

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY

CHAIRMAN'S BRIEFING

August 6, 2014

The Chairman's Briefing of The Pennsylvania Industrial Development Authority (PIDA) was held on August 6, 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, Jared Grissinger for the Honorable George E. Greig, Roy A. Powell and B. Michael Schaul and the following five members via telephone: James J. Black, John Kameen, David Nasatir, Robert Phillips, and Michelle Staton, designee for the Honorable Julia K. Hearthway. Also present were PIDA Staff: Scott Dunkelberger, Kevin Rowland, Laurie Henry, Nicholas Horting, Frank Tokarz, Lori Beamer, Marisa Morales, Tim Anstine, 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

August 6, 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 August 6, 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 10:18 a.m. The following members were present: the Honorable Glenn E. Moyer, Jared Grissinger for the Honorable George E. Greig, Roy A. Powell and B. Michael Schaul and the following five members via telephone: James J. Black, John Kameen, David Nasatir, Robert Phillips, and Michelle Staton, designee for the Honorable Julia K. Hearthway. Also present were PIDA Staff: Scott Dunkelberger, Kevin Rowland, Laurie Henry, Nicholas Horting, Frank Tokarz, Lori Beamer, Marisa Morales, Tim Anstine, legal counsel; and James Bowman, financial consultant to the Authority. The following persons were also present: Barry Wickes and Jared Lucas, DCED Staff; John Kingsley and Greg Rarick, Northampton County New Jobs Corporation; Steve Gergar, Hospital Central Services Cooperative, Inc.; James Pawlikowski, Bucks County Economic Development Corporation; David Mengel and Terry Miller, Straight Arrow Products, Inc.; Gordon Vadis and Hong J.; The Bug Company of PA, LLC; Donna Bates and Jim Smith; Economic Growth Connection of Westmoreland; Chris Witmer, Greater Berks Development Fund; Michael Rado, Hydrojet Services, Inc.; Bill Fry, Gelest, Inc.; Michelle Decker, American Breadcrumb Company, LLC and Ahmed Mohamed, Comptroller Operations. The Board approved the minutes of the June 4, 2014 PIDA Board Meeting and the bills received during the previous month (see following page).

Bills August 6, 2014 PIDA Board Meeting

Reinsel Kuntz Leshner, LLP

PIDA Financial Consultant

Services rendered June 23, 2014 through July 25, 2014

\$19,796.50

\$19,796.50

R.A.R Engineering Group, Inc.

Professional Services rendered Phase I Environmental Site Assessment

\$3,500.00

\$3,500.00

GRAND TOTAL:

\$23,296.50

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.

**THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY
SUMMARY LOAN APPLICATION**

PIDA # 9576
DATE: August 6, 2014

APPLICANT (Industrial Development Agency): Economic Growth Connection of Westmoreland

ADDRESS: 40 North Pennsylvania Ave., Suite 510 Greensburg, PA 15601

PERSON TO CONTACT: Donna Bates

TELEPHONE NUMBER: 724-830-3604

COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)

Occupant: Multi-Occupancy Building

Beneficial Owner: Farnham & Pfile Company, Inc.

PRESIDENT: Douglas B. Farnham

MAILING ADDRESS: 1200 Maronda Way, Suite 403B Monessen, PA 15062

TELEPHONE NUMBER: (724) 653-1010

PRODUCT: N/A

NAICS # 531120

PERSON TO CONTACT AND TITLE: Douglas B. Farnham, President

TELEPHONE NUMBER: (724) 653-1010

TYPE OF ENTERPRISE:

Manufacturing

Regional or National Headquarters

Research & Development

Agri-Business

Warehouse & Terminal

Industrial

Computer or Clerical Operation Center

TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)

Check box if SMALL BUSINESS

Pennsylvania N/A Worldwide, Include Pa. N/A

(Less than 50 existing employees)

EMPLOYMENT THIS SITE ONLY:

TOTAL

PAYROLL (Annually)

AVERAGE WAGE (Annually)

AVERAGE HRS. WORKED (Weekly)

ADD % BENEFITS

Existing Employment (Include jobs transferred to this site)

N/A

\$

\$

%

New Employment in Three Years (Do Not Include Existing Employment)

N/A

\$

\$

%

SIZE OF PROJECT (Sq. Ft.)
242,220

SIZE OF SITE (Acres)
35.5

LOCATION OF PLANT (Include Municipality & Mailing Address):
1000-1100 Maronda Way
Monessen, PA 15062
(Monessen City)

COUNTY:
Westmoreland

PURPOSE OF PROJECT (Please check appropriate box(es))

To construct new building

To expand in new location within Pa. (Not a relocation)

To expand existing building

To relocate/expand existing plant from _____ (Name of State)

To acquire existing building

To renovate existing building

Other:

PIDA LOAN REQUESTED
\$896,530

TOTAL PROJECT COST
\$2,241,327

COST PER SQ. FT. (Building Costs Only)
\$5.53

COST PER JOB TOTAL PROJECT
N/A

COST PER JOB-PIDA
N/A

METHOD OF FINANCING

1. MORTGAGE _____ % Participation

a. Amount _____
b. Name of Mortgagee _____
c. Interest Rate _____
d. Term _____
e. Person to contact _____
Telephone number _____

3. OTHER PARTICIPATION 40 % Participation

a. Amount \$896,530
b. Interest Rate one month LIBOR + 2%
c. Term 15 years
d. By Whom First National Bank

2. PIDA MORTGAGE 40 % Participation

a. Amount \$896,530
b. Interest Rate 2.25%
c. Term 15 years

4. OTHER PARTICIPATION 20 % Participation

a. Amount \$448,267
b. Interest Rate N/A
c. Term N/A
d. By Whom Company Equity

PIDA USE ONLY

State or Federal Enterprise Zone

Brownfield Site

Financially Distressed (Act 47)

Advanced Technology

GAT Project

KOZ

KOEZ

CRITICAL ECONOMIC AREA

UNEMPLOYMENT RATE

PIDA PARTICIPATION

GENERAL FUNDS

BOND FUNDS

Westmoreland County

7.4% 5-10 Years 12 Mo.

40 %

Economic Growth Connection of Westmoreland

Multi-Occupancy Building

#9576 DCED # 201406040486

Company Background: Farnham & Pfile Company, Inc. was founded and incorporated in 1985 in Pennsylvania. They engage in industrial renovation projects, new construction and industry buildings to lease.

Product: Multi-Occupancy Project

Ownership: Beneficial Owner: Farnham & Pfile Company, Inc.:
(Owned by IBEX)

Farnham & Pfile Company, Inc.:
Doug Farnham-50%
Robert McHahon-50%

Other data: This project consists of renovations on two buildings, and lot improvements for parking and outside storage located on 35.5 acres at the Monessen Riverfront Park in Westmoreland County. The two buildings will total 242,220 square feet, with the first building totaling 78,220 square feet and the second building totaling 164,000 square feet.

