



YEARS

 **PIDC** 2018
ANNUAL
REVIEW

Celebrating 60 years of driving growth to every corner of Philadelphia



2018

- BY THE - NUMBERS

176
TRANSACTIONS



\$419M
IN FINANCING



26
ACRES OF LAND
SALES CITY-WIDE

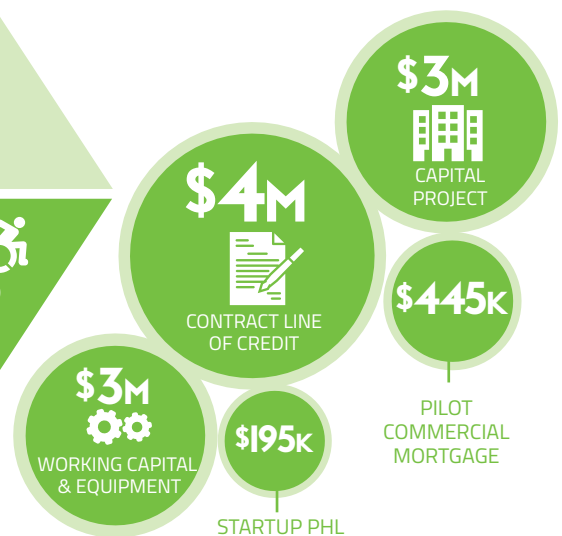
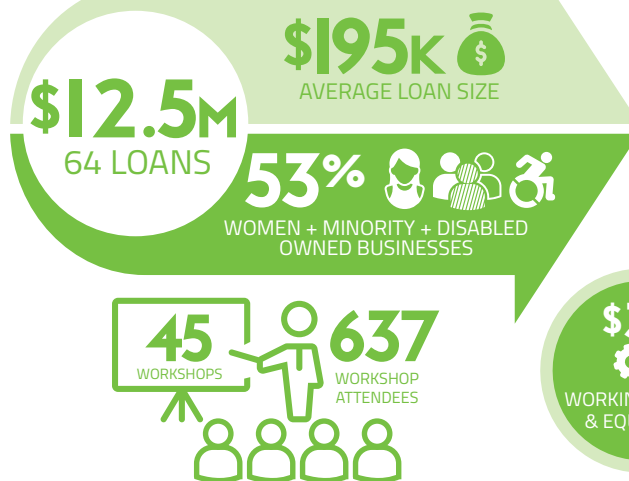


87%
OF ZIPCODES
RECEIVED INVESTMENTS



SUPPORTING GROWING BUSINESSES

Small businesses drive the local economy, create jobs, build wealth for entrepreneurs, and stabilize neighborhoods.



INVESTING IN HIGH-IMPACT COMMUNITY DEVELOPMENT

These anchor projects can be a catalyst for community transformation bringing critical goods and services, creating jobs, and eliminating neighborhood blight.



\$492M



TOTAL PROJECT COST

\$46M



NEW MARKET TAX CREDITS
ALLOCATION DEPLOYED

\$6M



NEW IMPACT
DEVELOPMENT FUND

\$56M



INVESTED IN LOW
INCOME COMMUNITIES

CREATING WORKPLACES FOR THE FUTURE

Transitioning underutilized assets into productive use brings new life to major areas of the city in transition, creates jobs, and develops the next generation of job-creating real estate.



40 ACRES
NEW RIVERFRONT
DEVELOPMENT SITES

1 MILE
NEW PUBLIC TRAIL
IN LOWER SCHUYLKILL



NAVY YARD

170



COMPANIES

100+



COMMUNITY EVENTS

14k



EMPLOYEES

180k



VISITORS

PIDC continued to drive growth to every corner of Philadelphia—closing **176 transactions in 87% of the city's zip codes**. To achieve our mission, we focused on three core strategies—supporting growing businesses, investing in high-impact community revitalization, and creating workplaces for the future.

SUPPORTING GROWING BUSINESSES

PIDC invests flexible, affordable capital in growing companies because local businesses create jobs, build wealth for entrepreneurs, and stabilize neighborhoods. We fill critical funding gaps for business owners who might lack access to traditional capital. In 2018, PIDC provided **64 loans** totalling nearly **\$12.5 million** of capital to **small and midsize businesses** in every corner of Philadelphia.

