

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY

CHAIRMAN'S BRIEFING

March 5, 2014

The Chairman's Briefing of The Pennsylvania Industrial Development Authority (PIDA) was held on March 5, 2014, in the 4 East Conference Room, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, Pennsylvania. The meeting was called to order by Carolyn Boser Newhouse, who chaired the meeting for the Honorable C. Alan Walker, at approximately 9:30 a.m. The following members were present: the Honorable Glenn E. Moyer, B. Michael Schaul and the following seven members via telephone: Jared Grissinger for the Honorable George Greig, James J. Black, III, Thomas Chiomento, John Kameen, Chuck McGroarty, David Nasatir, and Alan Papernick. Also present were PIDA Staff: Scott Dunkelberger, Kevin Rowland, Laurie Henry, Lori Beamer, Frank Tokarz, Nicholas Horting, Mike Cortez, Tim Anstine and Christopher Houston, legal counsel; and James Bowman, financial consultant to the Authority. Ms. Newhouse reviewed new loan applications and special requests with the Board. The meeting was adjourned.

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY

March 5, 2014

The regular meeting of The Pennsylvania Industrial Development Authority (PIDA) was held after proper notice was given pursuant to the terms of the Act of July 3, 1986 (the "Sunshine Act"), on March 5, 2014, in PUC Hearing Room #1, Commonwealth Keystone Building, 2nd Floor, Harrisburg, Pennsylvania. The meeting was called to order by Carolyn Boser Newhouse, who chaired the meeting for the Honorable C. Alan Walker, at approximately 10:21 a.m. The following members were present: the Honorable Glenn E. Moyer, B. Michael Schaul and the following seven members via telephone: Jared Grissinger for the Honorable George Greig, James J. Black, III, Thomas Chiomento, Chuck McGroarty, John Kameen, David Nasatir, and Alan Papernick. Also present were PIDA Staff: Scott Dunkelberger, Kevin Rowland, Laurie Henry, Lori Beamer, Frank Tokarz, Nicholas Horting, Mike Cortez, Tim Anstine and Christopher Houston, legal counsel; and James Bowman, financial consultant to the Authority. The following persons were also present: Robert Postal, Mifflin County Industrial Development Corporation; Jason Brehouse, staff of Senator Ward and Ahmed Mohamed, Comptroller Operations. The following persons participated via teleconference: Ron Coombs, Regional Industrial Development Corporation of Southwestern Pennsylvania; John Kingsley, Northampton County New Jobs Corp.; David Gill, Flexicon Corporation; Ken Goldberg, First Quality Retail Services, Inc.; and Bob Meeker, Meeker Equipment Company, Inc. The Board approved the minutes of the February 5, 2014 PIDA Board Meeting and the bills received during the previous month (see following page).

Bills March 5, 2014 PIDA Board Meeting

Reinsel Kuntz Leshar, LLP

PIDA Financial Consultant

Services rendered January 27, 2014 through February 21,2014	\$9,056.50	
		\$9,056.50

Wells Fargo Bank N.A.

Banking Services 1/1/2013 thru 12/31/2013	\$4,260.49	
		<u>\$4,260.49</u>

GRAND TOTAL:		\$13,316.99
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NEW LOAN APPLICATIONS

The following applications were voted on and unanimously approved unless otherwise indicated below. Confidential financial information reviewed by the Board has been omitted. David Nasatir abstained on loan #9561.

