



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Timothy Sullivan  
Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** Agenda for Board Meeting of the Authority June 14, 2023

### **Notice of Public Meeting**

### **Roll Call**

### **Approval of Previous Month's Minutes**

### **CEO's Report to the Board**

### **Incentives**

### **Community Development**

### **Economic Transformation**

### **Authority Matters**

### **Loans/Grant/Guarantees**

### **New Jersey Wind Port**

### **Real Estate**

### **Board Memoranda**

### **Public Comment**

### **Executive Session**

### **Adjournment**

# **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**May 12, 2023**

## **MINUTES OF THE MEETING**

*The Meeting was held in-person and by teleconference call.*

Members of the Authority present in person: Chairman Terence O'Toole, State Treasurer Elizabeth Muoio of the Department of Treasury; Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development; Jamera Sirmans, representing Counsel Noreen Giblin, Deputy Chief Counsel and Director of the Authorities Unit of the Executive Branch; and Elizabeth Dragon representing Commissioner Shawn LaTourette of the Department of Environmental Protection; and Public Members: Charles Sarlo, Vice Chair;; Robert Shimko, First Alternate Public Member; and Jewell Antoine -Johnson, Second Alternate Member

Members of the Authority present via conference call: Public Members Virginia Bauer, Fred Dumont, Aisha Glover, and Marcia Marley

Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Assistant Attorney General Gabriel Chacon; and staff.

Members of the Authority absent: Commissioner Marlene Caride of the Department of Banking and Insurance, and Public Members: Phil Alagia and Massiel Medina Ferrara.

Mr. .O'Toole called the meeting to order at 10:00 am.

In accordance with the Open Public Meetings Act, Mr. Sullivan announced that notice of this meeting has been sent to the *Star Ledger* and the *Trenton Times* at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State's bulletin board at the Department of State.

## **MINUTES OF AUTHORITY MEETING**

The next item of business was the approval of the April 12, 2023, meeting minutes. A motion was made to approve the minutes by Commissioner Angelo, and seconded by Ms. Dragon, and was approved by the twelve (12) voting members present.

**FOR INFORMATION ONLY:** The next item was the presentation of the Chairman's Remarks to the Board.

**FOR INFORMATION ONLY:** The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.

## **VENTURE**

**ITEM: New Jersey Black & Latino Seed Fund (BLSF) Manager Approvals**

**REQUEST:** Approval is requested to: (1) Commit an aggregate investment to limited partnerships, or limited liability companies managed to make investments into early-stage Black and Latino owned businesses in New Jersey. Funding for the investments is provided by State Budget appropriations from Fiscal Years 2021 and

2022.

(2) Delegate authority to the CEO to determine the fund structure and to finalize fees and expenses with each fund manager.

**MOTION TO APPROVE:** Commissioner Angelo **SECOND:** Ms. Glover **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

**ITEM: New Jersey State Small Business Credit Initiative (“SSBCI”) Life Science/ Healthcare Venture Fund Manager Approvals**

**REQUEST:** Approval is requested to: (1) Commit an aggregate investment to limited partnerships or limited liability companies managed by fund managers to make investments into a portfolio of growing health care and life sciences sectors companies in New Jersey. Funding for the investments will be provided by the State Small Business Credit Initiative (SSBCI) for which NJEDA, on behalf of the NJ Department of Treasury, was approved for \$255 million for both direct and fund programs; (2) Delegate authority to the CEO to determine the fund structure and to finalize fees and expenses with each fund manager.

**MOTION TO APPROVE:** Mr. Shimko **SECOND:** Ms. Bauer **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

**ITEM: State Small Business Credit Initiative (SSBCI) Socially & Economically Disadvantaged Individuals (SEDI) Manager Approvals**

**REQUEST:** Approval is requested to: (1) Commit an aggregate investment to limited partnerships or limited liability companies managed by accelerator and fund managers to make investments into a portfolio of businesses led by Socially and Economically Disadvantaged Individuals (SEDI) in New Jersey. Funding for the investments will be provided by the State Small Business Credit Initiative (SSBCI) for which NJEDA, on behalf of the NJ Department of Treasury, was approved for \$255 million for both direct and fund programs; (2) Delegate authority to the CEO to determine the fund structure and to finalize fees and expenses with each fund manager.

**MOTION TO APPROVE:** Ms. Bauer **SECOND:** State Treasurer Muoio **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

Ms. Antoine-Johnson recused herself to prevent any future conflict.

**ITEM: State Small Business Credit Initiative (SSBCI) Blended Capital Fund Manager Approval**

**REQUEST:** Approval is requested to: (1) Commit an investment to the Blended Capital Fund. Funding for the investment will be provided by the State Small Business Credit Initiative (SSBCI), for which NJEDA, on behalf of the NJ Department of Treasury, was approved for \$255 million for both direct and fund programs;; (2) Designate an approved fund manager of the Blended Capital Fund; (3) Spending funds in upfront expenses from the NJEDA SSBCI administrative fund.

**MOTION TO APPROVE:** Ms. Dragon **SECOND:** Commissioner Angelo **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

Ms. Antoine-Johnson recused herself to prevent any future conflict.

**COMMUNITY DEVELOPMENT**

**ITEM: Request for additional funds for the Child Care Facilities Improvement Program Phase 1**

**REQUEST:** To approve: (1) Executing an amendment to the existing Memorandum of Understanding (MOU) with the New Jersey Department of Community Affairs (DCA)

whereby the Authority will accept additional funds in American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds appropriated to the Authority pursuant to P.L. 2021, c. 144, to provide additional funds for the Child Care Facilities Improvement Pilot Program – Phase 1; (2) Approval to enter into a MOU with the DCA whereby the Authority will accept ARP Coronavirus State and Local Fiscal Recovery Funds appropriated to the Authority for the “Child Care Facilities Fund” through the Fiscal Year 2023 Appropriations Act, P.L. 2022, c. 49, to provide additional funds for the Child Care Facilities Improvement Pilot Program – Phase 1; and (3) Approval to use a portion of administrative costs allocated to this program for Temporary Employment Services.

**MOTION TO APPROVE:** Commissioner Angelo **SECOND:** State Treasurer Muoio **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

### **ASPIRE**

**ITEM: Aspire Program- Product #304877, OAHS Manahan Village, LLC (“Applicant”) and Morristown Family Aspire LLC (“Co-applicant”)**

**REQUEST:** To approve the application of OAHS Manahan Village LLC (“Applicant”) and Morristown Family Aspire LLC (the “Co-applicant”) for the Project located in Morristown, New Jersey, Morris County, for the issuance of tax credits to the Aspire Program of the Authority as set forth in the New Jersey Economic Recovery Act of 2020, N.J.S.A. 34:1B-322 et seq.

**MOTION TO APPROVE:** Ms. Antoine - Johnson **SECOND:** Ms. Bauer **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**ITEM: Aspire Program - Product #304879, 260 Washington St Urban Renewal LLC**

**REQUEST:** To approve the application of 260 Washington St. Urban Renewal LLC (“Applicant”) in Aspire tax credits based upon the financing gap illustrated by the Project’s actual capital stack at time of commitment.

**MOTION TO APPROVE:** Ms. Dragon **SECOND:** Ms. Antoine - Johnson **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**ITEM: Aspire Program- Product #306332, Northgate Preservation Urban Renewal LLC (“Applicant”) and Hearthstone HVPG Northgate, LLC (“Co-applicant”)**

**REQUEST:** To approve the application of Northgate Preservation Urban Renewal, LLC, (“Applicant”) and Hearthstone HVPG Northgate, LLC (“Co-applicant”) for the Project located in Camden, New Jersey, Camden County, for the issuance of tax credits to the Aspire Program of the Authority as set forth in the New Jersey Economic Recovery Act of 2020, N.J.S.A. 34:1B-322, et seq.

**MOTION TO APPROVE:** Ms. Dragon **SECOND:** Ms. Antoine - Johnson **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

### **EVERGREEN**

**ITEM: New Jersey Evergreen Innovation Fund: May 2023 Qualified Venture Firm Approvals**

**REQUEST:** To approve the inaugural cohort of venture firms as Qualified Venture Firms under the New Jersey Innovation Evergreen Program. The designation will allow the Qualified Venture Firms to apply for program Qualified Investment co-investment capital to invest in eligible high-growth New Jersey-based companies.