We invested in companies like **My Independence at Home**, a minority and women-owned full-service home care agency, which used PIDC funds to expand. Woman-owned butcher shop, **Primal Supply Meats**, was able to construct a new production facility and purchase equipment with financing from PIDC. Also, investment from PIDC helped **First Step Staffing** to enter the Philadelphia market by acquiring an existing staffing company and converting the business model to focus on employing homeless and returning citizens of Philadelphia.

Through our **Contract Line of Credit**, designed for small, minority, women, and disabled-owned companies needing capital to bridge contract receivables, PIDC supported the growth of companies like **Olivieri and Associates**, a woman-owned general contracting company, and **IVN Sound & Communication**, a minority-owned electrical and general contracting company.

In 2018, PIDC piloted a new **Commercial Mortgage Loan**, developed for small businesses and nonprofits to purchase their existing locations. **Corner Food Market Inc.** purchased a mixed-use commercial property, and **Adventure**

Alley Children's Learning Center, LLC purchased their early learning facility.

In March 2018, PIDC announced **Ben Franklin Technology Partners** as the investment fund manager for **StartupPHL Seed Fund II**, which launched with **\$3.5 million** of initial capital from PIDC and Ben Franklin. By the close of 2018, the fund had made **10 investments** in a diverse range of entrepreneurs.

PIDC further expanded our business support services—educational workshops, one-on-one counseling, and networking events—designed to support business growth. In 2018, PIDC **held 45 workshops with more than 637 attendees** covering topics from navigating taxes to developing financial projections to real estate acquisition. In partnership with nonprofit Clarifi, PIDC launched **PIDC/Clarifi Boot Camp**—a financial coaching and credit counseling program for entrepreneurs. PIDC also started a new partnership with **Your Outsourced CFO** in which PIDC clients received one-on-one financial consultation.



PIDC/Clarifi Boot Camp



First Step Staffing in Kensington



Primal Supply Meats in South Philadelphia

INVESTING IN HIGH-IMPACT COMMUNITY REVITALIZATION

PIDC invests in high-impact community revitalization projects to bring critical goods and services, create jobs, and eliminate blight throughout the city. Without dollars from PIDC, these transformational projects would not happen. In 2018, PIDC invested **\$110 million through 25 loans** in catalytic projects in neighborhoods throughout Philadelphia.

2018 was another significant year for PIDC's **New Markets Tax Credit** program. We invested in anchor projects like **New Market West**, a West Philadelphia community services and retail complex from partners **Mission First Housing Group** and **Horizon House**; the restoration and renovation of the historic **MET Philadelphia** on North Broad Street; transformation of the historic **Bok** Vocational High School into a center for makers and small business owners

in South Philadelphia; the expansion of **Esperanza Health Center** to a new facility in Kensington; and the renovation of a former East Kensington carpet mill into **Huntingdon Mills**—a vibrant, mixed-use community.

The **Impact Development Fund**, established in April 2018, is an innovative use of New Markets Tax Credits to finance neighborhood development projects and businesses in communities often overlooked by lenders. Within eight months from the launch of the fund, PIDC lent **\$5.8 million** to five borrowers in five different neighborhoods, including Oxford Circle butcher shop and grocery store **Don Pedro Meats & Market**; Kensington artisanal lighting and furniture manufacturer **John Pomp Studios**; and a Brewerytown commercial redevelopment by **Equinox**.

In 2018, PIDC also completed **\$231 million** in **Tax-Exempt Bond** transactions for a variety of entities, including charter and independent schools, non-profit organizations, and Rebuild bonds for the City of Philadelphia. PIDC also administered **50 grants** totaling **\$65 million** for stormwater and capital projects.



Bok in South Philadelphia



Don Pedro Meats & Market in Oxford Circle



New Market West in West Philadelphia



John Pomp Studios in Kensington



WELCOME TO OUR 2018 INVESTORS!