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9562		
DATE: March 5, 2014						
APPLICANT (Industrial Development Agency): Regional Industrial Development Corporation						
ADDRESS: 210 Sixth Avenue, Suite 3620, Pittsburgh, Pennsylvania 15222						
PERSON TO CONTACT: Colleen Poremski			TELEPHONE NUMBER: 412-315-6442			
COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)						
Occupant: SDC Nutrition, Inc.			Beneficial Owner: Regional Industrial Development Corporation			
PRESIDENT: Sean Marszalek		MAILING ADDRESS: 528 Braddock Avenue, Turtle Creek, Pennsylvania 15145		TELEPHONE NUMBER: 412-824-5992		
PRODUCT: Nutritional Supplements		NAICS # 3119	PERSON TO CONTACT AND TITLE: Spencer Payne, CFO		TELEPHONE NUMBER: 412-824-5992	
TYPE OF ENTERPRISE:						
<input checked="" type="checkbox"/> Manufacturing	<input type="checkbox"/> Regional or National Headquarters	<input type="checkbox"/> Research & Development	<input type="checkbox"/> Agri-Business			
<input type="checkbox"/> Warehouse & Terminal	<input type="checkbox"/> Industrial	<input type="checkbox"/> Computer or Clerical Operation Center				
TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)			Check box if SMALL BUSINESS			
Pennsylvania 25	Worldwide, Include Pa. 25	(Less than 50 existing employees)	<input checked="" type="checkbox"/>			
EMPLOYMENT THIS SITE ONLY:		TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)		25	\$550,000	\$22,000	40	5%
New Employment in Three Years (Do Not Include Existing Employment)		20	\$933,333	\$46,660	40	24%
SIZE OF PROJECT (Sq. Ft.) 59,562	SIZE OF SITE (Acres) 5.923	LOCATION OF PLANT (Include Municipality & Mailing Address): 170 Industry Drive Pittsburgh, Pennsylvania 15275 (Findlay Township)			COUNTY: Allegheny	
PURPOSE OF PROJECT (Please check appropriate box(es))						
<input type="checkbox"/> To construct new building	<input type="checkbox"/> To expand in new location within Pa. (Not a relocation)					
<input checked="" type="checkbox"/> To expand existing building	<input type="checkbox"/> To relocate/expand existing plant from _____ (Name of State)					
<input type="checkbox"/> To acquire existing building	<input type="checkbox"/> To acquire and renovate existing building					
Other:						
PIDA LOAN REQUESTED \$785,000	TOTAL PROJECT COST \$1,570,000	COST PER SQ. FT. (Building Costs Only) \$23.49	COST PER JOB TOTAL PROJECT \$34,888	COST PER JOB-PIDA \$17,444		
METHOD OF FINANCING						
1. FIRST MORTGAGE _____ % Participation			3. OTHER PARTICIPATION _____ % Participation			
a. Amount _____			a. Amount _____			
b. Name of Mortgagee _____			b. Interest Rate _____			
c. Interest Rate _____			c. Term _____			
d. Term _____			d. By Whom _____			
e. Person to contact _____			4. OTHER PARTICIPATION 50 % Participation			
Telephone number _____			a. Amount \$785,000			
SECOND			b. Interest Rate -			
2. PIDA MORTGAGE 50 % Participation			c. Term -			
a. Amount \$785,000			d. By Whom Equity			
b. Interest Rate 2.25%						
c. Term 15 Years						
PIDA USE ONLY						
<input type="checkbox"/> State or Federal Enterprise Zone	<input type="checkbox"/> Brownfield Site	<input type="checkbox"/> Financially Distressed (Act 47)	<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> GAT Project	<input type="checkbox"/> KOZ	<input type="checkbox"/> KOEZ
CRITICAL ECONOMIC AREA Allegheny County	UNEMPLOYMENT RATE 7.4% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.		PIDA PARTICIPATION 50 %	GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>	

Regional Industrial Development Corporation
SDC Nutrition, Inc.
PIDA#9562
DCED#201402077148

Company Background: The company was incorporated in Delaware in 2010.

Product: SDC Nutrition, Inc. manufactures nutritional supplements, such as whey protein powder, pea protein powder and pre workout powder.

Ownership: 29.00% - Devenee Schumacher
28.00% - Sean Marszalek
43.00 % - Twenty-seven (27) Investors; None owning over 7.75%
100.00%

Regional Industrial Development Corporation (Beneficial Owner) – 100%

Markets/Customers: Primary market area of SDC Nutrition, Inc. is national. The company has expanded into a limited international market in 2013.

400 customers including:
Performance Food Centers – 11% of total sales
Revolutionary Technology Nutrition – 7% of total sales
UNFI– 5% of total sales

Other data: The company is currently operating twenty-four (24) miles away in a 20,000 sq. ft. building located in Keystone Commons, which they lease from the Regional Industrial Development Corporation. The company's operations and its twenty-five (25) existing employees will be transferred to the new site.