**MOTION TO APPROVE:** Ms. Dragon **SECOND:** Mr. Shimko **AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

## **FILM & DIGITAL MEDIA TAX CREDIT**

### **Digital Media Tax Credit Program**

**CNBC LLC**

**PROD-**

00301706

**MAX AMOUNT OF TAX CREDITS: \$5,821,949**

**MOTION TO APPROVE: Commissioner Angelo**

**SECOND: Ms. Bauer**

**AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

### **Film Tax Credit Program**

**It Ends With Us Movie, LLC**

**PROD-**

00310658

**MAX AMOUNT OF TAX CREDITS: \$12,211,253**

**MOTION TO APPROVE: State Treasurer Muoio**

**SECOND: Ms. Sirmans**

**AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

## **LOANS, GRANTS, GUARANTEES, INVESTMENTS**

### **Hazardous Discharge Site Remediation Fund (HDSRF)**

**ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.**

**MOTION TO APPROVE: Ms. Dragon**

**SECOND: Ms. Marley**

**AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

**PROJECT: Robert Hawthorne Sanitary Landfill**

**PROD.**

#00310244

**LOCATION: National Park Borough, Gloucester County**

**PROCEEDS FOR: Remedial investigation**

**FINANCING: \$477,266.00**

**PROJECT: BDA Somerville Landfill**

**PROD.**

#00310358

**LOCATION: Somerville Borough, Somerset County**

**PROCEEDS FOR: Remedial investigation**

**FINANCING: \$529,642.00**

## **REAL ESTATE**

**ITEM: Approval of Policy for Stranded Assets Repositioning Investment**

**REQUEST: To approve (1) Policies for establishing the Stranded Assets Repositioning Investment to invest in the redevelopment and repositioning of underutilized commercial properties and other stranded assets into viable commercial or mixed-use properties; and**

**(2) The use of funds appropriated in the 2023 State Budget in accordance with the policies.**

**MOTION TO APPROVE: Mr. Sarlo**

**SECOND: Ms. Dragon**

**AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

Ms. Marley left the meeting at this time.

## **OFFSHORE WIND**

### **ITEM: NJ Offshore Wind Workforce and Skills Development Grant Challenge Award**

**REQUEST:** To approve five (5) applications and their respective grant awards for the NJ Offshore Wind Workforce and Skills Development Grant Challenge totaling \$3,725,000. The Members are requested to decline all other applications.

**MOTION TO APPROVE:** Mr. Angelo      **SECOND:** Ms. Antoine-Johnson      **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

## **NJ WIND PORT**

### **ITEM: New Jersey Wind Port – Communications Expenditure**

**REQUEST:** To approve a marketing and communications budget for the New Jersey Wind Port (NJWP) project. Funding will be used for a broad range of activities including but not limited to website design and maintenance, sublease marketing materials, as well as local community and other stakeholder engagement.

**MOTION TO APPROVE:** Mr. Shimko      **SECOND:** Ms. Bauer      **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

### **ITEM: Request for New Jersey Wind Port (NJWP) construction funding – Parcel B1 Test Pile Program**

**REQUEST:** To approve additional expenditure for New Jersey Wind Port project construction.

**MOTION TO APPROVE:** Ms. Antoine-Johnson **SECOND:** Commissioner Angelo **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

## **AUTHORITY MATTERS**

### **ITEM: Development funding to replace our in-house/on-premises legacy Incentive Data Management System using a low-code/no-code platform leveraging Microsoft Consulting Services available on State Contract T3121**

**REQUEST:** To approve new contract funding based on an analysis completed by Microsoft of our current legacy application that manages our post-closing Incentive programs.

**MOTION TO APPROVE:** Commissioner Angelo **SECOND:** State Treasurer Muoio **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

## **BOARD MEMORANDA - FYI**

- Credit Underwriting Projects Approved Under Delegated Authority, April 2023
- Post-Closing Credit Delegated Authority Approvals for Q1, 2023
- Post-Closing Delegated Authority Bond Modification Approvals for Q1, 2023
- Post-Closing Incentives Delegated Authority Memo for Q1, 2023
- Hazardous Discharge Site Remediation Fund (HDSRF) Applications Approved Under Delegated Authority for Q1, 2023
- Petroleum Underground Storage Tank Applications (PUST) Approved Under Delegated Authority for Q1, 2023

**PUBLIC COMMENT**

Mr. Darren Macri, Owner, Whythe Windows, Ramsey, NJ addressed the board.

There being no further business, on a motion by Commissioner Angelo, and seconded by Ms. Bauer, the meeting was adjourned at 12:13pm.

Certification:           The foregoing and attachments represent a true and complete summary of the actions taken by the New Jersey Economic Development Authority at its meeting.



Danielle Esser, Director  
Governance & Strategic Initiatives  
Assistant Secretary



## MEMORANDUM

**To:** Members of the Authority  
**From:** Tim Sullivan  
**Date:** June 14, 2023  
**Re:** June 2023 Board Meeting – CEO Report

Throughout June, the [New Jersey Economic Development Authority](#) (NJEDA) is celebrating Pride Month and Juneteenth. Under Governor Phil Murphy's leadership, New Jersey has become a welcoming and inclusive state – one where our values represent our people. Governor Murphy's dedication to elevating and uplifting all New Jersey communities, especially our LGBTQ+ community and our communities of color, is a primary reason why our state remains the best place to live, work, and raise a family. Our values help drive our economy forward, attracting businesses to New Jersey and incentivizing them to expand, grow, and thrive here. This month, as we proudly recognize Pride and Juneteenth, the NJEDA recommits itself to providing the tools and resources all New Jerseyans, especially those in minority communities, need to run successful businesses, raise healthy families, and live up to their fullest potential.

In recognition of Asian American Pacific Islander (AAPI) Month in May, the NJEDA was thrilled to partner with Assemblywoman Sadaf Jaffer (LD-16) to host a roundtable discussion with AAPI business owners from across the state. The discussion highlighted the unique challenges facing New Jersey's AAPI business community and resources available through the NJEDA to help small businesses succeed.

Last year, Governor Murphy announced Netflix will develop a state-of-the-art production facility right here in Fort Monmouth – transforming a property that has been largely vacant for over a decade into an economic engine that is estimated to create more than 1,500 permanent production jobs and over 3,500 construction-related jobs. As the Chairman noted, New Jersey exceeded the \$650 million in spending in the state in 2022 by \$50 million. As interest in New Jersey's film industry continues to grow, I believe we will have another spectacular year generating spending and creating good-paying jobs.

The much-anticipated North to Shore Festival kicked off last week in Atlantic City with a great lineup including, Colbie Caillat, Gavin DeGraw, Jazmine Sullivan, Ebony Riley, and many other great artists, musicians, and comedians. The month-long event, taking place in three cities, is the inspiration of the Governor and the First Lady to create a festival "only New Jersey can handle," showcasing the diversity of New Jersey talent. The NJEDA is proud to play a role in supporting the state's first festival of this magnitude which includes A-list celebrities and local artists, highlights tech and film, and will generate tourism dollars across the state. The festival kicks off again today in Asbury Park and will continue in Newark next week.

Earlier this month, we launched applications for our Activation, Revitalization, and Transformation (ART) program, which aims to support the economic recovery of Newark and Atlantic City – two vital commercial corridors, which have experienced decreased foot traffic and revenue due to the pandemic. Through two grant programs established by ART, the program will support transit-centric projects that revitalize commercial corridors, as well as public space activation initiatives such as public art installations, signage, streetscape improvements, and small business support.





In line with Governor Murphy's vision to bolster New Jersey's clean energy economy and reduce dependence on harmful pollutants, the NJEDA is exploring the creation of programs to reduce greenhouse gas emissions from existing and new commercial, industrial, and institutional buildings within the state. Yesterday, we issued a Request for Information (RFI) seeking insight from qualified stakeholders on opportunities to accelerate building decarbonization within the commercial building sector. This goes in tandem with the RFI we issued last month seeking insight from stakeholders as the state explores uses for clean hydrogen to accelerate the state's transition to a green economy.

I also want to provide some exciting numbers for a few of our programs. Under the New Jersey Manufacturing Voucher Program, the NJEDA has awarded nearly \$22.2 million to 175 manufacturers across the state. Approved awardees can use the vouchers to purchase equipment to help New Jersey manufacturers upgrade their businesses.

Since the Child Care Facilities Improvement Program launched in November 2022, the NJEDA has received 473 applications from child care centers that serve over 39,000 children and employ nearly 10,000 members of the vital early childhood workforce. To date, we have approved 40 applications for a combined total of \$7.5 million in funding. At the last Board meeting, an additional \$50 million were approved for the program, which will help meet the overwhelming interest and demand. Last month we also issued an RFI seeking input for development of a pilot program that engages employers in supporting New Jersey's parents and children.

Lastly, we continue supporting and boosting our small businesses through our Main Street Recovery Program. Since October 2021, the NJEDA has approved \$85.9 million in grants and loans to 2,666 small businesses through our Main Street Recovery Program. Because of this program, small businesses recovering from the pandemic were able to open new locations, avoid layoffs, hire additional staff, and purchase new equipment. Most importantly, they were able to position themselves for greater resilience during future economic disruptions.

As we head into the summer months, the NJEDA staff will continue working diligently to design new products, launch new initiatives, and support New Jersey's small businesses, families, and communities. Collectively, these efforts will help build a stronger, fairer New Jersey economy – one with a solid foundation that will benefit families today and for generations to come.

A handwritten signature in dark ink, appearing to read "Tim Sullivan", is positioned above a horizontal line. The signature is fluid and cursive.

---

Tim Sullivan, CEO



*The following summary is provided for information only. Full eligibility and review criteria can be found in the [program's rules](#).*

## **ASPIRE**

### **Program Overview:**

Aspire is one of New Jersey's most powerful tools to catalyze investment in commercial, residential and mixed-use development, particularly in areas of high economic distress. Aspire provides tax credits to address financing gaps in commercial, mixed use, and residential real estate development projects. Aspire is one of many programs established under the New Jersey Economic Recovery Act.