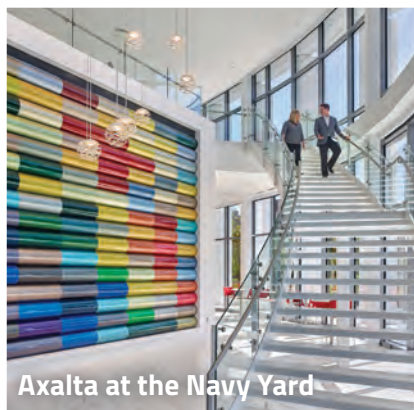
In 2018, PIDC successfully raised **\$7.4 million** to invest needed resources in neighborhood development and growing small businesses.

THANK YOU TO OUR INVESTORS:

- Bryn Mawr Trust
- Community Development Financial Institutions Fund
- JPMorgan Chase
- Philadelphia Redevelopment Authority
- U.S. Bancorp Community Development Corporation



Lower Schuylkill River



Axalta at the Navy Yard



Philadelphia Logistics Center in Northeast

CREATING WORKPLACES FOR THE FUTURE

PIDC transitions underutilized assets into productive use to bring new life to major areas of the city in transition and develop the next generation of job-creating real estate.

At the **Navy Yard**, 2018 was a big year for development, placemaking, and investment. **Axalta** cut the ribbon on its Global Innovation Center, the largest coatings research and development center in the world. Life sciences leader **WuXi AppTec** broke ground on its 4th Navy Yard facility. The 208,000 square foot **Five Crescent Drive** building was sold for **\$130.5 million**, setting a new per-square-foot price record for office sales in Philadelphia. The **Naval Foundry and Propeller Center** celebrated 100 years and began an expansion that will double its employment. Also, **Langley Avenue** reconstruction was completed, providing new access from Broad Street.

The **Sea Monsters HERE** art exhibit at the Navy Yard drew in tens of thousands of visitors and garnered global news coverage. The Navy Yard became an **accredited arboretum**, enhancing the ongoing preservation and protection of trees and flowers.

Along the **Lower Schuylkill River**, PIDC, the City, and our partners continue to make early investments to transform the 3,700 acres. State and federal grant funding allowed PIDC to demolish and remediate a vacant, contaminated industrial site as part of the **34th Street Gateway** project. We also initiated a series of planning activities with Bartram's Garden, Philadelphia Housing Authority, the City, and resident stakeholder groups for development of a broader riverfront area. In addition, we initiated a planning effort to promote capital access for equitable development

in Southwest Philadelphia funded by JPMorgan Chase.

It was an active year for commercial and industrial land sales as PIDC continued to position its land for development. In April 2018, PIDC and our partners released **Philadelphia Delivers: A Hub for Logistics and Distribution** outlining the case for logistics and distribution facilities on Philadelphia's well-suited industrial land. Since the release of this report, there have been several major investments in this industry. In November 2018, PIDC joined with partners from the **City**, **JLL**, and **Ridge Development** (a Transwestern Development Company) to break ground on the first speculative logistics development in Philadelphia in decades: **Philadelphia Logistics Center** – a state-of-the-art facility located in Northeast Philadelphia.

CELEBRATING 60 YEARS

In 2018, PIDC celebrated its 60th anniversary—six decades of driving growth to every corner of Philadelphia. This anniversary highlighted the illustrious history of PIDC, the partnerships between City government and the business community through the Chamber, the continued growth and success of our clients, and the impact of our work on the advancement of Philadelphia's economy.



OUR MISSION is to spur investments, support business growth, and foster developments that create jobs, revitalize neighborhoods, and drive growth to every corner of Philadelphia. To achieve our mission we attract, manage, and invest public and private resources in the clients, communities, and markets that energize Philadelphia's economy.

PIDC is a nonprofit partnership founded in 1958 by the City of Philadelphia and the Chamber of Commerce for Greater Philadelphia. PIDC has worked with a diverse range of clients and settled over **7,300 transactions** – including more than **\$16.6 billion** of financing and more than **3,200 acres** of land sales which have leveraged over **\$29 billion** in total investment and assisted in retaining and creating hundreds of thousands of jobs in Philadelphia.

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** as of February 2019*

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