This project involves the renovation of a 60,000 sq. ft. building, Park West Manor, located on 5.923 acres in Findlay Township, Allegheny County. The building was occupied by Eaton Corporation from 1994 to 2008. The building has been vacant since 2008, when Eaton Corporation relocated. SDC Nutrition, Inc. has experienced steady growth and has outgrown its current 20,000 sq. ft. facility. The company requires a larger stand-alone facility which can accommodate their anticipated long term growth. The project site is in "shell" condition and a large amount of tenant improvements are required. Renovations will include new HVAC, lighting, sprinkler system, an upgrade in the electrical system to accommodate the manufacturing equipment, restrooms, and an office build out. The renovations will also include constructing a temperature controlled and "clean" room to house the blending area of the production line.

The company anticipates creating twenty (20) full time jobs within three years.

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9558				
				DATE: March 5, 2014				
APPLICANT (Industrial Development Agency): Mifflin County Industrial Development Corporation								
ADDRESS: 6395 SR 103N, Building 50, Lewistown, Pennsylvania 17044								
PERSON TO CONTACT: Robert Postal			TELEPHONE NUMBER: 717-242-0393					
COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)								
Occupant: First Quality Retail Services, LLC		Beneficial Owner: First Quality Baby Products, LLC			X			
PRESIDENT: Moshe Oppenheim		MAILING ADDRESS: 80 Cuttermill Road, Suite 500, Great Neck, NY 11021		TELEPHONE NUMBER: 516-498-2428				
PRODUCT: Incontinence products		NAICS # 3399	PERSON TO CONTACT AND TITLE: Kenneth Goldberg, Tax/Legal		TELEPHONE NUMBER: 516-498-2428			
TYPE OF ENTERPRISE:								
<input checked="" type="checkbox"/> Manufacturing	<input type="checkbox"/> Regional or National Headquarters	<input type="checkbox"/> Research & Development	<input type="checkbox"/> Agri-Business					
<input type="checkbox"/> Warehouse & Terminal	<input type="checkbox"/> Industrial	<input type="checkbox"/> Computer or Clerical Operation Center						
TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)				Check box if SMALL BUSINESS				
Pennsylvania 3348		Worldwide, Include Pa. 3348		(Less than 50 existing employees) <input type="checkbox"/>				
EMPLOYMENT THIS SITE ONLY:				TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)				350	\$19,500,000	\$55,714	40	30%
New Employment in Three Years (Do Not Include Existing Employment)				150	\$8,357,100	\$55,714	40	30%
SIZE OF PROJECT (Sq. Ft.) 580,000		SIZE OF SITE (Acres) 316	LOCATION OF PLANT (Include Municipality & Mailing Address): 97 Locust Road, Lewistown, Pennsylvania 17044, Granville Township			COUNTY: Mifflin		
PURPOSE OF PROJECT (Please check appropriate box(es))								
<input checked="" type="checkbox"/> To construct new building	<input type="checkbox"/> To expand in new location within Pa. (Not a relocation)							
<input type="checkbox"/> To expand existing building	<input type="checkbox"/> To relocate/expand existing plant from _____ (Name of State)							
<input type="checkbox"/> To acquire existing building	<input type="checkbox"/> To acquire and renovate existing building							
Other:								
PIDA LOAN REQUESTED \$2,250,000		TOTAL PROJECT COST \$25,000,000		COST PER SQ. FT. (Building Costs Only) \$43.10	COST PER JOB TOTAL PROJECT \$50,000		COST PER JOB-PIDA \$4,500	
METHOD OF FINANCING								
1. MORTGAGE _____ % Participation				3. OTHER PARTICIPATION _____ % Participation				
a. Amount _____				a. Amount _____				
b. Name of Mortgagee _____				b. Interest Rate _____				
c. Interest Rate _____				c. Term _____				
d. Term _____				d. By Whom _____				
e. Person to contact _____								
Telephone number _____								
FIRST				4. OTHER PARTICIPATION 91 % Participation				
2. PIDA MORTGAGE 9 % Participation				a. Amount \$22,750,000				
a. Amount \$2,250,000				b. Interest Rate na				
b. Interest Rate 2.25%				c. Term na				
c. Term 15 years				d. By Whom Company				
PIDA USE ONLY								
<input type="checkbox"/> State or Federal Enterprise Zone	<input type="checkbox"/> Brownfield Site	<input type="checkbox"/> Financially Distressed (Act 47)	<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> GAT Project	<input type="checkbox"/> KOZ	<input type="checkbox"/> KOEZ		
CRITICAL ECONOMIC AREA Mifflin County		UNEMPLOYMENT RATE 8.3% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.		PIDA PARTICIPATION 50 %		GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>	

Mifflin County Industrial Development Corporation

First Quality Retail Services, LLC

#9558

Company Background: First Quality Retail Services, LLC was founded in 2008 with the acquisition of Tyco Healthcare Retail Group. First Quality Retail Services, LLC is a part of the First Quality Group which consists of 12 companies.

