



November 4, 2021

EDGE

100 Peabody Place, Ste 1100  
Memphis, TN 38103-3652

To Whom It May Concern:

Thank you for the opportunity to partner with the Economic Development Growth Engine for Memphis and Shelby County for our potential expansion project in Memphis, TN. Attached please find our application for Payment-in-Lieu-of-Tax (PILOT).

Performance Food Group, Inc. (PFG) markets and distributes more than 250,000 food and food-related products from over one hundred distribution centers across the United States. We operate two distinct segments: Foodservice and Vistar. Our distribution center in Memphis, Tennessee is part of our Vistar segment, and we are looking to expand and relocate the facility. Vistar is a leading national distributor of food, candy, snacks, and beverages to vending and office coffee service distributors, retailers, theaters, convenience stores, and hospitality providers. The segment provides national distribution of approximately 65,000 different SKUs of candy, snacks, beverages, and other items to over 100,000 customer locations throughout our network.

A key driver of this project is to support the growth of our business. Our current building lacks adequate space to store inventory. As a result, other business locations outside of the Memphis area have been forced to warehouse and deliver products to support the stores in this market. Additionally, the current facility is not designed to suit or support the business in an efficient manner. An upgraded facility will allow our company to save on energy costs and improve overall productivity.

Partnerships, as evidenced by state and local financial participation, are very important considerations by our management and board of directors when making decisions about how to allocate scarce capital across the over 100 facilities our company has around the country. Any request for capital is subjected to a rigorous return on investment analysis which must demonstrate that the project is viable and will deliver significant benefits to our employees, our customers, and ultimately, to our shareholders. The partnership facilitated by this application enhances that return on investment to allow the project to advance to final approval, and it is how we can certify that the financial assistance afforded through this program is an essential and necessary part of our business expansion decision.

We look forward to continuing to work with you as your and our own deliberations continue and ask that you not hesitate to contact us directly if you need additional information to support your approval process.

Sincerely,

A handwritten signature in cursive script that reads "Tami Gardner".

Tami Gardner  
Vice President

**PAYMENT-IN-LIEU-OF-TAX APPLICATION**



**ECONOMIC DEVELOPMENT  
GROWTH ENGINE**  
FOR MEMPHIS & SHELBY COUNTY

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**100 Peabody Place, Suite 1100  
Memphis, TN 38103  
(901) 341-2100**

Please submit your application online at [www.growth-engine.org](http://www.growth-engine.org)

APPLICATION FOR PILOT

ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL DEVELOPMENT BOARD OF CITY OF MEMPHIS AND SHELBY COUNTY, TENNESSEE

Applicant

Company Name: Performance Food Group, Inc.
Company Contact: Tami Gardner
Mailing Address: 188 Inverness Drive West, Ste 700
City: Englewood State: CO Zip: 80112
Telephone: (303) 662-7140 Fax:
Federal Employer Identification Number:
Applicant's Legal Structure: C-Corporation

If any outside consultants will be representing the applicant (accounting firm, law firm or site consultant) in applying for this PILOT, please provide the following:

Company Name: McGuireWoods Consulting LLC
Contact Name: Christopher Lloyd
Mailing Address: 800 East Canal Street
City: Richmond State: VA Zip: 23219
Telephone: (804) 775-1902 Fax: (804) 698-2270

Project Location

- A. Address: Global Drive - Distriplex Farms
B. Tax Parcel Numbers: 094300 00612
C. City of Memphis: [X]Yes [ ]No
D. New Market Tax Credit Eligible Site: [X]Yes [ ]No

Project Description

Briefly describe the applicant's principal business activities to be conducted at the Project Site:
The key driver of this Project is to support the growth of our business. While we have a nationwide footprint, a vast majority of the customers serviced by our current location in Memphis are in Tennessee, Mississippi, Arkansas and Missouri.

Our current building lacks adequate space to store inventory. As a result, other business units outside of the Memphis area have been forced to warehouse and deliver products to support the stores in this market. Additionally, the current facility is not designed to suit or support the business in an efficient manner. An upgraded facility will allow our company to save on energy costs and improve overall productivity.

In our search for a new facility in this market, we have considered several sites both in Tennessee and in Mississippi. The Project will relocate approximately 60 employees working at our current facility in Memphis and will create approximately 36 new jobs over five years.

The Project Site will be used for the warehousing and distribution of food, beverage, candy and snacks and related products. Daily activities include loading of outbound inventory, unloading inbound inventory, selection of inventory, supervision and management. Additionally, the Project site will house back office personnel.

Project - Real Property Investment

- [ ] Building a new sq. ft. facility
[ ] Purchasing an existing facility, and [ ] Making renovations or additions
[X] Leasing 150,000 sq. ft. of an existing facility and [X] Making renovations or additions





**Project Employment over 5 years**

Position	# of Full Time Jobs	Average Annual Base Pay		Annual Benefits		Annual Total Compensation	
		Each	Total	Each	Total	Each	Total
Managerial/DSM/Supervisors	3	\$63,723	\$191,169	\$19,117	\$57,351	\$82,840	\$248,520
Clerical/Office Personnel	2	\$41,517	\$83,034	\$12,455	\$24,910	\$53,972	\$107,944
Drivers	12	\$56,310	\$675,720	\$16,893	\$202,716	\$73,203	\$878,436
Warehouse (Skilled)	4	\$40,851	\$163,404	\$12,255	\$49,021	\$53,106	\$212,425
Warehouse (Semi-Skilled)	10	\$36,429	\$364,290	\$10,929	\$109,287	\$47,358	\$473,577
Warehouse (Unskilled)	5	\$32,020	\$160,100	\$9,606	\$48,030	\$41,626	\$208,130
<b>Total</b>	36		\$1,637,717		\$491,315		\$2,129,032
<b>Average</b>			\$45,492		\$13,648		\$59,140

**Definitions:**

<sup>1</sup>Permanent jobs or combination of permanent positions that provide employment of 1,600 hours or more within a year that is employed directly by the Applicant or employed by a contract employer on behalf of the Applicant.

<sup>2</sup>Annual base wage must exceed \$13 per hour to be included, please show payments as annual average wages.

Include paid overtime, paid holidays and vacation pay. Do not include discretionary bonus or stock options.

<sup>3</sup>Include health insurance, dental insurance, 401K plans, paid sick leave, bonus compensation, etc.