Trican Well Service, Inc. has entered into a lease on the first building. Founded in 2007, they are an international pressure pumping company with operations on six continents with its corporate headquarters in Calgary, Alberta, Canada. They provide pressure pumping services to the Barnett Shale, Fayetteville Shale, Haynesville Shale, Woodford Shale, East Texas, the Eagle Ford Shale, the Permian Region, Northwest Oklahoma, the Bakken Shale and the Marcellus region. Two hundred (200) employees are expected to work at the site.

Farnham and Pfile is in lease negotiations with another tenant (McJunkin Red Man Corporation) for the other building. This building is 164,000 square feet including a 3,100 sq ft renovation for office space. McJunkin Red Man Corporation was founded in 2007 and is a leading global distributor of pipe, valve and fitting products and services to the energy and industrial markets. One hundred (100) employees are expected to work at the site.

Non-Prejudicial approval- 5/23/14

**THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY
SUMMARY LOAN APPLICATION**

PIDA # 9577
DATE: August 6, 2014

APPLICANT (Industrial Development Agency): Bucks County Economic Development Corporation

ADDRESS: 2 East Court Street, Doylestown, Pennsylvania 18901

PERSON TO CONTACT: James Pawlikowski TELEPHONE NUMBER: 215-348-9031

COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)

Occupant: Signature Systems, Inc. Beneficial Owner: FlynnRay Co LLC

PRESIDENT: Raymond Joseph Flynn MAILING ADDRESS: 11 Penns Trail, Suite 100, Newtown, Pennsylvania 18940 TELEPHONE NUMBER: 877-968-6430

PRODUCT: Point of Service systems NAICS # 5415 PERSON TO CONTACT AND TITLE: Raymond Joseph Flynn, President TELEPHONE NUMBER: 877-968-6430

TYPE OF ENTERPRISE:

Manufacturing Regional or National Headquarters Research & Development Agri-Business
 Warehouse & Terminal Industrial Computer or Clerical Operation Center

TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates) Check box if SMALL BUSINESS
Pennsylvania 60 Worldwide, Include Pa. 64 (Less than 50 existing employees)

EMPLOYMENT THIS SITE ONLY:	TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)	60	\$2,654,765	\$44,246	40	9.3%
New Employment in Three Years (Do Not Include Existing Employment)					

SIZE OF PROJECT (Sq. Ft.) 34,302 SIZE OF SITE (Acres) 3.869 LOCATION OF PLANT (Include Municipality & Mailing Address): 740 Veteran's Way Warminster, Pennsylvania 18974 Warminster Township COUNTY: Bucks

PURPOSE OF PROJECT (Please check appropriate box(es))

To construct new building To expand in new location within Pa. (Not a relocation)
 To expand existing building To relocate/expand existing plant from _____ (Name of State)
 To acquire existing building To acquire and renovate existing building

Other:

PIDA LOAN REQUESTED	TOTAL PROJECT COST	COST PER SQ. FT. (Building Costs Only)	COST PER JOB TOTAL PROJECT	COST PER JOB-PIDA
\$1,400,000	\$3,500,000	\$99.12	\$58,333	\$23,333

METHOD OF FINANCING

1. FIRST MORTGAGE 50 % Participation
a. Amount \$1,750,000
b. Name of Mortgagee Beneficial Bank
c. Interest Rate 3.97%
d. Term 15 years
e. Person to contact Dominic J. Aprile
Telephone number _____

2. PIDA MORTGAGE 40 % Participation
a. Amount \$1,400,000
b. Interest Rate 2.25%
c. Term 15 years

3. OTHER PARTICIPATION _____ % Participation
a. Amount _____
b. Interest Rate _____
c. Term _____
d. By Whom _____

4. OTHER PARTICIPATION 10 % Participation
a. Amount \$350,000
b. Interest Rate na
c. Term na
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 Warminster Township	UNEMPLOYMENT RATE 8.1% <input type="checkbox"/> 5-10 Years <input type="checkbox"/> 12 Mo.	PIDA PARTICIPATION 50 %	GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>		

Bucks County Economic Development Corporation

Signature Systems, Inc.

#9577

Company Background: **Signature Systems, Inc.** was founded in 1997 and incorporated in Pennsylvania.

Product: They sell and install point of service hardware and develop software for fast food, casual dining, sports bars, and fine dining restaurants.

Ownership:

	<u>Signature Systems, Inc.</u>	<u>FlynnRay Co LLC</u>
Raymond Joseph Flynn	100%	100%

Market/Customers: Geographic market area is the United States

More than 3,000 customers including:

Jimmy John's	45%
Paisanos	7%
Rosatis	6%

Other Data: The company is currently operating 10 miles away in a 15,000 square foot building which it leases. The entire operation and 60 existing employees will relocate to the project site. The site is part of the 840 acre former Naval Air Warfare Center

High Cost per SF:

This is a modern building (9 years old) with modern technology, and there is a lack of industrial building space in Bucks County.

Non-Prejudicial:	Acquisition Price:	\$3,400,000
4/1/14	Appraisal:	\$3,590,000

**THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY
SUMMARY LOAN APPLICATION**

PIDA # 9578
DATE: August 6, 2014

APPLICANT (Industrial Development Agency): Lehigh's Economic Advancement Project, Inc.

ADDRESS: 2158 Avenue C, Suite 200, Bethlehem, Pennsylvania 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: Hospital Central Services Cooperative, Inc. Beneficial Owner: -- Same --

PRESIDENT: Peter J. Castagna, Jr. MAILING ADDRESS: 2171 28th Street S.W., Allentown, Pennsylvania 18103 TELEPHONE NUMBER: 610-791-2222

PRODUCT: Industrial laundry NAICS # 8123 PERSON TO CONTACT AND TITLE: Stephen A. Gergar, VP Finance & CFO TELEPHONE NUMBER: 610-791-2222

TYPE OF ENTERPRISE:

Manufacturing Regional or National Headquarters Research & Development Agri-Business
 Warehouse & Terminal Industrial Computer or Clerical Operation Center

TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates) Check box if SMALL BUSINESS
Pennsylvania 282 Worldwide, Include Pa. 717 (Less than 50 existing employees)

EMPLOYMENT THIS SITE ONLY:	TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)	162	\$4,769,604	\$29,442	40	59%
New Employment in Three Years (Do Not Include Existing Employment)	38	\$1,118,796	\$29,442	40	59%

SIZE OF PROJECT (Sq. Ft.) 21,000 SIZE OF SITE (Acres) 5.3709 LOCATION OF PLANT (Include Municipality & Mailing Address): 2171 28th Street SW Allentown, Pennsylvania 18103 Allentown City COUNTY: Lehigh