First Quality Group

First Quality International	First Quality Retail Services
First Quality Consumer Products	First Quality Baby Products
First Quality Hygienic	First Quality Nonwovens (Wuxi)
First Quality Products	First Quality Tissue
First Quality Water & Beverage	Nutek Disposables
First Quality Enterprises	First Quality Nonwovens

Product: Manufactures adult incontinence and feminine hygiene products.

Ownership: First Quality Retail Services, LLC is wholly owned by First Quality Baby Products, which is owned by Damaghi family individuals and Trusts.

Market/Customers: Geographic market area is worldwide.

Approximately 60 customers including:

Sam's Club	7%
Walgreen Co.	7%
Walmart	33%

Other Data: This is phase two of the facility planned for this site. The project site includes a 1 million square foot building on 316 acres occupied by First Quality Baby Products. This project will construct a 580,000 square foot building to be occupied by First Quality Retail Services, LLC.

The project also includes the purchase of nearly \$15 million of machinery and equipment.

PIDA's first loan to a First Quality company was the assumption of a prior loan to Velda of United States, Inc. in 1989. First Quality has created 3,348 jobs since then.

Previous PIDA Loans See attachment.

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9561	
				DATE: March 5, 2014	
APPLICANT (Industrial Development Agency): Mifflin County Industrial Development Corporation					
ADDRESS: 6395 SR 103 N, Building 50, Lewistown, Pennsylvania 17044					
PERSON TO CONTACT: Robert P. Postal			TELEPHONE NUMBER: 717-242-0393		
COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)					
Occupant: Meeker Equipment Co., Inc.			Beneficial Owner: MGH Group Holdings PA, LP		
PRESIDENT: R. Jeffrey Meeker		MAILING ADDRESS: 1400 Industry Road, Hatfield, Pennsylvania 19440		TELEPHONE NUMBER: 215-361-2900	
PRODUCT: Equipment	NAICS # 3324	PERSON TO CONTACT AND TITLE: Robert Meeker, Partner		TELEPHONE NUMBER: 215-361-2900	
TYPE OF ENTERPRISE:					
<input checked="" type="checkbox"/> Manufacturing	<input type="checkbox"/> Regional or National Headquarters	<input type="checkbox"/> Research & Development		<input type="checkbox"/> Agri-Business	
<input type="checkbox"/> Warehouse & Terminal	<input type="checkbox"/> Industrial	<input type="checkbox"/> Computer or Clerical Operation Center			
TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)			Check box if SMALL BUSINESS		
Pennsylvania 15	Worldwide, Include Pa. 52	<input type="checkbox"/> (Less than 50 existing employees)			
EMPLOYMENT THIS SITE ONLY:				TOTAL	
Existing Employment (Include jobs transferred to this site)		8	\$501,500	\$62,487	40
New Employment in Three Years (Do Not Include Existing Employment)		20	\$768,500	\$38,425	40
SIZE OF PROJECT (Sq. Ft.) 60,000	SIZE OF SITE (Acres) 15.52	LOCATION OF PLANT (Include Municipality & Mailing Address): 4381 Front Mountain Road Belleville, Pennsylvania 17004 Union Township			COUNTY: Mifflin
PURPOSE OF PROJECT (Please check appropriate box(es))					
<input type="checkbox"/> To construct new building	<input type="checkbox"/> To expand in new location within Pa. (Not a relocation)				
<input type="checkbox"/> To expand existing building	<input type="checkbox"/> To relocate/expand existing plant from _____ (Name of State)				
<input type="checkbox"/> To acquire existing building	<input checked="" type="checkbox"/> To acquire and renovate existing building				
Other:					
PIDA LOAN REQUESTED \$400,000	TOTAL PROJECT COST \$800,000	COST PER SQ. FT. (Building Costs Only) \$12.83	COST PER JOB TOTAL PROJECT \$28,571	COST PER JOB-PIDA \$14,286	
METHOD OF FINANCING					
1. FIRST MORTGAGE 40 % Participation			3. OTHER PARTICIPATION _____ % Participation		
a. Amount \$320,000	b. Name of Mortgagee Fox Chase Bank	c. Interest Rate 4.64%	d. Term 15 years	e. Person to contact Thomas R. O'Connell	Telephone number 215-682-7400
2. PIDA MORTGAGE 50 % Participation			4. OTHER PARTICIPATION 10 % Participation		
a. Amount \$400,000	b. Interest Rate 2.25%	c. Term 15 years	a. Amount \$80,000	b. Interest Rate na	c. Term na
d. By Whom _____	d. By Whom Company				
PIDA USE ONLY					
<input type="checkbox"/> State or Federal Enterprise Zone	<input type="checkbox"/> Brownfield Site	<input type="checkbox"/> Financially Distressed (Act 47)	<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> GAT Project	<input type="checkbox"/> KOZ
<input type="checkbox"/> KOEZ					
CRITICAL ECONOMIC AREA Mifflin County	UNEMPLOYMENT RATE 8.3% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.		PIDA PARTICIPATION 50%	GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>

