PROPOSAL: That the Board authorize staff to negotiate an agreement with Thompson Street, LLC or its nominee to transfer an approximate 7.4 acre parcel of unused DRPA property adjacent to the Betsy Ross Bridge within the City and County of Philadelphia, Pennsylvania.

PURPOSE: The purpose of the proposed land conveyance is to dispose of a vacant parcel of property which has never been used by the Authority and is no longer necessary for the operation of the Betsy Ross Bridge. The property will be used by the adjoining property owner to expand the existing trucking business thereby creating jobs in the area. Bridge Operations and Engineering agree that there is no anticipation that DRPA would need this property in the future.

BACKGROUND: Thompson Street, LLC is the owner of a commercial property contiguous to property owned by the DRPA located near the Betsy Ross Bridge ("BRB") approach in Philadelphia, Pennsylvania. Between the BRB approaches and the property owned by Thompson Street LLC is an approximate 7.4 acre parcel of property owned by DRPA which is unused, vacant, and overgrown. Thompson Street, LLC has requested that DRPA convey the unused vacant 7.4 acre portion of property located in the City of Philadelphia which is described generally as bounded to the east by the former bed of Carbon Street; to the south by the BRB right of way; to the north by Hedley Street; and to the west by Bath Street. A property plan depicting the property is attached as an Exhibit to this resolution (the “Property”). The Property has been and continues to be unused excess property acquired by the DRPA during the construction of the BRB in the 1970's.

Pursuant to DRPA's standard procedure for the evaluation of property acquisition requests, Thompson Street, LLC's proposal was evaluated by the BRB Bridge Director's Office, engineering, and operations to determine if the conveyance of the property to Thompson Street, LLC (or its nominee) would cause an adverse impact to DRPA operations. DRPA's operations staff determined that
conveyance of the Property will not cause an adverse impact to DRPA current operations and there is no foreseeable bridge operations' use of the Property in the future. The property to be conveyed leaves DRPA sufficient land next to the BRB which would permit DRPA to erect billboards should DRPA elect to do so.

Based on the determination by operations, both Thompson Street, LLC and DRPA had the Property appraised by independent real estate appraisers. Thompson Street, LLC's independent appraiser, Louis A. Iatarola, MAI, SRA determined the fair market value of the Property to be $325,000 in November, 2004. DRPA's independent appraiser, Gessler Valuations, Inc. determined the fair market value of the Property to be $310,000 in April, 2005. At the direction of the Board in 2007, staff obtained another appraisal of the Property which was completed by Reeves Lukens Company. In September, 2007, Reeves Lukens Company determined the fair market value of the Property, assuming the Property will be restricted against gaming and billboard use, to be $550,000.

Staff has evaluated Thompson Street, LLC’s proposal and advises that: (i) the sale of the Property is not detrimental to the interests of the Authority; (ii) the sale will not adversely impact upon the operations of the Authority; (iii) the Property is no longer necessary for the Authority’s public purposes; and (iv) the Authority’s sale of the Property advances the Authority’s mission to promote economic development in the Port District. Thompson Street, LLC represented that the Property will be used to expand its existing operations which is anticipated to create an estimated twenty to twenty-five new jobs at the expanded facility.

In addition, disposal of the surplus vacant property will reduce DRPA's exposure to potential liability, environmental and otherwise, with respect to the Property. Thompson Street, LLC (or its nominee) has agreed to execute a release in favor of DRPA for any and all environmental claims relating to the Property and has agreed to address environmental conditions, if any, on the Property. Thompson Street, LLC (or its nominee) has also agreed to indemnify DRPA for any of its actions in the remediation of the Property or for environmental conditions caused by Thompson Street, LLC (or its nominee).

The Property is not needed for any present or foreseeable use by the
DRPA or the BRB. Staff does recommend that the DRPA retain a 
general easement to cross the Property for the purpose of accessing 
the BRB. Also, staff recommends that the legal instruments 
conveying the Property be subject to a deed restriction prohibiting the 
use of the Property for gaming and billboard activities.

**SUMMARY:**

- **Amount:** $550,000 paid to DRPA
- **Source of Funds:** N/A
- **Capital Project #:** N/A
- **Operating Budget:** N/A
- **Master Plan Status:** N/A
- **Other Fund Sources:** Thompson Street, LLC (or its nominee)
- **Duration of Contract:** N/A
- **Other Parties Involved:** Thompson Street, LLC (or its nominee)
RESOLUTION

RESOLVED: That the Board of Commissioners find and declare that the Property described in the attached summary statement is no longer needed for the public purpose of the Authority; and be it further

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority hereby approve a land conveyance of the above described Property to the adjacent property owner, Thompson Street, LLC (or its nominee); and the proper officers of the Authority be and are hereby authorized to negotiate such documents as are necessary to convey title to the Property to Thompson Street, LLC (or its nominee) for the consideration of Five Hundred and Fifty Thousand Dollars ($550,000); and be it further

RESOLVED: That the instruments of sale be subject to a deed restriction which provides that the Property may not be used for billboards or for gaming activities; and be it further

RESOLVED: That the Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY: Amount: $550,000 paid to DRPA
Source of Funds: N/A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: Thompson Street, LLC (or its nominee)
Duration of Contract: N/A
Other Parties Involved: Thompson Street, LLC (or its nominee)

Exhibit A
Property Plan