PURPOSE OF PROJECT (Please check appropriate box(es))

To construct new building To expand in new location within Pa. (Not a relocation)
 To expand existing building To relocate/expand existing plant from _____ (Name of State)
 To acquire existing building To acquire and renovate existing building

Other:

PIDA LOAN REQUESTED	TOTAL PROJECT COST	COST PER SQ. FT. (Building Costs Only)	COST PER JOB TOTAL PROJECT	COST PER JOB-PIDA
\$2,250,000	\$4,000,000	\$149.05	\$20,000	\$11,250

METHOD OF FINANCING

1. FIRST MORTGAGE 38 % Participation
a. Amount \$1,501,500
b. Name of Mortgagee Lafayette Ambassador Bank
c. Interest Rate 2.85% for 5 years, then To Be Determined
d. Term 20 years
e. Person to contact Gary E. Maurer
Telephone number 610-332-7101

2. PIDA MORTGAGE 56 % Participation
a. Amount \$2,250,000 shared 1st
b. Interest Rate 2.25%
c. Term 15 years

3. OTHER PARTICIPATION _____ % Participation
a. Amount _____
b. Interest Rate _____
c. Term _____
d. By Whom _____

4. OTHER PARTICIPATION 6 % Participation
a. Amount \$248,500
b. Interest Rate na
c. Term na
d. By Whom Company

PIDA USE ONLY

State or Federal Enterprise Zone Brownfield Site Financially Distressed (Act 47) Advanced Technology GAT Project KOZ KOEZ

CRITICAL ECONOMIC AREA	UNEMPLOYMENT RATE	PIDA PARTICIPATION	GENERAL FUNDS	BOND FUNDS
Allentown City	11.5% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.	60 %	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Lehigh's Economic Advancement Project, Inc.
Hospital Central Services, Cooperative, Inc.
#9578

Company Background: Hospital Central Services, Cooperative, Inc. was founded and incorporated in Pennsylvania in 1967.

Product: Hospital Central Services, Cooperative, Inc. provides industrial laundry processing and linen service as well as a group purchasing plan for healthcare supplies to hospitals and healthcare facilities.

Ownership: Hospital Central Services is a cooperative owned by 45 member hospitals in Pennsylvania and New Jersey.

Market/Customers: Geographic market area includes Pennsylvania, New Jersey, Delaware and Maryland.

Customers include 130 acute care facilities, 240 outpatient care facilities, and over 80 other smaller facilities.

St Barnabas Hospital Network	14%
Atlantic Healthcare Network	7%
Geisinger Health Network	6%

Other Data: The company is currently operating at the project site in a 50,000 S.F. building. The project will construct a 21,000 square foot addition.

The project will allow the consolidation of the sewing and warehouse operation located in 7,000 square feet of nearby leased space into the main Allentown facility.

They will also purchase additional machinery and equipment and expect to increase production from 25 million pounds per year to 40-45 million pounds per year.

High Cost per SF:

The space will have high ceilings without vertical supports which increases the costs of some structural components, and utilities were included in the construction cost.

<u>Other PA Locations</u>	<u>Employees</u>
Kingston, PA	120

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9579		
				DATE: August 6, 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: The Bug Company of PA, LLC			Beneficial Owner: TBD			
PRESIDENT: Gordon Vadis		MAILING ADDRESS: 15941 Tippecanoe Street, Ham Lake, MN, 55304		TELEPHONE NUMBER: (800) 451-2576		
PRODUCT: Animal Food Producer	NAICS # 1129	PERSON TO CONTACT AND TITLE: Gordon Vadis, President		TELEPHONE NUMBER: (800) 451-2576		
TYPE OF ENTERPRISE:						
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Regional or National Headquarters		<input type="checkbox"/> Research & Development	<input checked="" 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 0	Worldwide, Include Pa. 44		<input type="checkbox"/>			
			(Less than 50 existing employees)			
EMPLOYMENT THIS SITE ONLY:		TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)		0	0	0	0	0
New Employment in Three Years (Do Not Include Existing Employment)		41	\$1,300,000	\$31,707	40	10%
SIZE OF PROJECT (Sq. Ft.) 47,416	SIZE OF SITE (Acres) 16.74	LOCATION OF PLANT (Include Municipality & Mailing Address): 2200 Wassergrass Road Hellertown, PA 18055 (Lower Saucon 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 type="checkbox"/> To expand existing building	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 \$960,000	TOTAL PROJECT COST \$1,600,000	COST PER SQ. FT. (Building Costs Only) \$29.48	COST PER JOB TOTAL PROJECT \$39,024	COST PER JOB-PIDA \$23,414		
METHOD OF FINANCING						
1. FIRST MORTGAGE _____ % Participation			3. OTHER PARTICIPATION _____ % Participation			
a. Amount _____	b. Name of Mortgagee _____	c. Interest Rate _____	d. Term _____	e. Person to contact _____	Telephone number _____	
2. PIDA MORTGAGE 60 % Participation	a. Amount \$960,000	b. Interest Rate 2.25%	c. Term 15 yrs			
				4. OTHER PARTICIPATION 40 % Participation	a. Amount \$640,000	
					b. Interest Rate ---	
					c. Term _____	
					d. By Whom Company Equity	
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 8.8% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.		PIDA PARTICIPATION 60 %	GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>	

Company Background: The Bug Company, a Minnesota corporation, was founded in 1947 and incorporated in Pennsylvania in 2014.

Product: The Bug Company is a family-owned animal nutrition company. This agri-business is an award-winning company that raises and packages a variety of live insects. The company's products include crickets, mealworms, giant mealworms, superworms, and waxworms.

Ownership: The Bug Company of PA, LLC – (Occupant)

- Gordon Vadis 100%

To Be Determined* – (Beneficial Owner)

- Gordon Vadis 100%

*The company is currently in the process of establishing a real estate holding company in Pennsylvania.

Markets/Customers: Primary market area is nationwide.

120 customers including:

PetSmart	40%
Wild Birds Unlimited	5%
Scales N Tails	2%
National Zoo (Washington DC)	1%

Other data: The Bug Company is proposing to purchase and renovate the former Lower Saucon Elementary School, a 47,000 sq. ft. space located at 2200 Wassergrass Road, Northampton County. The company currently operates out of their corporate headquarters located in Ham Lake, Minnesota. The company currently delivers over 500 weekly orders to the North Eastern portion of the country via UPS Next Day Air service and is projecting savings of over \$600,000 once their product begins to ship from their new Lehigh Valley location. The company is projecting to create 41 new jobs within three years.