Mifflin County Industrial Development Corporation
Meeker Equipment Co., Inc.

#9561

Company Background: Meeker Equipment Co., Inc. was founded in 1986 and incorporated in Pennsylvania.

Product: Manufactures equipment such as instrumentation, tanks, conveyors, drums and air quality equipment for customers in the asphalt, oil & gas, and concrete industries.

Ownership:

	Meeker Equipment Co., Inc.	MGH Group Holdings PA, LP	Meeker Holding Company, Inc.	MGH Group PA LLC
Meeker Holding Company, Inc.	100%			
R. Jeffrey Meeker		19.6%	34.5%	20%
Stephen G. Meeker		19.6%	34.5%	20%
Robert Meeker		19.6%		20%
William Garrett		19.6%	20%	20%
James Hurlburt		19.6%	11%	20%
MGH Group PA LLC		2.0%		

Market/Customers: Geographic market area includes the US, South America and China.

Approximately 200 customers including:

Haines & Kibblehouse 15%
 Hanson Aggregates 15%
 JW Lynch 15%

Other Data: The company is currently operating 2 miles away in Belleville in a leased building. The 8 employees at that location will transfer to the project site.

<u>Existing Employment</u>	<u>Employees</u>
Belleville, PA	8
Hatfield, PA	7
Ohio	35
New York (Sales Rep)	1
Michigan (Sales Rep)	1