### **Eligibility:**

To be eligible for Aspire support, a project must:

- Demonstrate through NJEDA analysis that without the incentive award, the redevelopment project is not economically feasible.
- Demonstrate that a project financing gap exists and/or the redevelopment project will generate a below market rate of return.
- Be located in a designated "Incentive Area."
- Include developer who has an equity participation of at least 20 percent of the total cost.
- Result in a net positive benefit to the State.
- Meet specific cost thresholds, depending on where the project is located.

### **Award Amounts:**

Aspire provides tax credits equal to 45 percent of project costs. Most Aspire projects will be subject to a total award cap of \$42 million, but residential projects also receiving Low Income Housing Tax Credits (LIHTC) or projects located in certain economically disadvantaged locations may receive up to \$60 million based on applicable bonuses.

### **Transformative Aspire Projects:**

Projects that meet certain criteria can be designated as "Transformative Projects." These projects can receive awards up to \$350 million or 40 percent of project costs, up to a total program cap of \$2.5 billion. No more than two Transformative Project awards can be made within a single municipality.

To be designated as a Transformative Project, a project must involve a minimum investment of \$100 million and include renovation or construction of more than 500,000 square feet of office or industrial space; 250,000 square feet of film production space; or 1,000 residential units if it does not include any commercial component.

If a project includes a minimum of 100,000 square of commercial space, it may also qualify as a transformative project if it includes:



- At least 250 units in a GRM
- At least 350 units in an Enhanced Area
- At least 600 units in any other eligible Incentive Area



## **MEMORANDUM**

**To:** Members of the Authority

**From:** Tim Sullivan  
Chief Executive Officer

**Date:** June 14, 2023

**RE:** Aspire Program- Product #303116  
**150-170 South Broad Trenton Urban Renewal Associates LP (“Applicant”)  
and Life Management, Inc. (“Co-applicant”)**

### **Request**

Residential Project located in Trenton, New Jersey, Mercer County for the issuance of tax credits to the Aspire Program (the “Program”) up to 45% of the total project cost (“eligible costs”), not to exceed \$29,139,873.

### **Aspire Program Background**

As created by the New Jersey Economic Recovery Act of 2020, N.J.S.A. 34:1B-322, et seq. (the “Act”), the Act provides that the “authority shall administer the program to encourage redevelopment projects through the provision of incentive awards to reimburse developers for certain project financing gap costs.” N.J.S.A. 34:1B-324. The Authority has established Program rules At N.J.A.C. 19:31-23.1, et seq. (the “Rules”). Applications to the Program are evaluated to determine eligibility in accordance with the Act and the Rules. To meet basic eligibility requirements, developers of residential projects must demonstrate (1) that without the incentive award, the Redevelopment Project is not economically feasible, (2) that a project financing gap exists after the developer has contributed an equity participation of at least 20 percent of the total development cost, and (3) the project meets specific cost thresholds, depending on where the project is located.

The Program provides tax credits for ten years (the “Eligibility Period”). The amount of tax credits a real estate development project or “Redevelopment Project” receives is generally a percentage of the project’s costs and is subject to a statutory cap determined by project location and other aspects of each project.

### **Project Description**

The project entails the ground-up construction of a 5-story, 120-unit mixed-use residential building on a 1.35 acre site in Trenton, New Jersey. The property is located at 150-170 Broad Street in Downtown Trenton on the edge of the Mill Hill neighborhood. Of the 120 units, 70 will be market-rate and 48 will be affordable, and 2 rent free super’s units.

To create the site, the Applicant acquired and merged two parcels. The first is by way of a deed between Teach Solais NJ LLC (Grantor), and 150-170 South Broad Urban Renewal Associates LP (Applicant) dated 4/4/2019 for a sum of \$525,000 for Block 9501, Lot 18. The second is by way of a deed between the State of New Jersey (Grantor) and 150-170 South Broad Urban Renewal Associates LP (Applicant) dated July 5, 2012 for Block 9501, Lots 17 & 17.01 for the sum of \$800,000.

The Applicant's ownership in these respective properties was consolidated by way of a Consolidation Deed dated January 14, 2021 as Block 9501, Lot 18.01 (formerly known as Block 9501, Lots 17, 17.01, and 18 as noted previously).

### **Project Ownership**

150-170 South Broad Trenton Urban Renewal Associates LP is owned by RPM Partners VII LLC (0.01%), who is the managing member and RPM Opportunity Fund, L.P. (99.9%). Edward G. Martoglio is the sole member of RPM Partners VII LLC. RPM Opportunity Fund, L.P. is owned by Edward G. Martoglio (99%) and RPM Partners LIV, L.P. (1%).

### **Lead Development Entity:**

RPM Development (RPM), of which Edward G. Martoglio is the principal is the Lead Development Entity and was established in 1986 and is based out of Montclair, New Jersey. RPM has developed numerous residential projects, including new construction on underutilized land, the adaptive reuse of industrial properties, the restoration of historic buildings, and multi-phase initiatives to increase affordable housing options in urban and suburban communities.

With years of successful experience in acquisitions, rehabilitations, management services, development planning and construction, RPM is one of the premiere affordable, mixed-income and mixed-use developers in the state.

### **Co-Applicant**

The Co-applicant is Life Management, Inc. (LMI) which is a 501(c)3 and that will act as the nonprofit for the project financing. Authority staff is in receipt of an IRS 501(c)3 Determination Letter for LMI evidencing that it is a non-profit for taxation purposes under the provisions of Section 501(c)3 of the Internal Revenue Code.

LMI will be contributing services related to the project that directly affect and serve residents of the Redevelopment Project. LMI will work in conjunction with the Applicant's Social Services Coordinator to develop a social services plan that best meets the needs of the residents. LMI will utilize their experience and skills to support the senior, developmentally disabled, and formerly homeless residents. LMI's services will enable additional staffing support and provide additional linkages to relevant resources. Programs and services will be delivered by social workers, social service professionals, and other paraprofessionals, who have experience in providing these services, as well as mentoring, event planning, project development and implementation. The organization obtains contracts, grants and donations that enable them to offer services to the elderly and low-income families living in the community free of charge.

The Applicant and Co-applicant have entered into a participation agreement that specifies the Co-applicant's participation in the Redevelopment Project and evidences a commitment to providing the services previously described. The commitment encompasses the duration of the Aspire Eligibility Period.

Per the Rules, in the application the Co-applicant must also demonstrate the following:

**The Co-applicant has complied with all requirements for filing tax and information returns and for paying or remitting required State taxes and fees by submitting, as a part of the application, a tax clearance certificate, as described in section 1 at P.L. 2007, c. 101 (N.J.S.A. 54:50–39).**

The Co-applicant has provided staff with a valid Tax Clearance Certificate as of this recommendation.

**The Co-applicant's organizational purpose encompasses the proposed participation.**

Life Management, Inc. is a not-for-profit corporation organized under the laws of the State of New Jersey for the purpose of promoting the quality of life for individuals who are vulnerable to crises of daily living, due to age, disability, or socioeconomic status. The organization fosters low-income housing and supports residents of the same by providing advocacy, care management, counseling, mentoring, as well as health and educational programs. The organization also provides home repairs and residential maintenance services to senior homeowners, and works with individuals, families, social service and governmental agencies, as well as corporations, and other professionals to carry out its mission.

**The Co-applicant has the financial and operational capability to provide the proposed contribution or services.**

Authority staff has reviewed financial statements provided by Life Management, Inc. substantially evidencing the ability to provide the proposed services.

**The Co-applicant's receipt and sale of the tax credits is necessary to finance the Redevelopment Project.**

The Redevelopment Project is a joint venture between the Co-applicant and the Applicant. The tax credit certificates will be allocated to the non-profit which will sell the credits annually to a tax credit investor and return those sales proceeds into the partnership. This allows the project to obtain the Aspire credit sales proceeds without tax consequences and to pay annual debt service on an Aspire bridge loan, putting critically important capital into the project.

**Architect:**

Design for the project has been undertaken by Inglese Architecture and Engineering, a full-service design firm providing architecture, master planning, urban design, interior architecture, construction administration, planning and predevelopment. The firm was founded by Jak Inglese in 1994.

Inglese has extensive and wide-ranging experience. Its portfolio includes:1] Westville Commons, Westville, New Jersey a residential, senior development; 2] Tennessee Green, Atlantic City, New Jersey residential development; 3] Whitlock Mills, Jersey City, New Jersey multi-building development; 4] Hudson Ridge Residences at Aberdeen, Aberdeen, New Jersey residential development; and 5] 50-55 South Essex, Orange Township, New Jersey residential, market and affordable development.

### **General Contractor:**

The general contractor for the Project is RPM Contracting, a full-service general contracting company providing services in the area of virtual design and construction, health and safety, and lean construction. RPM Contracting was founded in 1986 by Edward Martoglio.

### **Project Details**

The project is new construction. The two existing buildings will be demolished, but the historic façade at 160 Broad Street will be incorporated in the new structure. Once completed the project will house 58 market- rate one-bedroom units, measuring between 690 and 946 square feet each; 12 market-rate two-bedroom units, measuring between 775 and 1,063 square feet each; 10 affordable one-bedroom units, measuring between 605 and 659 square feet each; 31 affordable two-bedroom units, measuring between 775 and 938 square feet each; and 7 affordable three-bedroom units, measuring between 1,063 and 1,154 square feet each. In total, there will be 70 market-rate units and 48 affordable units. There will also be 2 rent free two-bedroom supers' units. The gross rents for the market-rate units range from \$1,585 to \$1,850; and the affordable units range from \$1,160 to \$1,615.

