

## CAN DO working to obtain development approvals on various sites in its parks

CAN DO recognizes the organization must supplement the efforts of the private sector by pursuing permits on various sites in order to maximize the number of options available for a company. With that in mind, CAN DO is making its parks ready for business immediately and is actively working on finalizing land development approvals on a few sites in its portfolio.

CAN DO is proceeding with land development approvals for three of its sites in the Humboldt Industrial Park – Site 104 and Site 106 in Humboldt East and Site 25 in Humboldt North.

Humboldt East Site 106 is a 50.8-acre site that can accommodate a 470,000 square-foot speculative building. This site sits along Interstate 81 and has visibility to travelers. Land Development, Erosion & Sediment and National Pollutant Discharge Elimination System permit applications have all been submitted and land development approvals are expected to be secured by July. Once permitting is in place, the site will be fully entitled and ready for construction.

Site 104, also located in Humboldt East, is a 12.4-acre site that could accommodate approximately 105,000 square feet of development. A sketch plan for the site has been submitted and discussions are underway to secure the required wetland mitigation approvals. The land development approval process for the site is expected to be completed by the spring of 2020.

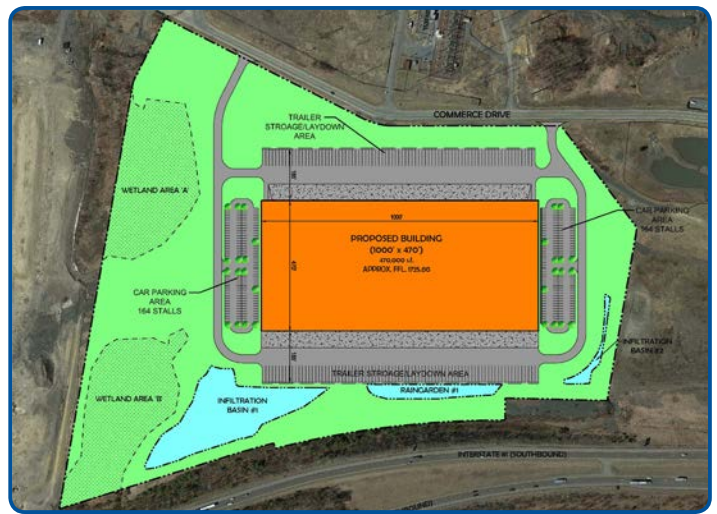
Humboldt North Site 25 has been subdivided into two pieces of land. Site 25B can accommodate a 310,000 square-foot single-loaded industrial facility. Site 25C can accommodate a 75,000 square-foot building. A sketch plan application for both sites has been submitted and land development approvals are expected to be in place by spring of 2020.

All three sites are ideal for companies in the manufacturing or distribution/logistics sectors and feature utilities that are located right at the property boundary. In addition to the forthcoming land development approvals, another benefit of these three sites is their location in a Federal Qualified Opportunity Zone. Investments made by individuals through special funds in these zones would be allowed to defer or eliminate federal taxes on capital gains.

## Humboldt and Valmont industrial parks' location in Federal Qualified Opportunity Zone brings tax benefits

Portions of the Humboldt Industrial Park and Valmont Industrial Park received Federal Qualified Opportunity Zone (QOZ) designation from the Pennsylvania Department of Community and Economic Development. Investments made by individuals through special funds in these zones would be allowed to defer or eliminate federal taxes on capital gains.

The passage of the Tax Cuts and Jobs Act in December of 2017 enabled Pennsylvania Governor Tom Wolf to designate certain tracts of land as Opportunity Zones based on economic data,



CAN DO is working to secure land development approvals for several sites, including Site 106 in Humboldt Industrial Park East, which is shown above in a conceptual drawing.

The site permitting work in Humboldt Industrial Park is the latest in an ongoing project across CAN DO's parks. Land development approvals are already in place for Site 19 in the CAN DO Corporate Center. This property can accommodate a 40,000 to 60,000 square-foot Class A building suitable for office, light manufacturing or e-commerce/distribution

CAN DO President and CEO Kevin O'Donnell said that having fully-permitted sites available allows companies to begin construction immediately and helps save what can be months or potentially years of regulatory processes to get a site fully approved.