Non-Prejudicial: 11/15/2013 Acquisition Price: \$150,000
 Appraisal: \$

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9559		
DATE: March 5, 2014						
APPLICANT (Industrial Development Agency): Northampton County New Jobs Corp.						
ADDRESS: 2158 Avenue C, Suite 200, Bethlehem, PA 18017						
PERSON TO CONTACT: John Kingsley			TELEPHONE NUMBER: (610) 266-0887			
COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)						
Occupant: Flexicon Corporation			Beneficial Owner: DG Properties, Inc. <input checked="" type="checkbox"/>			
PRESIDENT: David R. Gill		MAILING ADDRESS: 2400 Emerick Blvd., Bethlehem, PA 18020		TELEPHONE NUMBER: (610) 814-2400		
PRODUCT: Manufacture Conveyor Systems	NAICS # 3335	PERSON TO CONTACT AND TITLE: Rebecca Stefano, Accounting Department Manager		TELEPHONE NUMBER: (610) 814-2400		
TYPE OF ENTERPRISE:						
<input checked="" type="checkbox"/> Manufacturing	<input type="checkbox"/> Regional or National Headquarters	<input type="checkbox"/> Research & Development		<input type="checkbox"/> Agri-Business		
<input type="checkbox"/> Warehouse & Terminal	<input type="checkbox"/> Industrial	<input type="checkbox"/> Computer or Clerical Operation Center				
TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)			Check box if SMALL BUSINESS			
Pennsylvania 138 Worldwide, Include Pa. 204			(Less than 50 existing employees) <input type="checkbox"/>			
EMPLOYMENT THIS SITE ONLY:						
		TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)		138	\$8,197,745	\$59,403	40	32%
New Employment in Three Years (Do Not Include Existing Employment)		50	\$3,050,850	\$61,017	40	34%
SIZE OF PROJECT (Sq. Ft.) 88,161	SIZE OF SITE (Acres) 10.71	LOCATION OF PLANT (Include Municipality & Mailing Address): 2400 Emerick Blvd. (Bethlehem Township)			COUNTY: Northampton	
PURPOSE OF PROJECT (Please check appropriate box(es))						
<input type="checkbox"/>	To construct new building	<input type="checkbox"/>	To expand in new location within Pa. (Not a relocation)			
<input checked="" type="checkbox"/>	To expand existing building	<input type="checkbox"/>	To relocate/expand existing plant from _____ (Name of State)			
<input type="checkbox"/>	To acquire existing building	<input type="checkbox"/>	To acquire and renovate existing building			
Other:						
PIDA LOAN REQUESTED \$2,000,000	TOTAL PROJECT COST \$6,500,000	COST PER SQ. FT. (Building Costs Only) \$62.91	COST PER JOB TOTAL PROJECT \$34,574	COST PER JOB-PIDA \$10,638		
METHOD OF FINANCING						
1. FIRST MORTGAGE 69 % Participation			3. OTHER PARTICIPATION _____ % Participation			
a. Amount \$4,500,000			a. Amount _____			
b. Name of Mortgagee Santander			b. Interest Rate _____			
c. Interest Rate 67% of (30-day LIBOR + 187 bps) - App. 2%			c. Term _____			
d. Term 10 yr. term (20 yr. amortization)			d. By Whom _____			
e. Person to contact Steven M. Weidman			4. OTHER PARTICIPATION _____ % Participation			
Telephone number (215) 340-1020			a. Amount _____			
2. PIDA MORTGAGE 31 % Participation			b. Interest Rate _____			
a. Amount \$2,000,000			c. Term _____			
b. Interest Rate 2.25%			d. By Whom _____			
c. Term 15 yrs.						
PIDA USE ONLY						
<input type="checkbox"/> State or Federal Enterprise Zone	<input type="checkbox"/> Brownfield Site	<input type="checkbox"/> Financially Distressed (Act 47)	<input type="checkbox"/> Advanced Technology	<input checked="" type="checkbox"/> GAT Project	<input type="checkbox"/> KOZ	<input type="checkbox"/> KOEZ
CRITICAL ECONOMIC AREA Northampton County	UNEMPLOYMENT RATE 2.0% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.		PIDA PARTICIPATION 50 %	GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>	

Company Background: The Company was founded in 1974 by William S. Gill, in New Jersey, and was succeeded by his son David R. Gill. In 2001, Flexicon relocated all their operations to their current 91,000 sq. ft. manufacturing facility in Bethlehem Township, Northampton County.

Product: Manufacture Conveyer Systems

Ownership: Industrial Occupant: (Flexicon Corporation) David R. Gill 100%
 Beneficial Owner: (DG Properties, Inc.) David R. Gill 100%

Markets/Customers: Primary market area is worldwide.

6887 customers including:
 McCormick and Company 4%
 Maxwell Technologies 3%
 Interplastic Corp. 2%

Other data: Flexicon Corporation is proposing an 88, 161 sq. ft. addition onto their current 91,000 sq. ft. manufacturing facility on 10.71 acres located at 2400 Emerick Blvd., Bethlehem, Northampton County. The project site will continue to be used as the headquarters and manufacturing facility for the company's conveyer systems.

Flexicon Corporation is an industry leader in the design and manufacture of bulk handling equipment and custom-engineered and integrated plant-wide systems. The company's products range from individual equipment to automated systems that source bulk material from interior and exterior plant locations, transport it between process equipment and storage vessels, weigh it, blend it, feed it to packaging lines, extruders, molding machines and storage vessels, and load it into railcars and trailers.

The company will retain 138 existing employees and is committing to create 50 additional employees within three years.