The proposed residential amenities include a top floor resident lounge, wifi connected workstations, laundry rooms, a fitness center, an amenity terrace on the second floor, a roof deck overlooking the historic Assunpink Creek on the fourth floor, electric car charging, bike storage, and two levels of parking with 168 spaces.

The project includes 7,500 square feet of a retail plaza overlooking the creek across from the Mercer County Courthouse. Two smaller commercial spaces will be a neighborhood serving retail like coffee shop and the larger corner space will be marketed as a restaurant.

The project will comply with the Energy Star Homes Program as per NJHMFA's Green Standard Requirements which satisfies NJEDA Green Building Standards.

### **Project Uses and Sources**

The Applicant proposes the following Uses for the project:

|                                    | <b><u>Total Development Cost</u></b> | <b><u>Project Cost</u></b> |
|------------------------------------|--------------------------------------|----------------------------|
| Acquisition                        | \$1,365,000                          | \$0                        |
| Hard construction costs            | \$56,153,790                         | \$56,153,790               |
| Professional services              | \$1,471,229                          | \$911,906                  |
| Financing and other soft costs     | \$10,812,078                         | \$7,689,577                |
| Developer Fee (Non-Deferred Total) | \$3,250,000                          |                            |
| <b>Total</b>                       | <b>\$73,052,097</b>                  | <b>\$64,755,273</b>        |

The total project cost is the cost included in total development costs that is used for sizing the tax credit. By statute, the total project cost excludes developer fee(s) and land acquisition. Additionally, various reserves to fund interest and operating expenses during lease-up are excluded by the Rules.

The Applicant proposes the following Sources for the Project:

| <b>Sources</b> | <b>Type</b>               | <b>Amount</b>       |
|----------------|---------------------------|---------------------|
| Permanent Loan | 1 <sup>st</sup> Mortgage  | \$13,440,606        |
| Loan           | Downtown Living -DCA      | \$10,000,000        |
| Loan           | Bridge Loan               | \$5,495,446         |
| Loan           | City of Trenton HOME Loan | \$1,500,000         |
| Equity         | Aspire Proceeds           | \$18,394,659        |
| Equity         | LIHTC Equity              | \$20,971,385        |
| Equity         | Deferred Developer Fee    | \$3,250,000         |
|                | <b>Total</b>              | <b>\$73,052,097</b> |

### **Developer Contributed Equity**

Based on the equity requirement in the Rules of 10% of total development costs for a residential project in a government-restricted municipality, the required equity in this Project equates to \$7,305,210. Equity consists of LIHTC proceeds in the amount of \$20,971,385, Land \$1,325,000 and the deferred developer fee of \$3,250,000.

### **Statutory Aspire Award Cap**

This residential project financed with a nine-percent Low-Income Housing Tax Credit allocation is eligible for an Aspire tax credit of 45 percent of the total project cost that, as a result of being located in a qualified incentive tract, is not to exceed \$60 million. N.J.A.C. 19:31-23.7. Total development costs of the project (“TDC”) are estimated to be \$73,052,097 with the total project cost per the Program Rules estimated to be \$64,755,273. As such, the project is eligible for an Aspire tax credit not to exceed \$29,139,873 which is the lesser of \$60 million and 45 percent of the total project cost. This is the maximum potential award.

### **Financing Gap Analysis**

NJEDA staff has reviewed the application to determine if there is a shortfall in the project development economics pertaining to the return on the investment for the developer and their ability to attract the required investment for this project. Because the project is receiving low-income housing tax credits from NJHMFA and there is no private equity contribution, HMFA’s deferred fee model was used to measure the appropriate and reasonable rate of return. The total developer fee is \$3,250,000 with \$3,250,000 deferred and not fully realized until the 23rd year of operations following stabilization which conforms to the Agency policy.

### **Aspire Tax Credit Sale Price:**

The Act dictates that for projects that represent the new construction of residential units while utilizing a Low-Income Housing Tax Credit, the consideration for the sale or assignment of the Aspire tax credits can be no less than 65 percent of the transferred credit amount before considering any further discounting to present value. The Applicant has provided documentation to the Authority that the consideration contemplated in the current financing structure is 90 percent of the transferred credit amount before considering any further discounting to present value. Currently it is anticipated that a bridge loan will be secured by the future sale proceeds from the tax credit sales, and when accounting for these loan proceeds received during construction it



represents a discount rate of 4.98% from the 90 percent consideration of the transferred credit amount. The ultimate financing structure and any changes in the future will be subject to this requirement and the Applicant will need to evidence this prior to any assignment or transfer of Aspire tax credits.

#### **Net Positive Benefit Analysis:**

As directed by the Act the NJEDA shall conduct a fiscal impact analysis to determine and ensure that the overall public assistance provided to an Aspire awarded project will result in a net positive economic benefit to the State. Exceptions to the requirement are capital investment for a residential project, a capital investment for a food delivery source, or a health care or health services center with a minimum of 10,000 square feet of space devoted to health care or health services that is located in a municipality with a Municipal Revitalization Index distress score of at least 50 lacking adequate access. N.J.S.A. 34:1B-333. The project is a residential project and, therefore, the entire award and capital investment are not subject to the net positive economic benefit analysis.

#### **Other Statutory Criteria**

##### **Scoring:**

As established by the Rules at N.J.A.C. 19:31-23.7 (Approval of completed application; tax credit amounts) and further detailed in the memo provided to the Board at time of approval, the Applicant is required to achieve a minimum score to be eligible for an Aspire award. The project was scored in the areas of Equitable Development, Smart Growth, Environmental Justice, and Climate Resilience. The Applicant has satisfactorily evidenced to staff that the project is consistent with the policy objectives represented by this scoring criteria. The specific scoring for the project is contained in the "Scoring Exhibit" attached.

##### **Community Benefits Agreement:**

The Act indicates that for a Redevelopment Project whose total project cost equals or exceeds \$10 million, a community benefits agreement is required to be entered into by the Authority, chief executive of the municipality and the Applicant. N.J.S.A. 34:1B-328 (Incentive award agreement). As required by Aspire Rules at N.J.A.C. 19:31-23.4 (Application submission requirements), the Applicant has provided a letter of support from the chief executive of the municipality acknowledging this requirement and affirming that the municipality shall proceed to negotiate a community benefits agreement in good faith with the developer and will execute the community benefits agreement within the time required by the Rules (six months, with two possible three-month extensions, after this approval).

##### **Labor Harmony Agreement:**

The Act indicates that NJEDA shall not enter into an incentive award agreement for a Redevelopment Project that includes at least one retail establishment which will have more than 10 full-time employees, at least one distribution center that will have more than 20 full-time employees, or at least one hospitality establishment which will have more than 10 full-time employees, unless the incentive award agreement includes a precondition that any business that serves as the owner or operator of the retail establishment, distribution center, or hospitality establishment enters into a labor harmony agreement with a labor organization or cooperating labor organizations that represent retail or distribution center employees in the State. Under the Act, a labor harmony agreement shall be required only if the State has a proprietary interest in the

Redevelopment Project and shall remain in effect for as long as the State acts as a market participant in the Redevelopment Project. N.J.S.A. 34:1B-328. This project does not have a State proprietary interest and therefore is not subject to this requirement.

**Prevailing Wage Obligations:**

The Act and Rules require that for any project awarded Aspire tax credits all workers employed to perform construction work or building services work at the Redevelopment Project shall be paid prevailing wages, which continue through the end of the Eligibility Period. N.J.S.A. 34:1B-325. The Applicant has acknowledged this requirement and that in any year where this is found not to be the case the Applicant shall forfeit the tax credit for that year.

**Substantial Good Standing/Subcontractor and Contractor Requirements:**

The Act and Rules require that, for the duration of the Eligibility Period, the developer must be in substantial good standing (or have entered into an agreement) with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury for any project awarded Aspire tax credits and that each contractor and subcontractor performing work at the Redevelopment Project: is registered as required by the Public Works Contractor Registration Act, has not been debarred by the Department of Labor and Workforce Development from engaging in or bidding on Public Works Contracts in the State, and possesses a tax clearance certificate issued by the Division of Taxation in the Department of the Treasury.

**Availability of Emerge/Aspire Resources**

At the time of this recommendation, there are \$ 1,947,673,459 in unallocated tax credit resources available to Aspire projects located in the northern-most counties in the State for the fiscal year.

**Recommendation**

Authority staff has reviewed the application for 150-170 South Broad Trenton Urban Renewal Associates LP and finds that it satisfies the eligibility requirements of the Act and Rules. It is recommended that the Members approve and authorize the Authority to execute an incentive award agreement. The tax credit award would be credited against the total available Aspire projects award authority.

Issuance of the Aspire tax credits are contingent upon the Applicant submitting documentation evidencing project financing and planning approvals with respect to the project within the time required in the Rules (one year after approval), which includes:

1. Financing commitments for all funding sources for the project consistent with the information provided by the Applicant to the Authority for the Aspire tax credit;
2. Evidence of site control and site plan approval for the project; and
3. Copies of all required State and federal government permits for the project and copies of all local planning and zoning board approvals that are required for the project.

