payments</u>. As authorized in <u>68 Pa. C.S. §</u> <u>2117</u>(d)(ii), the Land Bank will make full payment to the Sheriff of the amount described in Section 5 of the 2018 MOU, with "Sheriff's costs" as used therein determined under Section 10 below.

10. Costs and Fees.

- a. For each property sold using a priority bid, the Land Bank will pay the following to the Sheriff pursuant to applicable law, including Code Section 10-1002(1)(a)-(b), as it may be amended from time to time, subject to the OPA assessed value limitation set forth in Section 5.d of the 2018 MOU:
- i. One hundred fifty dollars (\$150) for receiving and processing writs of execution.
- ii. Three hundred dollars (\$300) for conducting and processing the sale.
- iii. One hundred eighty dollars (\$180) for deed preparation.

- iv. Any unforeseen costs or fees of the Sheriff that may directly arise as a result of the sale, not to exceed \$500.00 per property, of which the Sheriff has given notice to the Land Bank promptly after learning of such unforeseen charges.
- b. The Land Bank will pay the following fees under <u>Section</u> <u>10-1002</u>(1)(b) or other applicable law directly, rather than to the Sheriff:
- i. To the Office of Judicial Records (formerly known as the Prothonotary), any fee normally charged to the Sheriff for the acknowledgement of the Sheriff's deed; and
- ii. To the Department of Records, any fee for the recording of the Sheriff's deed.
- c. In return for the Land Bank's continued prompt payment of all amounts pursuant to Sections 10 and 11 hereof, the Sheriff will waive payment by the Land Bank of the following fees, costs, and other charges:
- i. Any deposit or bid processing fee of Bid4Assets, Inc., or successor;
- ii. Except as noted above, any other Sheriff's fee or cost under <u>Section 10-1002</u>(1), including the Sheriff's commission ("poundage") and any fees for sending a letter of notice of sale or for staying a sale after advertising;
 - iii. Any advertising cost; and
 - iv. Any cost recovery fee (but see Section 10.a.iv).

11. Invoice and Payment.

a. The Sheriff will invoice the Land Bank within five (5) business days, stating and itemizing for each property both the priority bid (broken down by lien type), the OPA assessed value of the property, and the amount payable under the MOU (detailing the payments of liens and of costs payable to the Sheriff under Section

10 above). The priority bid amount is the amount the prior owner(s) must pay to reacquire the property.

- b. Within five (5) business days of receipt of the invoice, the Land Bank will discuss any disputed invoiced payments with the Sheriff and make payment in full of the amount payable under the MOU for any undisputed invoiced payments. The Land Bank shall make payment for properties with disputed payment amounts within five (5) business days after the Parties have agreed on the payment amounts. All payments shall be made via electronic funds transfer ("EFT"). The Land Bank may combine some or all properties in a single EFT but must concurrently itemize the amounts paid for each property.
- c. The Land Bank and the Sheriff will notify each other of any known court order or similar directive relating to the exercise of the Land Bank's priority bid, and will discuss an appropriate response.
- 12. <u>Deed and Recording</u>. The Sheriff will prepare and email a deed for each property within fifteen (15) calendar days after the Land Bank pays the invoice and furnishes the necessary information to the Sheriff. The Land Bank will review each deed, identify any errors and request any needed corrections, and record it at its own expense when it is correct. The Sheriff will also correct or withhold a deed if the court so orders.
- 13. <u>Reacquisition of Property by Prior Owner</u>. If a prior owner provides timely notice and payment to the Land Bank under <u>Section 16-705(3)(e)</u> of the Code, the Land Bank will forthwith forward to the Sheriff the amount of the priority bid, less the amount previously forwarded to the Sheriff pursuant to Section 11.b of the MOU.
- 14. <u>Delays and Disputes</u>. In the event of an unanticipated delay in performance by either Party, or if a significant dispute arises between them, or if the Parties do not resolve any discrepancy under Section 11.b hereof within the expected five (5)-

day deadline, or if either Party becomes aware of a third-party claim with the potential to threaten priority bidding or Sheriff's procedures generally, then either Party shall promptly give notice of the matter to the other Party and both shall work diligently to resolve the matter promptly.

15. <u>Notice</u>. Notice shall be given via email and hand delivery, addressed as follows or to such other addresses of which the Party has provided notice, citing this MOU:

If to the City: and:

Sheriff of Philadelphia Undersheriff

100 S. Broad Street, 5th Floor 100 S. Broad Street, 5th Floor

Philadelphia PA 19110 Philadelphia PA 19110

rochelle.bilal@phila.gov tariq.el-shabazz@phila.gov

<u>If to the Land Bank</u>: <u>and</u>:

Philadelphia Land Bank Philadelphia Land Bank

Attn: Executive Director Attn: Senior Counsel

1234 Market Street, 16th Floor 1234 Market Street, 16th Floor

Philadelphia PA 19107 Philadelphia PA 19107

angel.b.rodriguez@phdc.phila.gov andrea.saah@phdc.phila.gov

16. Nondiscrimination; Fair Practices. In connection with its actions and obligations under this MOU, the Land Bank shall not discriminate or permit discrimination against any individual on any unlawful basis, including but not limited to bases set forth in the Philadelphia Home Rule Charter, the Fair Practices Ordinance (Chapter 9-1100 of the Code), and Mayor's Executive Order No. 04-86, as they may be amended from time to time. Such bases include, but may not be limited to, actual or perceived race, ethnicity, color, sex, sexual orientation, gender identity, religion, national origin, ancestry, age, disability, marital status, source of income, familial status, genetic information; domestic or sexual violence victim status; or Acquired Immune Deficiency Syndrome ("AIDS") status. In the event of any breach of this Section 16, the City may, in addition

to any other rights or remedies available under this MOU, at law, or in equity, suspend or terminate this MOU forthwith.

17. <u>Electronic Signatures</u>. The MOU shall be executed by secure electronic means such as DocuSign.

IN WITNESS WHEREOF, the Parties by their authorized representatives have set forth their signatures below:

Renee Garcia, City Solicitor	THE CITY OF PHILADELPHIA Sheriff of Philadelphia
Per:	
Senior Attorney	Rochelle Bilal, Sheriff
	LAND BANK OF PHILADELPHIA
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Per:	
Andrea Imredy Saah, Senior Counsel	Angel Rodriguez, Executive Director