



Philadelphia Authority for
Industrial Development

AGENDA

TO: THE MEMBERS OF THE BOARD OF DIRECTORS OF THE
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

FROM: KATE HAGEDORN, SECRETARY

The following is the Agenda for the Meeting of the Board of Directors of the Philadelphia Authority for Industrial Development to be held on Tuesday, February 12, 2019, at 5:00 p.m. in PIDC's Board Room, 26th Floor, Centre Square West, 1500 Market Street, Philadelphia, PA.

- I. Approval of the Minutes of the Authority for the meeting held on January 29, 2019.
- II. Consider and approve Resolutions authorizing PAID to:
 - A. Enter into agreements with:
 1. Advanced Internet Marketing, Inc., d/b/a The GBS Group
 2. BFW Group, LLC
 3. Sales Alliances Inc., d/b/a MyFoodChain
 4. American Airlines Inc. and the City of Philadelphia
 5. The US Army Corps of Engineers, the Friends of the Schuylkill Navy, the City of Philadelphia and the Commonwealth of Pennsylvania

February 12, 2019

RESOLUTION

Philadelphia Authority for Industrial Development

Advanced Internet Marketing, Inc., d/b/a The GBS Group

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with Advanced Internet Marketing d/b/a The GBS Group (Tenant), to lease 2,600 rentable square feet in Quarters M-5, known as 4613 S. Broad Street, Philadelphia, PA 19112 (the “Leased Premises”).

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements with Tenant or its nominee or assignee, and to do such other acts necessary upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

Tenant is an engineering consultant who has contracted with the federal government to support the Department of Defense at the Philadelphia Navy Yard. Tenant is currently a tenant at 3 Crescent Drive, a Navy Yard property owned by Liberty Property Trust. Tenant seeks to remain in close proximity to the Navy, while downsizing from its current offices. Tenant wishes to rent the Leased Premises for office use for an initial five-year term, with no option to renew the lease.

The Base Rent will be \$24/SF, or \$5,200 per month. Base Rent is subject to 3% annual escalations for the remainder of the Initial Term. The Lease Commencement Date is March 15, 2019; Rent Commencement Date is August 1, 2019; and the Initial Term expires on March 31, 2024. Landlord has prepared the Leased Premises for Tenant’s initial occupancy by adding fresh paint to the interior and installing cost-saving LED lightbulbs. Otherwise, the Leased Premises will be delivered to Tenant in “as-is” condition.

February 12, 2019

RESOLUTION

Philadelphia Authority for Industrial Development

BFW Group, LLC

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with BFW Group, LLC (Tenant), to lease Suites 310 and 320, totaling 527 usable square feet, in Quarters M-3, 4605 S. Broad Street, Philadelphia, PA 19112 (the “Leased Premises”).

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements with Tenant or its nominee or assignee, and to do such other acts necessary upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

Tenant is a construction manager and owner’s representative, as well as an alumnus of Goldman Sachs 10,000 Small Businesses Program. Tenant represents PIDC for the renovation of PIDC’s new Center City office. Tenant seeks space at the Navy Yard to maintain proximity to its clients and projects, and wishes to rent the Leased Premises for office use for an initial three-year term, with one one-year renewal option, exercisable with proper written notice.

The Base Rent is \$1,400.00 per month with 3% annual escalations for the remainder of the Initial Term. The Lease Commencement Date as well as the Rent Commencement Date is March 1, 2019. Landlord will deliver the Leased Premises to Tenant in “as-is” condition.

February 12, 2019

RESOLUTION

Philadelphia Authority for Industrial Development

Sales Alliances Inc., d/b/a MyFoodChain

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with MyFoodChain (Tenant), to lease Suites 120 and 130, totaling 469 usable square feet, in Quarters M-3, 4605 S. Broad Street, Philadelphia, PA 19112 (the “Leased Premises”).

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements with Tenant or its nominee or assignee, and to do such other acts necessary upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

Tenant is a management consultant providing executive coaching for large and small businesses. Tenant currently has an office outside of the city and seeks a central location for its principals. Tenant wishes to rent the Leased Premises for office use for an initial one-year term, with a one one-year renewal option, exercisable with proper written notice.

The Base Rent is \$3,000.00 per month with 3% annual escalations for the Renewal Term. The Lease Commencement Date as well as the Rent Commencement Date is March 1, 2019. Other than routine cleaning services, installation of lockable suite doors, and removal of an interior wall, Landlord will deliver the Leased Premises to Tenant in “as-is” condition.

February 12, 2019

RESOLUTION

Philadelphia Authority for Industrial Development

American Airlines Inc.

City of Philadelphia

Philadelphia International Airport Terminal Modernization Projects

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a license with the City of Philadelphia (the City) and a sublicense with American Airlines, Inc. (American), to undertake design and construction of certain renovations to the Philadelphia International Airport (the Airport). The terms of the license and sublicense agreements made effective as of February 24, 2019, will be twelve months, with options for three renewals totaling 3 years, at nominal rent.

The appropriate officers of PAID are hereby authorized and empowered to execute the above-described agreements and all necessary documents and other agreements, and to do such other acts as are necessary to assist American upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

American is the world's largest airline, and currently employs approximately 8,700 employees at the Airport.

Airport management and American have agreed to modernize American's Terminals A-East B and C facilities (the Terminal Modernization Program). Terminal Modernization Program improvements will be completed by or on behalf of American and the City will provide funding for design and construction of such improvements. The City will approve contracts and budgets prior to American entering into any work. The City is willing to reimburse American for the costs of the two initially identified Terminal Modernization Program projects up to a maximum of \$60 million.

The City has agreed to indemnify, defend and hold harmless PAID in relation to its participation in this transaction.

February 12, 2018

RESOLUTION

Philadelphia Authority for Industrial Development

City of Philadelphia/Schuylkill River Dredging Project

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a Memorandum of Understanding with the US Army Corps of Engineers, Philadelphia District (the Army Corps), a Donation Agreement with the Friends of the Schuylkill Navy, an Intergovernmental Agreement with the City of Philadelphia (the City), and other agreements with the City, the Commonwealth of Pennsylvania, area universities, and foundations for the funding of the dredging project of the Schuylkill River.

The appropriate officers of PAID are hereby authorized and empowered to execute the above-described agreements and all necessary documents and other agreements, and to do such other acts as are necessary to assist the City upon such terms and conditions as they deem to be in the best interests of PAID.

BACKGROUND

The Schuylkill River in Philadelphia above the Fairmount Waterworks dam (the River) is a unique and historic rowing venue and a site for numerous regional and national regattas. The periodic buildup of silt in the racecourse and around Boathouse Row jeopardizes the ability to continue to use the River as a rowing and racing venue. The River must be dredged before racing season begins. The Army Corps is willing to perform the dredging, provided that it does not incur any cost. The City has requested that PAID act as a conduit for the funds.

The City, along with the boat house clubs, the universities, the Commonwealth, and certain foundations have committed to fund the dredging project. The City has agreed to indemnify and hold harmless PAID for its participation in this project.