Additionally, Applicant must submit an executed Community Benefits Agreement consistent with all of the requirements included in the Rules within six months after approval.

The recommendation is approval of an award of up to 45% of the total project cost, not to exceed \$29,139,873 in Aspire tax credits based upon the financing gap illustrated by the project's actual capital stack at time of commitment.

A handwritten signature in blue ink, appearing to read 'T. Sullivan', is positioned above a horizontal line.

---

Tim Sullivan, CEO



*The following summary is provided for information only. Full eligibility and review criteria can be found in the [program's rules](#).*

## **FILM TAX CREDIT PROGRAM**

### **Program Overview:**

New Jersey's primary tool for incentivizing production companies to produce their film in New Jersey. The program provides a transferable tax credit against the corporate business tax and the gross income tax based on a percentage of certain film production expenses incurred in New Jersey.

### **Eligibility:**

In order for a film project to be eligible for tax credits under the NJ Film Tax Credit Program, the film project must:

- Meet the statutory definition of a "film".
- Meet one of the following expense eligibility thresholds:
  - 60 percent of the all film production expenses incurred for services and goods purchased through vendors authorized to do business in New Jersey, or
  - Have incurred qualified film production expenses in New Jersey in excess of \$1 million
- End credits must include "Filmed in New Jersey" statement or logo
- Principal photography of the project must commence within 180 days of application

### **Award Amounts:**

- Qualified film production expenses incurred in most areas of New Jersey are eligible for a 35 percent tax credit.
- Qualified film production expenses incurred for use at a sound stage or other NJ location within a 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New York are eligible for 30 percent tax credit.

### **Studio Partners and Film-Lease Partners**

To encourage the development of large, long term studio facilities, the NJ Economic Recovery Act established two special designations under the Film Tax Credit Program - a "Studio Partner" and a "Film Lease Partner". Studio Partners are production companies that commit to having site control of a production facility of at least 250,000 sq. ft. in New Jersey for at least 10 years. Film Lease Partners are production companies that commit to a production facility of at least 50,000 sq. ft. for at least 5 years. While these designations do not increase the amount of the tax credit, these partners are approved from their own reserved annual pool of \$100 million in tax credits for each designation category.

### **Diversity Bonus:**

New Jersey is one of the only states in the country that offer a bonus to incentivize film productions to recruit and hire women and minorities in the film production. Projects that include an NJEDA approved



diversity plan with a goal for the recruitment and hiring of women and minority persons, and can demonstrate good faith efforts towards achieving the goals of the plan, may qualify for an additional 2 percent bonus on their tax credit award.

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY – FILM TAX CREDIT PROGRAM**

As created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain film and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 30% of qualified film production expenses, or 35% of qualified film production expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

As amended by P.L.2020, c.160, the eligible tax credit for qualified film production expenses increased from 30% to 35% for applications received after Jan 7, 2021. Additionally, for applications received after July 2, 2021, the program amendment also eliminates the targeted county bonus and specifies a tax credit of 30% for services performed and tangible personal property purchased for use at a sound stage or other location that is located in the State within a 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New, York.

**APPLICANT:** Paramount Pictures Corporation Inc

PROD-00308961

**APPLICANT BACKGROUND:**

“Mean Girls: The Musical” is a production of Paramount Pictures Corporation Inc. When a home-schooled girl infiltrates a popular clique of kids in an effort to exact revenge upon them, she is compelled to reevaluate her values when she realizes she enjoys her newfound popularity a little too much. This production is based on the iconic film and Broadway play of the same name but now contemporized for current audiences and culture.

The film content has been reviewed and recommended for approval under the Act by the New Jersey Motion Picture and Television Commission. The Commission has determined that the film shall include, at no cost to the State, marketing materials promoting the State, including the placement of a logo in the end credits of the film.

**ELIGIBILITY AND TAX CREDIT CALCULATION:**

As part of eligibility for tax credits under the New Jersey Film Tax Credit Program, a film must meet at least one of two expense eligibility thresholds:

1. Total Film Production Expenses: A minimum of 60% of the film’s total production expenses (calculated excluding post-production expenses) must be incurred after July 1, 2018 but before July 1, 2034 for services performed and goods purchased through vendors authorized to do business in New Jersey. The following film production expenses are projected by the applicant.

|   |                 |
|---|-----------------|
| A. Total Film Production Expenses   | \$53,947,186.00 |
| B. Total Post-Production Expenses   | \$6,383,351.00  |
| C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses) | \$36,534,247.00 |
| Percentage Calculation = C/(A-B)  | 76.8%           |
| <b>Criterion Met</b>  | <b>Yes</b>      |

2. **Qualified Film Production Expenses:** During a single privilege period, the film must have more than \$1 million in qualified film production expenses. “Qualified film production expenses” are expenses incurred in New Jersey after July 1, 2018 for the production of a film, including pre-production costs and post-production costs. “Qualified film production expenses” shall include, but shall not be limited to: wages and salaries of individuals employed in the production of a film on which the New Jersey Gross Income Tax has been paid or is due; and, the costs for tangible personal property used and services performed in New Jersey, directly and exclusively, in the production of the film, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payments made to a loan out company or to an independent contractor shall not be a “qualified film production expenses” unless the payments are made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required by N.J.A.C. 19:31-21.3(c). “Qualified film production expenses” shall not include: expenses incurred in marketing or advertising a film; and payment in excess of \$500,000 to a highly compensated individual for costs for a story, script, or scenario used in the production of a film and for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, except for other expenses above certain thresholds as set forth in P.L. 2021, c. 367. The following qualified film production expenses are projected by the applicant to be incurred in New Jersey:

|  |                 |
|--|-----------------|
| Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018. | \$36,464,898.00 |
| <b>Criterion Met</b>   | <b>Yes</b>      |

#### AWARD CALCULATION

| Base Award Criteria  | Calculation  | Result              |
|--|--|---------------------|
| 30% of Estimated Qualified Film Production Expenses incurred within 30-mile radius of Columbus Circle, NYC         | $\$9,376,012.00 \times 30\% =$                     | \$2,812,804.00      |
| 35% of Estimated Qualified Film Production Expenses incurred outside of 30-mile radius of Columbus Circle, NYC     | $(\$36,464,898.00 - \$9,376,012.00) \times 35\% =$ | \$9,481,110.00      |
| <b>Bonus Criteria Met</b>  |  |                     |
| Submission of Diversity Plan deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses. | $\$36,464,898.00 \times 2\% =$                     | \$729,298.00        |
| <b>Total Award</b>   |  | <b>\$13,023,212</b> |

|  |                        |
|--|------------------------|
| <b>APPLICATION RECEIVED DATE:</b>            | 12/08/2022             |
| <b>DATE APPLICATION DEEMED COMPLETE:</b>     | 01/27/2023             |
| <b>PRINCIPAL PHOTOGRAPHY COMMENCEMENT:</b>   | 03/06/2023             |
| <b>PRINCIPAL NJ PHOTOGRAPHY LOCATION:</b>    | Middletown, NJ         |
| <b>ESTIMATED DATE OF PROJECT COMPLETION:</b> | 04/19/2023             |
| <b>APPLICANT'S FISCAL YEAR END:</b>          | 12/31/2023             |
| <b>TAX CREDIT VINTAGE YEAR(S):</b>           | 2023                   |
| <b>TAX FILING TYPE:</b>                      | Corporate Business Tax |
| <b>ANTICIPATED CERTIFICATION DATE:</b>       | 11/30/2023             |

In general, the final documentation shall be submitted to the Authority no later than four (4) years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to N.J.S.A. 54:10A-5 and three (3) years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.

**APPROVAL REQUEST:**

The Members of the Authority are asked to approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority's final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.

**Prepared by:**

Kremina Mironova



## **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY PROJECT SUMMARY – FILM TAX CREDIT PROGRAM**

As created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain film and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 30% of qualified film production expenses, or 35% of qualified film production expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

As amended by P.L.2021, c.160, the eligible tax credit for qualified film production expenses increased from 30% to 35% for applications received after Jan 7, 2021. Additionally, for applications received after July 2, 2021, the program amendment also eliminates the targeted county bonus and specifies a tax credit of 30% for services performed and tangible personal property purchased for use at a sound stage or other location that is located in the State within a 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New, York.

**APPLICANT:** Paramount Pictures Corporation

PROD-00310527

### **APPLICANT BACKGROUND:**

Paramount Pictures Corporation is the production company responsible for the television series “Before”. “Before” is a character-driven supernatural mystery series in which a child psychiatrist (Eli) investigates a mysterious six-year-old boy who becomes his patient. Eli is still reeling from his wife’s death when he encounters Noah, a troubled young boy suffering from violent fears and frequent nightmares. Determined to uncover the cause of his trauma, Eli discovers that Noah’s visions and phobias are based on tragic experiences from his past lives. Eli and Noah must now go on a terrifying journey to stop a dangerous pattern.

The film content has been reviewed and recommended for approval under the Act by the New Jersey Motion Picture and Television Commission. The Commission has determined that the film shall include, at no cost to the State, marketing materials promoting the State, including the placement of a logo in the end credits of the program.