GAT offer letter dated: 3/24/2014

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9581				
				DATE: August 6, 2014				
APPLICANT (Industrial Development Agency): Economic Growth Connection of Westmoreland								
ADDRESS: 40 N. Pennsylvania Ave., Greensburg, PA 15601								
PERSON TO CONTACT: James L. Smith			TELEPHONE NUMBER: 724-830-3604					
COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)								
Occupant: Multi-Occupancy Building			Beneficial Owner: Economic Growth Connection of Westmoreland		<input checked="" type="checkbox"/>			
PRESIDENT: James L. Smith		MAILING ADDRESS: 40 N. Pennsylvania Ave., Greensburg, PA 15601		TELEPHONE NUMBER: 724-830-3604				
PRODUCT: N/A		NAICS # 9261	PERSON TO CONTACT AND TITLE: James L. Smith President & CEO		TELEPHONE NUMBER: 724-830-3604			
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 <u>N/A</u>		Worldwide, Include Pa. <u>N/A</u>		(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)				N/A	\$	\$		%
New Employment in Three Years (Do Not Include Existing Employment)				N/A	\$	\$		%
SIZE OF PROJECT (Sq. Ft.) 39,000		SIZE OF SITE (Acres) 49.90		LOCATION OF PLANT (Include Municipality & Mailing Address): Route 31 East Mt. Pleasant Glass Center Mt. Pleasant, PA 15666 (Mount Pleasant Township)			COUNTY: Westmoreland	
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 renovate existing building							
Other:								
PIDA LOAN REQUESTED \$524,842		TOTAL PROJECT COST \$1,312,105		COST PER SQ. FT. (Building Costs Only) \$33.00		COST PER JOB TOTAL PROJECT NA		COST PER JOB-PIDA N/A
METHOD OF FINANCING								
1. MORTGAGE _____ % Participation				3. OTHER PARTICIPATION <u>23</u> % Participation				
a. Amount _____				a. Amount <u>\$305,158</u>				
b. Name of Mortgagee _____				b. Interest Rate <u>5%</u>				
c. Interest Rate _____				c. Term <u>7 years</u>				
d. Term _____				d. By Whom <u>EGCW Loan</u>				
e. Person to contact _____ Telephone number _____				4. OTHER PARTICIPATION <u>37</u> % Participation				
a. Amount <u>\$524,842</u>				a. Amount <u>\$482,105</u>				
b. Interest Rate <u>2.25%</u>				b. Interest Rate <u>N/A</u>				
c. Term <u>7 years with first 6 months interest only</u>				c. Term _____				
d. By Whom _____				d. By Whom <u>Company Equity</u>				
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 Westmoreland County		UNEMPLOYMENT RATE <u>7.4</u> % <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.		PIDA PARTICIPATION <u>40</u> %		GENERAL FUNDS <input checked="" type="checkbox"/>		BOND FUNDS <input type="checkbox"/>

*Economic Growth Connection of Westmoreland
Multi-Occupancy Building*

#9581 DCED # 201406191093

IDC Background:

Economic Growth Connection of Westmoreland has two outstanding PIDA multi-occupancy building loans totaling \$2,446,000 with a remaining balance of \$371,851. Economic Growth Connection of Westmoreland has also sponsored six Investor Developer loans totaling \$5,793,561.

Project Details:

This project involves the renovation of the facility for a new tenant, Watt Fuel Cell. Renovations will include office framing and build out, HVAC Installation and duct work runs, construction of a demising wall, and installation of 600 AMP electrical runs and utilities.

The Mount Pleasant Glass Center includes 153,536 square feet on 49.90 acres. It is home to 5 other tenants with 79 total employees.

The area to be renovated is 39,000 square feet. Watt fuel Cell will transfer 16 jobs from NY and hire an additional 17 employees. With the addition of Watt Fuel Cell, the facility will be fully leased.

Watt Fuel Cell was founded in 2010 and is a developer and manufacturer of solid oxide fuel cell components and systems located in Port Washington, NY. They are relocating to PA due the increasing operating costs at their current location. They have entered into a 7 year lease in the Mount Pleasant Glass Center Multi-Occupancy building.

Non Prejudicial- 6/10/2014

Other info:

The tenant Watt Fuel Cell received a GAT letter for:

Job Creation Tax Credits (JCTC)- \$66,000

Workforce & Economic Development Network (WEDnet)- \$11,250

Machinery and Equipment Loan Fund (MELF) \$440,000

PA First Grant- approved

**THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY
SUMMARY LOAN APPLICATION**

PIDA # 9582
DATE: August 6, 2014

APPLICANT (Industrial Development Agency): Bucks County Economic Development Corporation

ADDRESS: 2 East Court Street, Doylestown, Pennsylvania 18901

PERSON TO CONTACT: James Pawlikowski

TELEPHONE NUMBER: 215-348-9031

COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)

Occupant: Gelest, Inc.

Beneficial Owner: Gelest Realty, Inc.

PRESIDENT: Barry Arkdes

MAILING ADDRESS: 11 East Steel Road, Morrisville, PA 19067

TELEPHONE NUMBER: 215-547-1015

PRODUCT: Organosilicon and Metal-Organic Compounds

NAICS # 3251

PERSON TO CONTACT AND TITLE: Bill Fry, Controller

TELEPHONE NUMBER: 215-547-1015

TYPE OF ENTERPRISE:

Manufacturing Regional or National Headquarters Research & Development Agri-Business
 Warehouse & Terminal Industrial Computer or Clerical Operation Center

TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)

Check box if SMALL BUSINESS

Pennsylvania 97 Worldwide, Include Pa. 106

(Less than 50 existing employees)

EMPLOYMENT THIS SITE ONLY:

TOTAL

PAYROLL (Annually)

AVERAGE WAGE (Annually)

AVERAGE HRS. WORKED (Weekly)

ADD % BENEFITS

Existing Employment (Include jobs transferred to this site)

97

\$8,212,000

\$84,660

40

18%

New Employment in Three Years (Do Not Include Existing Employment)

15

\$1,406,250

\$93,750

40

19%

SIZE OF PROJECT (Sq. Ft.)
21,518

SIZE OF SITE (Acres)
13.2

LOCATION OF PLANT (Include Municipality & Mailing Address):

11 East Steel Road
Morrisville, PA 19067

(Falls Township)

COUNTY:

Bucks

PURPOSE OF PROJECT (Please check appropriate box(es))

To construct new building To expand in new location within Pa. (Not a relocation)
 To expand existing building To relocate/expand existing plant from _____ (Name of State)
 To acquire existing building To acquire and renovate existing building

Other:

PIDA LOAN REQUESTED
\$2,250,000

TOTAL PROJECT COST
\$5,536,525

COST PER SQ. FT. (Building Costs Only)
\$234.06

COST PER JOB TOTAL PROJECT
\$49,433

COST PER JOB-PIDA
\$20,089

METHOD OF FINANCING

1. FIRST MORTGAGE 45 % Participation
a. Amount \$2,500,000
b. Name of Mortgagee Wells Fargo Bank
c. Interest Rate 3.13% (IDA Tax Free)
d. Term 7 Years 15 Year Amortization
e. Person to contact Thomas Collins
Telephone number 800-869-3557

3. OTHER PARTICIPATION _____ % Participation
a. Amount _____
b. Interest Rate _____
c. Term _____
d. By Whom _____

2. PIDA MORTGAGE 41 % Participation
a. Amount \$2,250,000
b. Interest Rate 2.25%
c. Term 15 Years

4. OTHER PARTICIPATION 14 % Participation
a. Amount \$786,525
b. Interest Rate --
c. Term --
d. By Whom Company Equity

PIDA USE ONLY

State or Federal Enterprise Zone Brownfield Site Financially Distressed (Act 47) Advanced Technology GAT Project KOZ KOEZ

CRITICAL ECONOMIC AREA
Bucks County

UNEMPLOYMENT RATE
8.4% 5-10 Years 12 Mo.

PIDA PARTICIPATION
50 %

GENERAL FUNDS

BOND FUNDS

Bucks County Economic Development Corporation
Gelest, Inc.
PIDA #9582
DCED #201406251405

Company Background: Incorporated in March, 1988 in Pennsylvania.

Product: Manufactures organosilicon and metal-organic compounds.

Ownership: Both the Industrial Occupant and the Beneficial Owner are owned:
65% - Barry Arkles
21% - Kevin King
14% - Various Owners – None holding more than a three percent (3%) interest.

Markets/Customers: Primary market area is worldwide.

1000+ customers including:
Gelest's top three customers account for twenty-six percent (26%) of its annual sales.*
*The company does not wish to disclose confidential customer information.

Other Data: Gelest, Inc. is currently operating at the project site, located in an Enterprise Zone in the USX Industrial Park in Falls Township, Bucks County. The site consists of four buildings of office and industrial manufacturing space, totaling 54,870 sq. ft. The company is expanding with the construction of a 21,518 sq. ft. manufacturing laboratory and office space. The investment in the laboratory facilities is essential to the company in achieving continued growth and success. Upon completion of the expansion, the entire facility will encompass 76,388 sq. ft. The company will retain its 97 current employees and 15 new full time jobs will be created within three years.

The cost for the new building is \$234 per square foot. The high cost is because the building being constructed is mainly a laboratory space. There are strict requirements for clean rooms and special building materials in the facility.

Non-Prejudicial Approval given on: 4/17/2014

Previous PIDA Loan	Approval Date	Original Amount	Current Balance	Jobs Projected/ Created
#8573	9/6/00	\$1,400,000	\$391,219	65 Create/18 Retain
#9179	10/12/06	\$1,400,000	\$892,949	23 Create/46 Retain
#9448	7/6/11	\$1,600,000	\$1,373,692	15 Create/80 Retain

#8573 The company did not meet its job creation goals. The company had a fire which was a direct factor in their employment goals not being attained. The company did retain 18 employees.

#9179 The company exceeded its job creation goals.

#9448 The company currently has 97 full time employees. This employment data exceeds the company's goal of creating 15 new full time positions and retaining 80 full time employees, which was set at the time of the company's third PIDA loan approval in 2011.

THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY SUMMARY LOAN APPLICATION				PIDA # 9583	
				DATE: August 6, 2014	
APPLICANT (Industrial Development Agency): Greater Berks Development Fund					
ADDRESS: P.O. Box 8621 Reading, PA 19603-8621					
PERSON TO CONTACT: Christopher S. Witmer			TELEPHONE NUMBER: (610)-376-6739		
COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)					
Occupant: Hydrojet Services, Inc.			Beneficial Owner: LR2, LLC		<input checked="" type="checkbox"/>
PRESIDENT: Michael R. Rado		MAILING ADDRESS: 450 Gateway Drive Reading, PA 19601		TELEPHONE NUMBER: (610) 375-7500	
PRODUCT: Aerospace and military parts supplier		NAICS # 3399	PERSON TO CONTACT AND TITLE: Michael R. Rado, CEO		TELEPHONE NUMBER: (610) 375-7500
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 43		Worldwide, Include Pa. 43		(Less than 50 existing employees) <input checked="" type="checkbox"/>	
EMPLOYMENT THIS SITE ONLY:				TOTAL	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)		43	\$1,056,293.21	\$24,565	40
New Employment in Three Years (Do Not Include Existing Employment)		20	\$543,707	\$27,185	40
SIZE OF PROJECT (Sq. Ft.) 22,016	SIZE OF SITE (Acres) 3.13	LOCATION OF PLANT (Include Municipality & Mailing Address): 450 Gateway Drive Reading, PA 19601 (Reading City)			COUNTY: Berks
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 \$1,575,000	TOTAL PROJECT COST \$2,250,000	COST PER SQ. FT. (Building Costs Only) \$102.20	COST PER JOB TOTAL PROJECT \$35,714	COST PER JOB-PIDA \$25,000	
METHOD OF FINANCING					
1. MORTGAGE _____ % Participation			3. OTHER PARTICIPATION 20 % Participation		
a. Amount _____			a. Amount \$450,000		
b. Name of Mortgagee _____			b. Interest Rate 5.34%		
c. Interest Rate _____			c. Term 20 years		
d. Term _____			d. By Whom SBA 504		
e. Person to contact _____					
Telephone number _____					
FIRST			4. OTHER PARTICIPATION 10 % Participation		
2. PIDA MORTGAGE 70 % Participation			a. Amount \$225,000		
a. Amount \$1,575,000			b. Interest Rate N/A		
b. Interest Rate 2.25%			c. Term N/A		
c. Term 15 years			d. By Whom Private Equity		
PIDA USE ONLY					
<input type="checkbox"/> State or Federal Enterprise Zone	<input checked="" type="checkbox"/> Brownfield Site	<input checked="" type="checkbox"/> Financially Distressed (Act 47)	<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> GAT Project	<input checked="" type="checkbox"/> KOZ
<input type="checkbox"/> KOEZ	<input type="checkbox"/> KOEZ				
CRITICAL ECONOMIC AREA Reading City	UNEMPLOYMENT RATE 11.5%		5-10 Years <input type="checkbox"/>	12 Mo. <input checked="" type="checkbox"/>	PIDA PARTICIPATION 70 %
					GENERAL FUNDS <input checked="" type="checkbox"/>
					BOND FUNDS <input type="checkbox"/>

Company Background: The company was founded in 1988 and incorporated in 1988 in Pennsylvania.