GAT Offer Letter Dated: July 15, 2013

Previous PIDA Loan	Approval Date	Original Amount	Current Balance	Jobs
3403086	2/7/2001	\$ 1,250,000	Paid in Full	Retain 12, Create 90

RESOLVED, THAT EACH OF THE LOANS HERETOFORE APPROVED IS SUBJECT TO THE FOLLOWING CONDITIONS:

1. In the event that the Premises to be mortgaged has been or at any time during the term of the loan is identified as being in a Flood Hazard Area by the United States Federal Emergency Management Agency, the Industrial Occupant shall obtain flood insurance as provided by the National Flood Insurance Act of 1968, as amended.
2. The Beneficial Owner and/or the Industrial Occupant shall be obligated to and do hereby agree to promptly provide whatever information relating to the project is required and requested by this Authority. Upon failing to do so the Authority may, at its discretion, declare that a material default has occurred and take such action as it deems appropriate.
3. All contracts for the construction, renovation, expansion or improvement of the Authority project shall include the Commonwealth's Standard Non-Discrimination Clause, which is attached hereto and incorporated herein as Exhibit "A".
4. There shall be no material adverse change in the financial condition of the above captioned company, or the guarantors, if any, from that disclosed by the financial statements delivered to this Authority as a part of the Application.
5. Prior to the closing, the Industrial Agency shall provide this Authority with satisfactory evidence on behalf of said Company and its affiliates, that all taxes and other monies due and owing to the Commonwealth of Pennsylvania are paid current as of the closing date, unless any of said taxes or other payments are being contested, in which case this Authority will require that funds be escrowed to pay said taxes or other payments in the event of any adverse decision.

EXHIBIT "A"

NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

During the term of the contract, Contractor agrees as follows:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.
3. Contractors and subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
4. Contractors shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contracts relate.
5. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to their books, records, and accounts by the contracting agency and the Bureau of Contract Administration and Business Development, for purposes of investigation, to ascertain compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, the Contractor or subcontractor shall furnish such information on reporting forms supplied by the contracting agency or the Bureau of Contract Administration and Business Development.
6. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.
7. The Commonwealth may cancel or terminate the contract, and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

OTHER LOAN MATTERS:

A.) SPECIAL REQUESTS – BOARD ACTION REQUIRED

The Board was presented with the following special requests which the Board unanimously approved unless otherwise indicated below.

#9420	Regional Industrial Development Corporation Multi Occupancy Building (Allegheny County)	Closed 12-11-12 \$1,620,000 Bal. \$1,529,294
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Request: Approve the release of the PIDA mortgage on the portion of the project site occupied by Park West Manor, which was not financed by PIDA. The project has now been subdivided into two parcels, one which includes the PIDA project and one which includes Park West Manor.

Staff Recommendation: The original PIDA mortgage was placed to secure the Findlay Center multi- occupancy project. The PIDA mortgage included the Park West Manor Building in addition to the Findlay Center because Nationwide Insurance held a first mortgage on both properties which were not subdivided at the time of the original PIDA project. At the time of the PIDA approval of the Findlay Center, Nationwide Insurance did not wish to subdivide their mortgage into two separate mortgages. Nationwide Insurance has now approved the subdivision of the site into two separate parcels. PIDA is being asked to release its mortgage on the vacant Park West Manor site so that it can be developed into a single tenant project for SDC Nutrition, Inc. There is currently a new PIDA application being considered for SDC Nutrition, Inc., that will partially fund tenant improvements to the Park West Manor facility.

While the property is being subdivided into two separate parcels, Nationwide is not releasing their mortgage on either property at this time. The Nationwide loan balance has been paid down from an original amount of \$2,293,403 to a balance of \$1,707,260. The total existing debt service on the Nationwide and PIDA mortgages on the combined properties is approximately \$627,400, while the current annual rent (consisting of the Findlay Center only) generates annual rental revenue of \$457,600. As a result, RIDC has had to subsidize the debt service on this combined site. The new PIDA project for SDC Nutrition, Inc. will generate rental revenue of \$570,000 per year while the annual projected debt service on the proposed PIDA loan is \$62,000 per year. Consequently, the further development of the adjacent building will help support the total debt service on the entire site.

