

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE  
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT**

**APRIL 22, 2014**

Thomas A.K. Queenan, Chairman, presided at the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development on Tuesday, April 22, 2014, at 5:15 p.m. in PIDC's Board Room, 26th floor, Centre Square West, 1500 Market Street, Philadelphia, PA.

Members attending:

Evelyn Smalls  
David L. Hyman, Esquire  
Harold Yaffe, DDS

Attending from the PIDC staff:

John Grady	President, PIDC
Anthony Simonetta	Senior Vice President, Operations, PIDC
Ilene Burak, Esq.	Senior Vice President/General Counsel
Mary Corcoran	Assistant Secretary, PIDC
Meg Clark	Executive Assistant, President's Office, PIDC

Mr. Grady informed the Board Members of two upcoming events for which they will receive invitations. The first is the Annual Executives Breakfast to be held at The Navy Yard on May 1<sup>st</sup> and the second is the Annual PIDC Clients Appreciation Night scheduled for May 15<sup>th</sup> at FringeArts on Columbus Boulevard.

Upon motion made by Dr. Yaffe and seconded by Ms. Miller, the Minutes of the Meeting of the PAID Board held on April 8, 2014 were approved.

Mr. Grady requested approval of the following:

1. A Resolution authorizing Philadelphia Authority for Industrial Development (PAID) to provide a loan in an amount of up to \$2,893,000 for a term of 10 years with a 30-year amortization schedule at a fixed interest rate of 2.00% for P & A Associates T/A PNA Associates or its nominee or assignee. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and do such other acts necessary to assist P & A Associates T/A PNA Associates or its nominee or assignee upon such terms and conditions as they deem to be in the best interests of this Corporation.

This Resolution is a Revision to Prior Authorization approved by the PAID Board on June 4, 2013 by increasing the PAID Loan by \$400,000 from \$2,493,000 to \$2,893,000 and increasing Vetri's contribution by \$44,032 from \$276,968 to \$321,000.

Upon motion made by Dr. Yaffe and seconded by Ms. Smalls, with Mr. Hyman abstaining (stating that Kleinbard Bell & Brecker, LLP has represented P & A Associates in the past – see Enclosure 1), the Members approved the above Resolution.

2. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to acquire fee simple title to an approximately 12,100 square foot parcel located at 1823 Callowhill Street from the City of Philadelphia, and further authorizing PAID to sell this property to Orens Brothers Real Estate, Inc., or its assignee or nominee, for a consideration of \$2,000,000. 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 the Authority.

Upon motion made by Ms. Smalls and seconded by Mr. Hyman, the Members unanimously approved the above Resolutions.

3. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a lease with Trellist, Inc. for approximately 2,700 square feet of space in Building 101 in The Navy Yard's Historic Core. The lease will have an initial term of three years. Base Rent commences at \$22.00 per square foot increasing 3% annually. Annual rent is on a triple net basis with the tenant paying for its portion of all building operating expenses and the Navy Yard Common Area Maintenance Charges (CAM) in addition to Base Rent. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and do such other acts necessary to assist Trellist, Inc. or its nominee or assignee upon such terms and conditions as they deem to be in the best interests of PAID.

Upon motion made by Dr. Yaffe and seconded by Ms. Smalls, the Members unanimously approved the above Resolution.

4. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a ground lease agreement with the City of Philadelphia (City) acting through its Department of Public Property for the land and existing improvements located at 1700 S. Broad Street in South Philadelphia. Ground Lessee shall

further sublease the land and existing improvements to CHOP 1700, INC., a Pennsylvania non-profit corporation (CHOP INC). The ground lease term and ground sublease shall commence with a construction term of approximately 2 years, an initial occupancy term through September 20, 2061, with up to four 10-year renewal term options. Further, PAID will enter into an operating lease agreement with CHOP INC and into an operating sublease agreement with the City for certain areas of the project, for certain areas to be leased back to the City. The operating lease and operating sublease will run concurrently with the initial occupancy term of the ground lease and ground sublease. The base rent to CHOP INC for the land will be \$10.00 per year and the base rent for the City for the leased space will be \$10.00 per year. 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 Children's Hospital of Philadelphia and the City of Philadelphia upon such terms and conditions as they deem to be in the best interest of PAID.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolutions.

There being no further business, the Meeting was adjourned.