### **ELIGIBILITY AND TAX CREDIT CALCULATION:**

As part of eligibility for tax credits under the New Jersey Film Tax Credit Program, a film must meet at least one of two expense eligibility thresholds:

1. **Total Film Production Expenses:** A minimum of 60% of the film’s total production expenses (calculated excluding post-production expenses) must be incurred after July 1, 2018 but before July 1, 2034 for services performed and goods purchased through vendors authorized to do business in New Jersey. The following film production expenses are projected by the applicant.

|   |                 |
|---|-----------------|
| A. Total Film Production Expenses   | \$90,972,060.00 |
| B. Total Post-Production Expenses   | \$8,943,101.00  |
| C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses) | \$68,109,299.00 |
| Percentage Calculation = C/(A-B)  | 83%             |
| <b>Criterion Met</b>  | <b>YES</b>      |

2. Qualified Film Production Expenses: During a single privilege period, the film must have more than \$1 million in qualified film production expenses. "Qualified film production expenses" are expenses incurred in New Jersey after July 1, 2018 for the production of a film, including pre-production costs and post-production costs. "Qualified film production expenses" shall include, but shall not be limited to: wages and salaries of individuals employed in the production of a film on which the New Jersey Gross Income Tax has been paid or is due; and, the costs for tangible personal property used and services performed in New Jersey, directly and exclusively in the production of the film, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payments made to a loan out company or to an independent contractor shall not be a "qualified film production expenses" unless the payments are made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required by N.J.A.C. 19:31-21.3(c). "Qualified film production expenses" shall not include: expenses incurred in marketing or advertising a film; and payment in excess of \$500,000 to a highly compensated individual for costs for a story, script, or scenario used in the production of a film and for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, except for other expenses above certain thresholds as set forth in P.L. 2021, c. 367. The following qualified film production expenses are projected by the applicant to be incurred in New Jersey:

|  |                 |
|--|-----------------|
| Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018. | \$68,317,389.00 |
| <b>Criterion Met</b>   | <b>YES</b>      |

## AWARD CALCULATION

| Base Award Criteria  | Calculation                                 | Result                 |
|--|---|------------------------|
| 30% of Estimated Qualified Film Production Expenses incurred within 30-mile radius of Columbus Circle, NYC         | \$28,677,634.00 x 30% =                     | \$8,603,290.20         |
| 35% of Estimated Qualified Film Production Expenses  | (\$68,317,389.00 - \$28,677,634.00) x 35% = | \$13,873,914.20        |
| <b>Bonus Criteria Met</b>  |   |                        |
| Submission of Diversity Plan deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses. | \$0 x 2% =                                  | \$0.00                 |
| <b>Total Award</b>   |   | <b>\$22,477,204.00</b> |

|  |                        |
|--|------------------------|
| <b>APPLICATION RECEIVED DATE:</b>            | 3/10/2023              |
| <b>DATE APPLICATION DEEMED COMPLETE:</b>     | 3/15/2023              |
| <b>PRINCIPAL PHOTOGRAPHY COMMENCEMENT:</b>   | 5/15/2023              |
| <b>PRINCIPAL NJ PHOTOGRAPHY LOCATION:</b>    | Moonachie Borough, NJ  |
| <b>ESTIMATED DATE OF PROJECT COMPLETION:</b> | 8/24/2023              |
| <b>APPLICANT'S FISCAL YEAR END:</b>          | 12/31/2023             |
| <b>TAX CREDIT VINTAGE YEAR(S):</b>           | 2023                   |
| <b>TAX FILING TYPE:</b>                      | Corporate Business Tax |
| <b>ANTICIPATED CERTIFICATION DATE:</b>       | 6/30/2024              |

In general, the final documentation shall be submitted to the Authority no later than four (4) years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to N.J.S.A. 54:10A-5 and three (3) years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.

**APPROVAL REQUEST:**

The Members of the Authority are asked to approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority's final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.

Prepared by:  
David Lieberman



*The following summary is provided for information only. Full eligibility and review criteria can be found in the [program's rules](#).*

## **GROW NJ ASSISTANCE PROGRAM**

### **Program Overview:**

Created under the Economic Opportunity Act of 2013, Grow New Jersey (Grow NJ) served as a job creation and retention incentive program to help strengthen New Jersey's competitive edge against tax incentive programs in surrounding states.

Until the program's sunset in June 2019, businesses creating or retaining jobs in New Jersey could apply for tax credits ranging from \$500 to \$5,000 per job, per year; with bonus credits ranging from \$250 to \$3,000 per job, per year based on applicable criteria. Tax credits are paid annually over the term of the grant agreement, generally 10 years, at the rate of one-tenth of the total award per year.

Companies do not receive Grow NJ tax credits until the NJEDA has certified that the project has been completed and it has met the commitments upon which its approval was based, including capital investment and job creation and retention. Each company must then certify annually that it has maintained its numbers for job creation and retention in order to receive that year's credits.

Many companies approved for tax credits under Grow NJ currently have active agreements and are receiving tax credits annually based on each year's certification.

### **Eligibility:**

In order to qualify for consideration for Grow NJ, a company must have:

1. Located the project in a Qualified Incentive Area, including:

Urban Transit Hub Municipality

Distressed municipality

Garden State Growth Zones (GSGZ) – Camden / Trenton / Paterson / Passaic

Garden State Create Zone – at or within a three-mile radius of the outermost boundary of the campus (or satellite campus) of a New Jersey doctoral university

Projects in a priority area (see [Program Rules](#) for more information)

Other eligible areas not located within a distressed municipality or priority area, including an Aviation District; Planning Areas 1, 2 or 3 pursuant to State Planning Act; certain portions of Meadowlands, Pinelands and Highlands; certain portions of Planning Areas 4A, 4B & 5; and the "sports complex" under the jurisdiction of the New Jersey Sports and Exposition Authority

2. Met or exceeded the minimum employment and capital investment requirements, as outlined [here](#).

**MEMORANDUM**

**To:** Members of the Authority

**From:** Tim Sullivan  
Chief Executive Officer

**Date:** June 14, 2023

**SUBJECT:** Express Scripts Pharmacy, Inc., Accredo Health Group, Inc. and Express Scripts Services Company  
Legacy Grow NJ Modification–P38382

**Request:**

Because of the reduction of the eligible jobs from 713 to 509 which is a 29% decrease, approval is requested from the Members to affirm that the project has not materially changed to allow staff to complete its certification of project completion. Additionally, as staff is still reviewing the job certification and the number of jobs may still be reduced if additional deficiencies are found, staff requests delegated authority to approve a further 10% reduction in eligible jobs from the current number of 509.

As a result of this requested change, the approved award will decrease by 24% from \$40,000,000 to \$30,540,000 with the potential for further decrease. All other terms and conditions of the Grow NJ award will be consistent with the current approval.

The Members are asked to approve this action because it exceeds the criteria for staff delegations to approve these matters. As decided by resolution on February 10, 2021, the Members' approval is required when a reduction in eligible jobs equals or exceeds 25% of the approved amount.

**Background:**

Express Scripts Pharmacy, Inc. ("Express Scripts" or "Applicant") is a subsidiary of Express Scripts Holding Company that was incorporated in June 2013. Together the companies coordinate the distribution of outpatient pharmaceuticals through a combination of benefit management services, including retail drug card programs, home delivery services, formulary management programs and other clinical management programs.

On August 27, 2013, Medco Health Solutions of Willingboro, L.L.C. ("Medco") was approved for a ten (10) year, \$40 million Legacy Grow NJ award to incent the creation of 128 new full-time jobs and retention of 585 full time jobs. Capital investment in the Qualified Business Facility ("QBF"), a fulfillment center in Florence Township, Burlington County, was estimated to be \$61,500,000.

In August 2014, staff approved a change in the award recipient from Medco to Express Scripts following the merger of Medco and Express Scripts, pursuant to delegated authority. In September 2017, Express Scripts affiliates, Accredo Health Group, Inc. and Express Scripts Services

Company, were added to the agreement at the company's request with the statewide job requirement increasing from 817 to 965 to reflect each affiliate's statewide employment in the last tax period prior to the approval.

In May 2019, Express Scripts requested certification of its project completion. The CPA certified that the company had made \$65,116,036 in capital investments, which exceeded the minimum requirement of \$20,000,000. The Company certified it retained 401 of the 585 at-risk full-time jobs and created 108 of the expected 128 new full-time jobs, for a total of 509. The company informed us that they were unable to meet their anticipated full-time jobs due to a change in business relationships. During certification review staff performed a virtual site visit to verify completion and the targeted industry bonus and confirmed the facility continues as a fulfillment center to dispense online prescription orders.

Based on the \$65,116,036 of certified capital investment and the 509 retained and new full-time jobs, the amount of Grow NJ award will be reduced to \$30,540,000. Since jobs were reduced more than 25% from what was approved, staff recalculated the Net Positive Economic Benefit("NBT") to the State over 20 years using the current net benefit model, which resulted in a \$20,258,648 NBT to the State, which satisfies the required 110% NBT to the State. The company expended \$65,116,036 in capital investment (more than anticipated at approval), retained 401 and created 108 new jobs at the approved QBF and continues the operations as described to the Board at approval. Based on the above, staff has determined that aside from the reduction in full time jobs, the overall Grow NJ project has not materially changed since Board approval.