Product: Hydrojet Services, Inc. is an approved aerospace and military manufactured parts supplier and a materials cutting and fabrication shop specializing in the use of water jet cutting.

Ownership: Occupant: Hydrojet Services, Inc.
 Michael Rado- 81.48%
 Gary Linderman- 6.17%
 Daryl Whitmer- 4.94%
 T.K. Tien- 4.94%
 Mathew Rado- 2.47%

Beneficial Owner: LR2, LLC
 Michael Rado- 100%

Market/Customers: Geographic market area is Northeastern United States.

23 customers including:
 Sikorsky United Technologies Corp- 54%
 Sikorsky Global- 9%
 Agilent Technologies- 9%

Other Data: The company is currently operating at this site in a 34,346 sq. ft. building which was financed by a prior PIDA loan. The project involves a 22,016 sq. ft addition to the existing building totaling 56,362 sq. ft on 3.13 acres. The additional space will be used for the production of advanced tech composite parts for the Sikorsky's helicopter manufacturing. At this time, there are 43 employees at the manufacturing facility. They expect to create 20 new jobs within the next 3 years.

The facility is located within an Act 47, Financially Distressed Municipality zone, Keystone Opportunity Zone, Brownfield Site, and federally designated Historically Underutilized Business Zone.

High Cost per SF: the cost per square foot is higher than normal due to the added cost of clean room manufacturing space that is required for the aerospace industry.

Existing Mortgages:

<u>Previous PIDA Loans</u>	<u>Location</u>	<u>Closed</u>	<u>Original Amount</u>	<u>(Balance)</u>	<u>Jobs Projected/ Created</u>
#9287	450 Gateway Dr. Reading PA 19601	9/8/09	\$1,558,900	(\$1,161,968.07)	25/23

**THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY
SUMMARY LOAN APPLICATION**

PIDA # 9584

DATE: August 6, 2014

APPLICANT (Industrial Development Agency): Northampton County New Jobs Corp.

ADDRESS: 2158 Avenue C, Suite 200, Bethlehem, Pennsylvania 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: Straight Arrow Products, Inc.

Beneficial Owner: L.I.G. Business Holdings, LLC

PRESIDENT: Devon B. Katzev

MAILING ADDRESS:
2020 Highland Avenue, Bethlehem, PA 18020

TELEPHONE NUMBER:
610-882-9606

PRODUCT:
Human and Equine Hair and Skin Products

NAICS #
9261

PERSON TO CONTACT AND TITLE:
David A. Mengel Controller

TELEPHONE NUMBER:
610-882-9606

TYPE OF ENTERPRISE:

Manufacturing Regional or National Headquarters Research & Development Agri-Business
 Warehouse & Terminal Industrial Computer or Clerical Operation Center

TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)

Pennsylvania 66 Worldwide, Include Pa. 70

Check box if SMALL BUSINESS

(Less than 50 existing employees)

EMPLOYMENT THIS SITE ONLY:	TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)	66*	\$4,139,782	\$62,724	40	14%
New Employment in Three Years (Do Not Include Existing Employment)	30*	\$1,577,940	\$52,598	40	16%

SIZE OF PROJECT (Sq. Ft.)
109,783

SIZE OF SITE (Acres)
13.482

LOCATION OF PLANT (Include Municipality & Mailing Address):

900 Conroy Place and 701 Uhler Road
Easton, PA 18040 (Forks Township)

COUNTY:

Northampton

PURPOSE OF PROJECT (Please check appropriate box(es))

To construct new building To expand in new location within Pa. (Not a relocation)
 To expand existing building To relocate/expand existing plant from _____ (Name of State)
 To acquire existing building To acquire and renovate existing building

Other: * Includes 46 retained and 3 new at the existing location, 2020 Highland Avenue, Bethlehem, PA.

PIDA LOAN REQUESTED	TOTAL PROJECT COST	COST PER SQ. FT. (Building Costs Only)	COST PER JOB TOTAL PROJECT	COST PER JOB-PIDA
\$2,000,000	\$4,758,482	\$33.15	\$49,568	\$20,833

METHOD OF FINANCING

1. FIRST MORTGAGE 30 % Participation
a. Amount \$1,440,000
b. Name of Mortgagee Lafayette Ambassador Bank
c. Interest Rate 4.1%
d. Term 20 Years
e. Person to contact Mark P. Jobes
Telephone number 610-332-7103

2. PIDA MORTGAGE 42 % Participation
a. Amount \$2,000,000 (1,340,000 shared 1st; \$660,000 2nd)
b. Interest Rate 2.25%
c. Term 15 Years

3. OTHER PARTICIPATION _____ % Participation
a. Amount _____
b. Interest Rate _____
c. Term _____
d. By Whom _____

4. OTHER PARTICIPATION 28 % Participation
a. Amount \$1,318,482
b. Interest Rate ---
c. Term ---
d. By Whom Company Equity

PIDA USE ONLY

State or Federal Enterprise Zone Brownfield Site Financially Distressed (Act 47) Advanced Technology GAT Project KOZ KOEZ

CRITICAL ECONOMIC AREA: Northampton County

UNEMPLOYMENT RATE: 8.4% 5-10 Years 12 Mo.

PIDA PARTICIPATION: 50 %

GENERAL FUNDS:

BOND FUNDS:

Northampton County New Jobs Corp.
Straight Arrow Products, Inc.
PIDA #9584
DCED #201406271508

Company Background: Incorporated in May, 1970 in New Jersey.

Product: Manufactures hair and skin care products for human and equine markets.

Ownership: Both the Industrial Occupant and the Beneficial Owner are owned by:
100% - Devon B. Katzev

Markets/Customers: Primary market area is global.

375 customers including:
Walmart – 10% of total annual sales
Walgreens – 9% of total annual sales
Sally Beauty – 9% of total annual sales

Other Data: Straight Arrow Products, Inc. is currently operating in two leased facilities, located in Bethlehem, Pennsylvania, approximately twelve (12) miles from the proposed PIDA project site. The first is a 35,550 sq. ft. facility, which houses their manufacturing operation and company offices. The second is a 38,400 sq. ft. building which is used to store the company's finished goods and serve as extra warehouse space. Having outgrown its current facilities, Straight Arrow has recently purchased a 92,000 sq. ft. building on 9.5 acres and an additional four acre parcel adjacent to the new building. The new sites are situated at 900 Conroy Road and 701 Uhler Road, in Forks Township, Northampton County. The company will construct an 18,500 sq. ft. addition to the existing facility and complete renovations in the existing building. Once complete, the newly expanded and renovated project site will house the company's main manufacturing and finished goods shipping operations. The four acre parcel will be used to create retention ponds and truck lanes to the back of the facility, where the new receiving dock will be located.