"The timeline for most projects no longer affords a company the ability to purchase a site and work through the land development approval process, so CAN DO is working to ensure those land development permits are already in place when prospects look at the property. By following this strategic objective, CAN DO has positioned itself to compete for multiple projects it otherwise would have been disqualified from pursuing."

For more information on the sites available, visit [www.hazletoncando.com](http://www.hazletoncando.com).

recommendations from local partners and the likelihood of private-sector investment in those tracts.

Consideration was given to population centers throughout Pennsylvania that have the potential for investment. Selection criteria also looked at whether future development in the tract would build on previous and ongoing public investments in infrastructure.

**(continued on page 3)**

## Justice Grown selects Humboldt for location, access to transportation, quality workforce

When Justice Grown was looking to select a site for its first Pennsylvania medical marijuana growing and processing center, it focused on finding a location with immediate access to major transportation routes and an available workforce. It found both when it chose a site in the Humboldt Industrial Park.

In addition to Greater Hazleton having the workforce capacity the company was looking for to staff its new cultivation and processing facility, company officials said they found a “welcoming community” when they visited Greater Hazleton and it was one of the biggest reasons they chose Humboldt Industrial Park.

Another key reason was immediate access to major transportation routes that put the company within an easy drive of its three dispensaries in Edwardsville, Dickson City and Bethlehem.

Additionally, the 10-acre site along Chestnut Hill Drive in Humboldt fit all the needs that the company was looking for in a site. Construction is underway on the 55,000 square-foot facility where Justice Grown will cultivate marijuana plants and process them into either flower or oils.

The company expects to have the facility operational by the end of 2019 and anticipates hiring 20 to 30 initial employees and as many as 50 if officials decide to expand their original plans.

Officials at Justice Grown said working with CAN DO made the process easy from the moment the company expressed interest in the property and that also impacted its decision.

“CAN DO offers a great business park to best-in-class businesses that’s close to transportation routes and local law enforcement. Joe Lettiere and the staff at CAN DO did a very good job with identifying a property that fit our needs.

They were very flexible on timing and what we needed. It was a seamless process for our business. We are excited to be in Greater Hazleton and bring jobs and economic development to the area. We plan to be leaders in the community,” they said.

The products from the Greater Hazleton facility will primarily be sold in Justice Grown’s three Northeast PA dispensaries but the company is open to the sale of its products at other dispensaries throughout Pennsylvania. The Chicago-based company also operates cultivation facilities in Illinois and California.



Construction is underway on IRIS USA’s 500,000 square-foot manufacturing and distribution facility in Humboldt Industrial Park East, which the company broke ground for (pictured above) in 2018.

## Construction underway on 500,000 square foot plastics manufacturing facility in Humboldt Industrial Park East

Construction is underway on IRIS USA’s 500,000 square-foot manufacturing and distribution facility along Commerce Drive in Humboldt Industrial Park East. The Japanese-based company is investing \$84 million into the project and expects to hire nearly 100 employees when the facility is completed in the summer of 2020.

IRIS USA, a leading manufacturer of high-quality clear plastic storage products, pet products and ready-to-assemble furniture, broke ground for what will be the company’s first East Coast facility in the United States in May of 2018. Officials from the world-renowned plastics manufacturing company said they chose Greater Hazleton “for its abundant workforce and geographic location in order to strengthen production efficiencies and supply channels through ecommerce distribution.”

CAN DO President Kevin O’Donnell said, “CAN DO worked with representatives from IRIS and local and state partners for more than a year to help bring this project to Northeastern Pennsylvania and we truly believe this is a win-win situation for all involved. For IRIS, they have found a great strategic location to market and a dedicated workforce. For Greater Hazleton, we’re gaining an

international plastics giant that is bringing nearly 100 high-quality manufacturing jobs to our area.”

CAN DO’s collaboration with its many local and regional partners gives companies looking to locate in the region access to numerous resources that will benefit their site selection search. The marketing arm for the region, Penn’s Northeast, generated the lead for its partners and CAN DO, as a member of the organization, was able to offer IRIS an ideal site in Greater Hazleton for their manufacturing operations.