This matter was originally planned to be presented at the July 2019 Board meeting but was delayed due to the discovery of potentially relevant legal issues not previously disclosed by Applicant. These matters were reviewed and cleared in late 2019. However, this request remained on hold for further review in light of the Task Force review, OSC audit and relevant pending litigation for similar projects. Updated legal review has been completed and Applicant has been cleared. Since the 2019 vintage year is a point in time, the Applicant is responsible for filing four Annual Reports from 2019-2022 to receive any tax credits and remain in compliance. Following approval of this modification, Applicant will be approved for the aggregate 2019 tax credit and will be required to report for the remaining years' tax credits to receive same.

### **Summary of Project Changes**

|                                | <b><u>At Approval</u></b>   | <b><u>At Certification</u></b> |
|--------------------------------|-----------------------------|--------------------------------|
| <b>Proposed/Actual Jobs:</b>   | 128 (New)<br>585 (Retained) | 108 (New)<br>401 (Retained)    |
| Min. Legacy Grow Eligible Jobs | 100 (new and retained)      | 100 (new and retained)         |
| Eligibility Min. Cap-Ex        | \$20,000,000                | \$20,000,000                   |
| Proposed/Actual Cap-Ex         | \$61,500,000                | \$65,113,036                   |
| <b>Base Amount:</b>            | \$5,000                     | \$5,000                        |
| <b>Bonus Increases:</b>        |                             |                                |
| Targeted Industry              | \$1,000                     | \$1,000                        |
| <b>Total Amount</b>            |                             |                                |
| <b>Per Incented Employee</b>   | \$6,000                     | \$6,000                        |

**Annual Award:**

|           |                             |                             |
|-----------|-----------------------------|-----------------------------|
| New:      | 128 x \$6,000 = \$768,000   | 108 x \$6,000 = \$648,000   |
| Retained: | 585 x \$6,000 = \$3,510,000 | 408 x \$6,000 = \$2,406,000 |
| Total:    | \$4,000,000 (cap)           | \$3,054,000                 |

|                    |                     |                     |
|--------------------|---------------------|---------------------|
| <b>Total Award</b> | <b>\$40,000,000</b> | <b>\$30,540,000</b> |
|--------------------|---------------------|---------------------|

|   |                      |                     |
|---|----------------------|---------------------|
| <b>Gross Benefit to the State (over 20 years)</b> | <b>\$156,500,000</b> | <b>\$46,180,589</b> |
|---|----------------------|---------------------|

|  |                      |                     |
|--|----------------------|---------------------|
| <b>Net Benefit to the State:<br/>Over 20 Years, Net of award</b> | <b>\$116,500,000</b> | <b>\$20,258,648</b> |
|--|----------------------|---------------------|

**Recommendation:**

Because of the reduction of the eligible jobs from 713 to 509 which is a 29% decrease, approval is requested from the Members to affirm that the project has not otherwise materially changed to allow staff to complete its certification of project completion. Additionally, as staff is still reviewing the job certification and the number of jobs may still be reduced if additional deficiencies are found, staff requests delegated authority to approve a further 10% reduction in eligible jobs from the current number of 509.

As a result of the requested change the approved award will decrease by 24% from \$40,000,000 to \$30,540,000 with the potential for further decrease. All other terms and conditions of the Grow NJ award will be consistent with the current approval.




---

Tim Sullivan, CEO

Prepared by: Thomas McCusker



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** June 14, 2023

**RE:** Brownfields Planning & Assessment Services

### **Request**

The Members are requested to approve:

1. Utilization of up to two million dollars (\$2,000,000) awarded to NJEDA from the United States Environmental Protection Agency (USEPA) to implement NJEDA's Brownfields Planning & Assessment Services, which offers environmental services for eligible New Jersey brownfield sites. The USEPA has approved utilizing \$92,625 of the \$2,000,000 funding for NJEDA staff activities, which will include management and reporting. The remaining funds (approximately \$1,907,375) are budgeted for contracting with the Vendors, who were identified in a public procurement to provide environmental services such as site assessments and reuse planning activities.
2. Awarding and entering into contracts with the five (5) environmental contracting firms (Vendors) indicated in this memo to provide brownfield planning and assessment services for a three (3) year initial term, with two (2) one (1) year extension options to be exercised at the sole discretion of the Authority at the same pricing, terms and conditions. The funds budgeted for contracting (approximately \$1,907,375) will be allocated amongst the Vendors, through the Task Order Requests (TOR) process, as described in this memorandum.

### **Background**

NJEDA was previously awarded \$300,000 in funding by United States Environmental Protection Agency (USEPA) (in Federal Fiscal Year 2021) for Brownfields Assessments, which allowed NJEDA to provide these services. Throughout 2022, the Brownfields and Sustainable Systems team procured a grant manager and environmental contractor to perform professional environmental services at six New Jersey brownfield sites. Over 2/3 of the funds from this grant have been disbursed, and the remaining funds have been obligated. NJEDA has received positive feedback from several communities currently receiving services.

Following this successful implementation, the USEPA selected NJEDA to receive a \$2,000,000 award.



After approval by the Board, on July 13, 2022, the NJEDA entered into a cooperative agreement with USEPA for this funding. The USEPA has approved NJEDA's budget which allocates \$92,625 of the \$2,000,000 funding for staff activities such as management and reporting.

The remaining funds (approximately \$1,907,375) are budgeted for contracting with environmental firms (Vendors) who have been selected to provide environmental services such as site assessments and reuse planning activities. NJEDA selected the Vendors through the procurement process described below. To allow for flexibility depending on the assessment needs, NJEDA may reallocate funding between budget line items (personnel, fringe benefits, travel, supplies, and contractual) upon approval by USEPA. The performance period for each Vendor is five years beginning October 1, 2022 and ending September 30, 2027. The performance period may be extended with approval by USEPA.

One of the goals of the USEPA's Brownfields Assessment program is to provide funding to perform environmental assessment and investigation activities and, to a more limited extent, for the preparation of brownfield inventories, supporting community involvement, conducting planning, and developing site reuse plans. This funding is an important resource that catalyzes the transformation of underutilized properties into community assets.

New Jersey has over 14,000 known contaminated sites, of which an estimated 10% are brownfields. While some NJEDA resources are available to support brownfield redevelopment, more resources are needed. These assessment services can be layered with NJEDA's other tools to advance brownfield redevelopment projects. Specifically, these assessment services complement the NJEDA's Brownfield Redevelopment Incentive Program, Brownfield Impact Fund, and the Hazardous Discharge Site Remediation Fund (HDSRF).

### **Details**

NJEDA's Brownfields Planning and Assessment Services will connect eligible brownfield sites to environmental contractors (Vendors) that can offer professional environmental services pertaining to site assessment, site investigation, reporting, field investigations, community engagement, reuse planning activities, work plan preparation and Licensed Site Remediation Professional (LSRP) services.

Brownfield assessment and planning services may be provided at brownfield sites throughout the state, including sites in the distressed communities within two state programs: the Community Collaborative Initiative (CCI) and the Government Restricted Municipality (GRM) designation. The 13 CCI and GRM communities are: Atlantic City, Bayonne, Bridgeton, Camden, Jersey City, Millville, Newark, Paterson, Paulsboro, Perth Amboy, Salem, Trenton, and Vineland. Of the thirteen priority communities, the USEPA- approved workplan identified seven communities to target, which represent some of state's most distressed communities with the most significant brownfield issues, and strongest local government commitment. These seven communities are: Paterson, Trenton, Atlantic City Perth Amboy, Jersey City, Bridgeton, and Millville. The Authority has a goal to assess a minimum of ten sites within these seven target communities, including at least one site in each of the seven target communities identified in the USEPA-approved workplan.

To encourage participation, the Authority will conduct outreach to municipal staff at each of the identified target communities. NJEDA will also work in collaboration with the NJDEP's Office of Brownfield and Community Revitalization. In addition, the Authority will market these services to municipalities,

redevelopment agencies, brownfield developers and private brownfield site owners throughout the state. Participation is strictly voluntary. Interested parties will be required to first complete an “Expression of Interest” form to nominate a site. NJEDA will consult with USEPA to determine if sites meet the USEPA’s eligibility criteria. As explained in further detail below, a Task Order Request (TOR) will be issued for sites that are deemed eligible by USEPA.

NJEDA will make initial contact with a potential interested party and schedule an interview to assess their needs after receiving an Expression of Interest form. New Jersey municipalities, redevelopment agencies, non-profit organizations, and private parties are eligible. Following the interview, NJEDA will consult with USEPA to verify that the site is eligible and that proposed activities are eligible under the cooperative agreement between USEPA and NJEDA. Sites eligible to receive services are those sites which meet the USEPA definition of a brownfield site, which includes *sites with the presence or potential presence of hazardous substances, pollutants, or contaminants, sites contaminated with controlled substances, and/or mine-scarred lands.*

Entities do not need to own the site to receive services; however, a written site access agreement from the property owner is needed to conduct all on-site activities. Additionally, property owners, as well as the municipality in which the site is located, must enter into an agreement with NJEDA waiving liability to be eligible for services. All Vendors will be responsible to ensure agreements are executed prior to performing on-site activities.