Seven (7) existing employees from the leased facility at 2625 Broadhead Road in Bethlehem will be re-located to the new facility in March, 2015, when the company's lease expires. Thirteen (13) current employees working at the Highland Avenue location in Bethlehem will be transferred to the new facility. The company anticipates creating thirty (30) new jobs in three years, twenty-seven (27) at the new facility and three (3) at the Highland Avenue facility, which will remain operational. Management anticipates that the addition and renovations of the new facility and re-organizing company operations will at least double the company's production capacity.

GAT Offer Letter Given On: April 14, 2014

**THE PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY
SUMMARY LOAN APPLICATION**

PIDA # 9585

DATE: August 6, 2014

APPLICANT (Industrial Development Agency): Bucks County Economic Development Corporation

ADDRESS: 2 East Court Street, Doylestown, Pennsylvania 18901

PERSON TO CONTACT: James Pawlikowski

TELEPHONE NUMBER: 215-348-9031

COMPANY (If this company (or affiliate) has ever had a PIDA loan, please check box)

Occupant: American Breadcrumb Company, LLC

Beneficial Owner: Decker Properties, LLC and Michael McCabe

PRESIDENT: Richard Decker

MAILING ADDRESS: 1619 Hanford Street, Levittown, Pennsylvania 19057

TELEPHONE NUMBER: 215-945-1943

PRODUCT: Food products

NAICS # 3112

PERSON TO CONTACT AND TITLE: Missy Decker, Office Manager

TELEPHONE NUMBER: 215-945-1943

TYPE OF ENTERPRISE:

Manufacturing Regional or National Headquarters Research & Development Agri-Business
 Warehouse & Terminal Industrial Computer or Clerical Operation Center

TOTAL EXISTING EMPLOYMENT (Include parent, subsidiaries & affiliates)

Check box if SMALL BUSINESS

Pennsylvania 12 Worldwide, Include Pa. 12

(Less than 50 existing employees)

*Employment includes both locations

EMPLOYMENT THIS SITE ONLY:

	TOTAL	PAYROLL (Annually)	AVERAGE WAGE (Annually)	AVERAGE HRS. WORKED (Weekly)	ADD % BENEFITS
Existing Employment (Include jobs transferred to this site)	12	\$792,740	\$66,061	40	32.4%
New Employment in Three Years (Do Not Include Existing Employment)	8	\$466,856	\$58,357	40	32.3%

SIZE OF PROJECT (Sq. Ft.) 35,048

SIZE OF SITE (Acres) 1.9

LOCATION OF PLANT (Include Municipality & Mailing Address):

1425 Hanford Street
Levittown, Pennsylvania 19057

Bristol Township

COUNTY:

Bucks

PURPOSE OF PROJECT (Please check appropriate box(es))

To construct new building To expand in new location within Pa. (Not a relocation)
 To expand existing building To relocate/expand existing plant from _____ (Name of State)
 To acquire existing building To acquire and renovate existing building

Other:

PIDA LOAN REQUESTED	TOTAL PROJECT COST	COST PER SQ. FT. (Building Costs Only)	COST PER JOB TOTAL PROJECT	COST PER JOB-PIDA
\$700,000	\$1,725,500	\$48.36	\$86,250	\$35,000

METHOD OF FINANCING

- FIRST MORTGAGE** 49 % Participation
 - Amount \$850,500
 - Name of Mortgagee Bank of America
 - Interest Rate 30 day Libor + 250 basis points
 - Term 10 years
 - Person to contact Karen M. Shoener
Telephone number 610-941-4871
- PIDA MORTGAGE** 41 % Participation
 - Amount \$700,000
 - Interest Rate 2.25%
 - Term 15 years
- OTHER PARTICIPATION** _____ % Participation
 - Amount _____
 - Interest Rate _____
 - Term _____
 - By Whom _____
- OTHER PARTICIPATION** 10 % Participation
 - Amount \$175,000
 - Interest Rate na
 - Term na
 - By Whom Company

PIDA USE ONLY

<input checked="" 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 Bristol Township	UNEMPLOYMENT RATE 9.8% <input type="checkbox"/> 5-10 Years <input checked="" type="checkbox"/> 12 Mo.	PIDA PARTICIPATION 60%	GENERAL FUNDS <input checked="" type="checkbox"/>	BOND FUNDS <input type="checkbox"/>		

Company Background: Founded in 1981 and incorporated in 2001 in Pennsylvania.

Product: They are one of the largest manufacturers of breadcrumbs in the United States supplying major food distributors, industrial processors and retail canister packing companies with the finest breadcrumbs available.

Ownership: Occupant: American Breadcrumb Company, LLC
(Owned by Pennsylvania Breadcrumb Co, Inc. 90% and Michael McCabe 10%)

American Breadcrumb Company, LLC

Richard Decker, III- 23.75%

Michelle Decker- 23.75%

Jesse Decker- 23.75%

Luke Decker- 23.75%

Gary Burenga- 5%

Beneficial Owner: Decker Properties, L.L.C. 90% Michael McCabe-10%

Decker Properties, L.L.C.

Richard Decker, III- 25%

Michelle Decker- 25%

Jesse Decker- 25%

Luke Decker- 25%

Market/Customers: Geographic market area includes Continental United States and Canada.

60 customers including:

4C Foods Corp-10%

Colonna Brothers-10%

Sugar Foods Corp- 10%

Other Data: American Breadcrumb Company, LLC is currently operating 1/4 mile away in a 17,000 S.F. building which they own. This project involves the acquisition and renovation of a 35,048 square foot manufacturing facility on 1.9 acres in Levittown, Bucks County. The property is located in a state enterprise zone in Bristol Township. The operation and its 12 existing employees will remain at the existing location. The company is expecting to create 8 new jobs at the new location within three years.

Acquisition Price: \$1,550,000

Appraisal: \$1,575,000

Non-Prejudicial: 6/19/14

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

#8573	Bucks County Economic Development Corporation	Closed 11-02, 11-07, 10-11
#9179	Gelest, Inc.	\$4,400,000
#9448	(Bucks County)	Aggregate Bal. \$2,657,860

Request: 1) Eliminate Jack Platt as an owner of the company and eliminate his personal guarantee of PIDA loans #8573 and #9179, as a result of the change in ownership. 2) Consent to Wells Fargo refinancing the existing Santander Bank first mortgages on projects #8573 and #9179 (Steel Road projects), with an aggregate outstanding balance of \$2,581,032 and to subordinate to an increase in that mortgage to refinance a previous Santander Bank mortgage with a balance of \$1,195,833 that financed real estate improvements in 2010. 3) Consent to Wells Fargo refinancing the existing Bank first mortgage on PIDA project #9448 (Progress Drive project) with a balance of \$1,988,488. 4) Subordinate to an additional bank bridge loan of \$4,250,000 on the Steel Road site (permanent loan of \$2,500,000) to bridge finance the Bank and PIDA participation in the PIDA project #9582, to be considered at the August 6, 2014 PIDA Board meeting.