O’Donnell said, “This is a perfect example of how our regional marketing effort should work. Penn’s Northeast generated the lead for its partners and we, as a member of the organization, were able to offer IRIS an ideal site in Greater Hazleton for their manufacturing operations. We appreciate the work John Augustine has done in making Penn’s Northeast a viable resource for job creation leads within our region.”

IRIS USA expanded into the U.S. market in 1992 and has its principal U.S. headquarters in Surprise, Arizona. In addition to Greater Hazleton and Arizona, the company has facilities in Wisconsin and Texas.

# Endurance Real Estate Group cites proximity to interstate transportation as key reason for purchasing Humboldt facility

Endurance Real Estate Group, LLC, a real estate owner and private developer based out of Radnor, Pennsylvania, is the latest in a growing list of private development companies to make an investment in Greater Hazleton's Humboldt Industrial Park.

The company recently purchased a 242,960 square-foot Class B manufacturing and distribution facility along the CAN DO Expressway in Humboldt.

Albert J. Corr, senior vice president of Endurance, said the building's proximity just one mile from Interstate 81 and within easy access of Interstates 80, 78 and 476 played a key role in the company's decision to purchase the property, as it places the facility within 250 miles of most major markets in the Northeast and Mid-Atlantic regions.

Corr also cited Greater Hazleton's available labor market and history as an area with longtime companies as reasons his real estate firm purchased the property.

"There are a multitude of companies in Greater Hazleton that have been in the area for a long time. That shows the commitment of these companies to the Greater Hazleton area and the market," he said. "These companies wouldn't remain here if they didn't have strong, local employees. From the numbers that we've seen, there are close to 90,000 or 100,000 individuals in the employee base and that's great for attracting companies to the area."

Currently, the company plans to lease the building to one tenant but is open to considering restructuring it into a multi-tenant facility. Corr said that the company is receiving inquiries on the facility from many local companies that are excited to have the option of expanding their current operations in the area into another building within the Humboldt Industrial Park.



Endurance Realty Group, LLC, purchased a 242,960 square-foot Class B manufacturing and distribution facility in Humboldt Industrial Park.

Officials at Endurance have extensive renovations planned for the building but expect all the improvements to be completed within the next six to nine months.

"Part of the planned improvements for the building include the installation of a new roof, the addition of 13 dock doors on the eastern side of the building, installation of an ESFR sprinkler system, new LED lighting throughout the warehouse area and various office, paving and landscaping improvements," Corr said. "Once renovations are completed, the facility — which has 32-foot clear-height ceilings and 42' to 48' column spacing — will have a total of 24 loading doors, one drive-in door, 20 trailer spots and 185 parking spaces."

Endurance Real Estate Group, LLC was co-founded by Benjamin Cohen and William White in 2002. The company concentrates its investment and development activities in Philadelphia and the Mid-Atlantic area.

## Federal Qualified Opportunity Zone (continued from page 1)

CAN DO President and CEO Kevin O'Donnell said, "We were delighted to learn that Governor Wolf selected sections of our Humboldt and Valmont industrial parks for inclusion on the Qualified Opportunity Zone list. Our staff spent considerable time advocating to the Governor's office why we felt Greater Hazleton was a prime location for this program. With the continued rise in our speculative building development as well as the land development approval process we are working through on several pieces of property, the addition of this QOZ designation makes our parks an ideal location for companies that are looking to establish another facility."

Governor Wolf selected nearly all of Humboldt Industrial Park and portions of Valmont Industrial Park, as well as parts of downtown Hazleton, to be included in the Qualified Opportunity Zone and the designation received federal approval.

Private investment in Opportunity Zones can flow through

Opportunity Funds. The program will allow U.S. investors to receive a temporary tax deferral and other tax benefits when they reinvest unrealized capital gains into Opportunity Funds for a minimum of five years.

According to information from the IRS, Opportunity Zones were designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than five years, there is a 10% exclusion of the deferred gain. If held for more than seven years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least ten years, the investor is eligible for an increase in the basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged.

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