The PIDA staff recommends rejecting the request that PIDA release that portion of the Findlay Center PIDA mortgage that presently encumbers the Park Manor West property. Instead, the PIDA staff recommends that PIDA agree to subordinate the Findlay Center mortgage (PIDA #9420) to the proposed new PIDA mortgage for the new SDC Nutrition, Inc. Project (PIDA #9562), in the amount of \$785,000.

#9515 Lawrence County Economic Development Corporation
RWE Holding Company
(Lawrence County)

AA 4-3-13
\$595,000

Request: Waive the requirement for CPA compiled financial statements for 2012 and accept, instead, federal income tax returns for RWE Holding Company and RWE Realty, LLC.

Staff Recommendation: CPA compiled financial statements were required to reflect that no material adverse change had occurred from the information presented in the 2012 the plain paper statements The tax returns provided for both entities reflect no material adverse change. The PIDA staff recommends approval of the request.

B.) SPECIAL REQUESTS – STAFF APPROVED

The following special requests have been approved by staff under authority delegated by the Board.

#9556 York County Economic Development Corporation AA 12-4-13
Pet Food Experts, Inc. \$2,000,000
(Lancaster County)

Staff Action: Consented to the change in ownership of the Beneficial Owner, Muddy Creek Partners, LLC (Michael Baker 51% and James Alden 49%). The LLC will now be wholly owned by MBJA Partners, LLC, which in turn is wholly-owned by Michael Baker (51%) and James Alden (49%).

#9444 Capital Region Economic Development Corporation AA 6-1-11
Tex Visions LLC \$2,000,000
(Cumberland County)

Staff Action: Approved an extension of the PIDA loan closing deadline until March 31, 2014.

#9485 Altoona Blair County Development Corporation AA 6-6-12
SilcoTek Corporation \$1,750,000
(Centre County)

Staff Action: Approved an extension of the PIDA loan closing deadline until March 31, 2014.

#9495 Greater Berks Development Fund AA 10-10-12
Cambridge-Lee Industries, LLC \$ 2,000,000
(Berks County)

Staff Action: Approved an extension of the PIDA loan closing deadline until April 30, 2014.

#9496 Fay-Penn Economic Development Council AA 10-10-12
Multi Occupancy Building \$957,932
(Fayette County)

Staff Action: Approved a change in the location of the PIDA project, to an adjacent lot located in the Fayette Business Park. The change is necessary due to the interest of another business in acquiring the original project site. The PIDA staff also approved an extension of the PIDA closing deadline until June 30, 2014.

#9512 Greater Berks Development Fund AA 4-3-13
East Penn Manufacturing Co. \$6,000,000
(Berks County)

Staff Action: Approved an extension of the PIDA loan closing deadline until April 30, 2015.

#9556 York County Economic Development Corporation AA 12-4-13
Pet Food Experts, Inc. \$2,000,000
(Lancaster County)

Staff Action: Approved an extension of the deadline to accept the PIDA commitment letter until May 9, 2014.

C.) SPECIAL REQUESTS – LOAN DECREASES

#9517	Northampton County New Jobs Corp. Follett Corporation (Northampton County)	AA 5-2-13 \$1,876,000
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The PIDA project cost and financing structure has changed:

<u>FROM</u>		<u>TO</u>
\$1,876,000	PIDA	\$1,775,990
1,876,000	Company	1,775,991
<u>\$3,752,000</u>		<u>\$3,551,981</u>

D.) SPECIAL REQUESTS – LOAN RESCISSIONS

#9471	North Central Enterprise, Inc. Arete QIS, LLC (Elk County)	\$270,000
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AA 3-7-12	\$270,000	2.00%	15 Years
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#9509	Bucks County Economic Development Corporation Future Foam, Inc. (Bucks County)	\$1,190,000
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AA 3-6-13	\$1,190,000	1.50%	15 Years
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NEW BUSINESS

RESOLVED, that the Authority authorizes the retention of Ballard Spahr to provide advice and an opinion in connection with a possible transfer of funds held by the Authority's bond trustee to the Pennsylvania Treasury for investment purposes.

Michael Schaul asked that the minutes reflect the passing of Franklin Mohny, who served as Deputy Secretary in the Department of Commerce during the Thornburgh administration and was very helpful to PIDA during those years.

There being no further business to bring before the Members at this time, the meeting was on motion duly adjourned at 10:37 a.m.

Assistant Secretary