Staff Recommendation: Jack Platt's interest in the company has been bought out over the last several years and its impact on the company's financial statements has been completely booked. The company's 2013 audited financial statements reflect a strong financial position and operating results. As of December 31, 2013, the company reflected a tangible stockholders' equity of \$19,611,042 and a favorable total leverage ratio of .9 to 1. Company sales have grown steadily from \$32.4 million in 2011, to \$35.1 million in 2012 and \$38.6 million in 2013. Net income has fluctuated slightly from \$3,067,762 in 2011 to \$2,577,006 in 2012 and increased to \$4,126,191 in 2013. The company cash flow demonstrated for 2013 appears satisfactory to support all the company's existing debt that will be refinanced plus the proposed new debt service related to the new PIDA project #9582.

Based on the strong financial position, satisfactory equity support for all company debt and the satisfactory demonstrated cash flow, the PIDA staff recommends approval of all four (4) requests as outlined above, subject to the following condition:

Subject to the receipt of an updated "As Completed" appraisal of the Steel Road site, upon completion of the new PIDA project #9582 that must reflect an "As Completed" value of not less than \$11,725,000.

#9422	Bucks County Economic Development Corporation	Closed 8-23-11
	Compass Sign Co., LLC	\$605,220
	(Bucks County)	Bal. \$510,537

Request: Approve the release of the remaining Bank Letter of Credit in the amount of \$80,000.

Staff Recommendation: The PIDA Board approved the reduction of the Bank Letter of Credit from \$150,000 to \$80,000 in November of 2012. At the time of the PIDA loan approval, the company's total revised equity was \$326,784, which was far less than the total project cost of \$1,008,700. This was the reason for securing the \$150,000 Bank Letter of Credit as additional collateral.

The PIDA loan has been paid down from the original amount of \$605,220 to a current balance of \$510,537. The bank first mortgage has been paid down from an original balance of \$302,610 to a current balance of \$257,029. Compiled 2013 financial statements of Compass Sign Co., LLC and its affiliate, CBQ Partners, LLC (Beneficial Owner) reflect a total equity of \$586,638, compared to the total bank and PIDA mortgage balances of \$767,566.

Based on the original project cost, this results in a combined loan to value ratio of 76%. The company's operations have increased significantly, from 2009 annual sales of \$3,473,872 to sales in 2013 of \$4,604,834. Net income before partners' taxes improved from \$107,360 in 2009 to \$347,668 in 2013. After deducting partnership distributions of (\$360,934) made in 2013, the cash flow before debt service totaled \$480,490, which supports the combined current maturities of long term debt of \$93,622.

Based on the reduced outstanding balances of both the bank and PIDA loans and the improved financial position and operating cash flow demonstrated by the company in 2013, the PIDA staff recommends approval of the release of the remaining \$80,000 Bank Letter of Credit.

B.) SPECIAL REQUESTS – STAFF APPROVED

#8955	Industrial Properties Corporation RSJ Enterprises, Inc. (Lycoming County)	Closed 12-7-04 \$300,000 Bal. \$124,480
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Staff Action: Consented to the placement of a \$79,000 subordinate mortgage on the project premises, to secure a loan from Jersey Shore State Bank, which will pay for roof repairs and paving.

#8956	Bucks County Economic Development Corporation	Closed 12-04, 12-06
#9174	Gemini Plastics, Inc. f/k/a United Technical Products, Inc. (Bucks County)	\$1,180,000 Bal. \$580,716

Staff Action: Consented to the placement of a subordinate mortgage on the project property in favor of Karen Breece, to secure obligations owed by Alan Breece to Karen Breece under a divorce decree.

#9346	PIDC Financing Corporation Preferred Materials, LLC (Philadelphia County)	Closed 6-1-09 \$700,000 Bal. \$500,625
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Staff Action: Consented to the Beneficial Owner refinancing its existing TD Bank shared-first mortgage loan with a shared-first mortgage loan from Penn Liberty Bank. This approval is conditioned upon the Penn Liberty Bank loan sharing a first-lien position with PIDA, not to exceed the balance of the TD Bank shared-first lien loan being refinanced, plus reasonable closing costs.

#9522	Altoona Blair County Development Corporation CLI Transport, LP Blair County	AA 6-5-13 \$2,250,000
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Staff Action: Approved an extension of the loan closing deadline until September 30, 2014.

C.) SPECIAL REQUESTS – LOAN INCREASES

None.

D.) SPECIAL REQUESTS – LOAN RESCISSIONS

None.

NEW BUSINESS

- 1) Resolved, the PIDA Board has determined that the following Industrial Development Corporations (IDC's) have satisfied the requirements set forth in 12 Pa. Code §73.2, and hereby certifies them to participate in the PIDA program through June 30, 2015:
 - a) Altoona - Blair County Development Corporation – Blair County
 - b) Beaver County Corporation for Economic Development – Beaver County
 - c) Bedford County Development Association – Bedford County
 - d) Capital Region Economic Development Corporation – Cumberland, Dauphin, and Perry Counties
 - e) Chester County Economic Development Council – Chester County
 - f) Clearfield County Economic Development Corporation – Clearfield County
 - g) Clinton County Economic Partnership – Clinton County
 - h) Community Development Corporation of Butler County – Butler County
 - i) Corry Area Industrial Development Corporation – Southeast Erie County
 - j) EDC Finance Corporation – Lancaster County
 - k) EIDCO, Inc. – Erie County
 - l) Greater Berks Development Fund – Berks County
 - m) Greene County Industrial Developments, Inc. – Greene County
 - n) Johnstown Industrial Development Corporation – Cambria County
 - o) Northern Tier Regional Planning & Development Commission, Inc. – Bradford, Sullivan, Susquehanna, Tioga, and Wyoming Counties
 - p) Penn-Northwest Development Corporation – Mercer County
 - q) Scranton-Lackawanna Industrial Building Company – Lackawanna County
 - r) SEDA – Council of Governments – Columbia, Juniata, Montour, Northumberland, Snyder, and Union Counties
 - s) Titusville Industrial Fund, Inc. – City of Titusville and surrounding area

- t) Washington Industrial Development Corporation – Washington County
 - u) Wayne Economic Development Corporation – Wayne County
- 2) RESOLVED, that this Authority authorizes the engagement of Ballard Spahr LLP to provide legal advice concerning House Bill 1550, including strategies for using the SBF and MELF loan portfolios that would be transferred to PIDA to raise additional funds.

There being no further business to bring before the Members at this time, the meeting was on motion duly adjourned at 11:03 a.m.

Assistant Secretary