



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, September 25, 2018, 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 September 4, 2018
- II. Consider and approve Resolutions authorizing PAID to:
 - A. Convey fee simple titles to parcels located at 5501 Tacony Street in the Bridesburg section of Philadelphia, PA to:
 1. Alliance Partners HSP, LLC.
 2. Burris Logistics.
 - B. Acquire fee simple title to a property located at 130 W. Westmoreland Street from the City of Philadelphia, and further authorizing PAID to sell the property to White Car, LLC.
 - C. Enter into documents with First Pennsylvania Resources, LLC, JMDH Real Estate of Philadelphia, LLC, and The Phillies to construct and operate the Darien Crossing Condominium shared stormwater facility.

September 25, 2018

RESOLUTION

Philadelphia Authority for Industrial Development

Alliance HSP Arsenal LLC

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to convey fee simple title to approximately 3.9 acres of land located at 5501 Tacony Street in the Bridesburg section of Philadelphia, PA to Alliance Partners HSP, LLC, or its approved assignee, for consideration of \$905,000.

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

BACKGROUND

Alliance Partners HSP, LLC (“Alliance HSP”) is a private commercial and industrial real estate investment company, which is a subsidiary of The Shidler Group, a national real estate development company. Alliance HSP has successfully developed several commercial properties in Philadelphia, including a mixed-use development in Northern Liberties housing Yards Brewing Company, the City of Philadelphia Archives, and Target.

In January of 2018, Alliance HSP acquired six buildings totaling 209,608 SF at the Frankford Arsenal Business Center located at 2275 Bridge Street. Alliance HSP is currently renovating and tenanting those buildings for commercial and industrial tenants.

To successfully redevelop their buildings at the Frankford Arsenal, Alliance HSP seeks to purchase approximately 4 acres of PAID’s 5501 Tacony Street site for parking (“Parking Area”). PAID has secured a high-quality developer for the remaining developable acreage at 5501 Tacony Street site through a competitive selection process. This Parking Area is not required to successfully complete that project. Conveyance of the Parking Area to Alliance HSP, in conjunction with the 5501 Tacony Street redevelopment project, will facilitate the successful redevelopment of 209,608 SF at the Frankford Arsenal.

Net proceeds from the sale will be deposited in the Industrial and Commercial Development Fund. The sale of this property by PAID is subject to the terms and conditions of the Philadelphia Industrial and Commercial Development Agreement (Bill No. 1048, approved April 25, 1974) and the approval of the Director of Commerce.

September 25, 2018

RESOLUTION

Philadelphia Authority for Industrial Development

Burriss Logistics

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to convey fee simple title for approximately +/-26.0 acres of land located at 5501 Tacony Street in the Bridesburg section of Philadelphia, PA to Burriss Logistics, or its approved assignee, for consideration of \$6,540,000.

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

BACKGROUND

Burriss Logistics of Milford, DE is the parent company of Honor Foods, a Philadelphia-based, regional, packaged-food distributor that was founded in 1949. Honor has been headquartered at its present location on N. 5th St. in Kensington since 1983 and currently employs 109 full-time workers. Honor has been growing consistently since it was acquired by Burriss Logistics in 2007. The company has been searching for a larger site within Philadelphia to support continued growth and expansion.

Earlier this year, PIDC conducted a competitive process to secure a developer for a portion of an industrial development site at 5501 Tacony Street adjacent to the Frankford Arsenal. Burriss Logistics was selected based on its proposal to invest \$43 million to construct a 264,290 SF facility to serve as the new headquarters and distribution center for Honor Foods. The facility will consist of 28,000 SF of office space and 236,290 SF of temperature-controlled storage space. The project will retain 109 current full-time positions and create 70 new full-time positions.

Net proceeds from the sale will be deposited in the Industrial and Commercial Development Fund. The sale of this property by PAID is subject to the terms and conditions of the Philadelphia Industrial and Commercial Development Agreement (Bill No. 1048, approved April 25, 1974) and the approval of the Director of Commerce.

September 25, 2018

RESOLUTION

Philadelphia Authority for Industrial Development

White Car, LLC

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to acquire fee simple title to an approximately 26,999 square foot property located at 130 W. Westmoreland Street from the City of Philadelphia, and further authorizing PAID to sell this property to White Car, LLC., or its assignee or nominee, for a consideration of \$170,000.

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

BACKGROUND

The subject property is a vacant lot owned by the City of Philadelphia adjacent to the Jose Manuel Collazo Playground. In May 2017, PAID approved the sale of 3300-3322 N. Front St. to White Car, LLC to develop into an urgent care facility. The purchaser approached the City with plans to use the lot at 130 W. Westmoreland St. to provide off-street parking to support the previously approved Front St. development.

The City of Philadelphia has agreed to sell this property and 3300-3322 N. Front St. through PAID to the purchaser. The sale of both of these properties to PAID for further conveyance was authorized by City Council Ordinance Nos. 180104 and 180105 both of which were signed by the Mayor on May 22nd, 2018.

The net proceeds from the sale of this property will be returned to the City of Philadelphia's General Fund.

RESOLUTION

Philadelphia Authority for Industrial Development

*Darien Crossing Condominium Shared Stormwater Project
(First Pennsylvania Resources, LLC,
JMDH Real Estate of Philadelphia, LLC and The Phillies)*

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease to design, construct and operate a shared stormwater management facility at the Darien Crossing Condominium located at 700 Pattison Ave. (“Project”) with First Pennsylvania Resources, LLC, a subsidiary of Resource Environmental Solutions (“RES”) at nominal consideration with a 29-year, 11-month term and an option to purchase Unit 2 for \$40,000,000, and also authorizing PAID to enter into a Stormwater Credit Agreement with JMDH Real Estate of Philadelphia, LLC (“Jetro”) and The Phillies (“The Phillies”).

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

BACKGROUND

In 2001, PAID created the Darien Crossing Condominium at 700 Pattison Ave. in the Sports Complex to facilitate the development of Lincoln Financial Field and Citizens Bank Park. The condominium is located on a 42-acre property with an existing 468,407 SF warehouse and consists of 3 units: Unit 1 is owned by PAID and managed by The Philadelphia Phillies as parking; Unit 2 is owned by PAID and includes a vacant and dilapidated 179,643 SF portion of the warehouse; and Unit 3 is owned by Jetro Real Estate Co. and consists of the 288,764 SF balance of the warehouse and related parking.

The Philadelphia Water Department’s Green City, Clean Waters plan calls for an investment of \$2.4 billion over the next 25 years in public infrastructure to reduce combined sewer overflows and has identified the Sports Complex as a strategic location for stormwater management. Earlier this year, PAID and RES, a Houston, TX based company that focuses on wetland stream restoration and stormwater management, submitted an application to the Philadelphia Water Department’s Greened Acre Retrofit Program (“GARP”) to demolish the structure on Unit 2 and construct an underground shared stormwater management facility with a parking lot atop it to manage stormwater for the entire Darien Crossing Condominium complex and surrounding streets. PWD awarded a \$13,093,120 GARP grant to PAID to fund the entire cost of development of the shared stormwater facility.

The GARP grant further requires RES to operate and maintain the stormwater facility during the lease term. RES will provide these services at a cost of \$53,355 per year which will escalate 3% annually over the term. Per the Stormwater Credit Agreement, Jetro and The Phillies will make payments to PAID sufficient to fund RES’ annual maintenance cost of the stormwater facility.