Eligible Assessment activities may include:

- Developing brownfield inventories and prioritizing brownfield sites
- Environmental assessments and characterization, including:
  - Preliminary Assessments, Phase I and Phase II Environmental Site Assessments,
  - Site Investigations and Remedial Investigations to determine existing contamination of hazardous substances and/or petroleum contamination
  - Hazardous Materials Surveys
- Cleanup Planning Activities:
  - Remedial Action Workplans and cleanup cost estimates
  - Evaluation of cleanup alternatives
- Planning Activities associated with brownfield sites, such as site reuse assessments, market studies, brownfield resource roadmaps
- Community involvement activities to inform and engage the community regarding brownfields
- Other Brownfield Assessment services approved by USEPA and NJEDA

Services will be tailored to meet the needs of each entity requesting the services. Not all brownfield sites will receive all of the services listed.

### **Task Order Request Process**

When a project has been approved by USEPA, NJEDA will issue a Task Order Request (TOR) to the pool of Vendors. Specifically, NJEDA will conduct a mini evaluation among the pool to select the Vendor for the specific scope of work in the TOR. This evaluation process was explained in the Vendor Request for Proposal (RFP). The Director of Brownfields and Sustainable Systems or their delegate will (i) issue a TOR detailing the goals of the specific task and any task specific requirements that must be addressed in the

TOR response; (ii) Vendors will provide responses directly addressing the specific requirements and how they will accomplish the goals, including their approach, schedule and pricing which will be based on the contracted rates; and (iii) the Director of Brownfields and Sustainable Systems or their delegate shall review, evaluate and rank Vendor's responses based upon the strength of the underlying proposals in relation to the requested services and required expertise. Given this mini-evaluation process, there is no guarantee that a Vendor will be awarded a TOR throughout the duration of this contract. Following NJEDA's evaluation, the selected Vendor will receive a notice to proceed. No work may begin until the Authority issues a written notice to proceed to the Vendor.

Vendors will complete the following tasks in the performance of the work:

1. Identify the client's needs by participating in an initial kick off meeting.
2. Obtain TOR approval and Notice to Proceed from the Authority prior to beginning work on any project.
3. Perform the professional environmental services.

The Vendor may submit to NJEDA no more than one invoice per month per TOR. The Vendor may only invoice for work performed. The Vendor's invoice submittals must be accompanied by supporting documentation (e.g., drafts, copies of deliverables).

If a Vendor fails to perform the agreed upon work, they will not be paid. Partial payments may be made for work partially completed. A new TOR may be issued to the pool of Vendors to complete the unfinished work. Additionally, a Vendor's failure to complete an agreed upon scope of work in a timely manner will be considered as a factor when evaluating subsequent TORs.

### **Vendor Selection for Professional Environmental Services**

Selected Vendors will be procured using the following process. NJEDA's Procurement Department issued an RFP, #2022-RFP-133, for Professional Environmental Services on January 10, 2023. The RFP was duly advertised in two (2) newspapers for one (1) day and posted on both the Authority's website and the NJ State Business Portal. Additionally, three hundred sixteen (316) firms were notified of the solicitation via e-mail.

The RFP sought to solicit proposals from firms experienced in environmental services including site assessment, site investigation, reporting, field investigations, meetings, work plan preparation and licensed site remediation professional (LSRP) services for the project sites.

Proposals were due on February 1, 2023, and ten proposals were received by the due date. Procurement staff reviewed all proposals for responsiveness. Eight of the ten proposals were deemed responsive and forwarded to an Evaluation Committee comprised of qualified Authority staff for review and evaluation. As set forth in the RFP, proposals were evaluated and scored by the Evaluation Committee members based on:

- Personnel
- Experience of Entity
- Technical Proposal
- Fee Proposal

Fee schedules were not provided to the Evaluation Committee. The Authority's Procurement staff evaluated and scored the pricing, applied the weighted percentages to all criteria, then compiled and completed the overall scoring for each Proposal. The following firms are recommended for contract award to provide professional environmental services:

| Rank | Vendor                                     | Score |
|------|--|-------|
| 1    | Brownfield Redevelopment Solutions, Inc.   | 4.5   |
| 2    | AKRF, Inc                                  | 4.0   |
| 3    | Montrose Environmental Solutions, Inc.     | 3.9   |
| 4    | Groundwater & Environmental Services, Inc. | 3.7   |
| 5    | Vanasse Hangen Brustlin, Inc.              | 3.2   |

### **Budget and Payment to Vendors**

NJEDA proposes a budget of \$1,907,375 (\$2,000,000 less NJEDA expenses estimated to be \$92,625) to compensate Vendors once they have performed the work specified in individual TORs. As was specified in the RFP, no single Vendor is guaranteed a specific amount of work, or any work at all. Payment will be issued upon successful completion of the work, as evidenced by project-specific deliverables.

### **Recommendation**

The Members are requested to approve: (1) Utilization of up to two million dollars (\$2,000,000) provided by USEPA to NJEDA for implementing Brownfield Planning & Assessment Services; and (2) Entering into contracts with the five environmental contracting firms indicated in this memo to provide brownfield assessment services for a three-year initial term, with two one-year extension options to be exercised at the sole discretion of the Authority at the same pricing, terms and conditions.



---

Tim Sullivan, CEO

Prepared by: Elizabeth Limbrick & Melissa Dulinski



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** Cannabis Grant Program- Product 1 Technical Assistance Program- Product Revision

### **Summary**

The Members are asked to approve a revision to the Cannabis Grant Program Product 1 (Technical Assistance Program) to remove the eligibility criteria stating an Applicant Entity has not secured both site control and municipal approval to operate and open in a municipality.

### **Background**

At the December 21, 2022 Board meeting, the Members approved the creation of the Cannabis Grant Program - a pilot program that will make grant funding available for eligible private entities for expenses related directly to cannabis business start-ups in New Jersey. The program is divided into Two Funding Products: Product 1 (Technical Assistance Program and Grant Funding) and Product 2 (General Grant Funding). Product 2 consists of \$6.0 million and is intended for mid-stage business applicants that have carrying costs and capital issues associated with commencing their cannabis business.

Product 1 was funded for \$3.6 million, and is expected to fund 24 applicants, designated by the NJ-CRC as a Social Equity Business, and has 51% or more ownership controlled by individuals who live in Economically Disadvantaged Communities or have been impacted by previous cannabis related convictions. This product was created to educate applicants by providing technical assistance designed to prepare eligible recipients with “next steps” of launching a cannabis business. Grant funding will be provided in four tranches, eligible entities will receive up to \$150,000 grant funding. Product 1 is expected to launch July 2023.

## **Product Revision**

Product 1 of the Cannabis Equity Grant Program, as approved by the Members at the December 21, 2022, Board meeting, includes the eligibility requirement that applicants must ***not*** have secured site control or municipal approval to operate in a New Jersey municipality. During the launch of Product 2 (April 20, 2023), 52 social equity applications were submitted, however, only 10 recipients will benefit. Because the program has a limited pool of funding, a maximum of 24 applicants will be awarded. As such, EDA is requesting approval to revise the program to include social equity applicants that have secured site control and municipal approval the ability to also apply to product 1.

This modification is being requested based on industry stakeholder feedback that both early and mid-stage applicants lack access to capital, which has a major impact on the ability of mid-stage businesses to convert its license(s) from conditional to annual. Therefore, there is an unforeseen need to educate applicants on “next steps” even if they have obtained site control or municipal approval. Because cannabis is not legal at the federal level, entities must use the private market to raise capital. Based on the limited pool of funding on a national level, start-up capital for cannabis businesses, at this time, is very limited. These mid-stage businesses have endured considerable capital outlays and have incurred greater financial risks than early-stage businesses. Additionally, these businesses will also benefit from the individualized technical assistance offered from Product 1. The requested modification would allow EDA to expand the pool to applicants that may benefit from the grant’s individualized technical assistance, and funding needed to initiate their business. Product 1 will provide the necessary capital and technical assistance to businesses that are in the early and mid-stages of commencing operations and will aide in accelerating the license conversion process by allowing all social equity applicants who hold conditional licenses the ability to receive financial support. Considering the amount of financial risks entities have incurred that are further along in the process, additional financial support from this grant may have a greater impact on the success of cannabis businesses in the state of NJ.

As for clarity of product one and the tranches of disbursements, funds will be released upon completion of each sequential milestone as demonstrated below:

**Disbursement 1-** \$37,500 Will be released upon the fourth week in the technical assistance program, and either (A) Submission of a business spending plan that includes eligible expenses of \$37,500, or (B) Provide receipts that demonstrate applicants have invested \$37,500 in eligible expenses related to their cannabis business.

**Disbursement 2 -** \$37,500 will be released after successful completion of the technical assistance program. Applicants will also need to demonstrate proof that the first disbursement in its entirety, in accordance will eligible spending categories.

**Disbursement 3-** \$37,500 will be released after the approved grantee obtains site control, and municipal approval, to open and operate a physical location within an NJ municipality. Applicant will also need to provide evidence of allocating the second disbursement in accordance with eligible spending categories.

**Disbursement 4-**\$37,500 will be disbursed after the approved grantee obtains its annual license and evidence of spending the entire third allocation in accordance with eligible expenses.

**Recommendation**

Approval is requested for a revision to the Cannabis Grant Program Product 1 (Technical Assistance Program) to remove the eligibility criteria stating an Applicant Entity has not secured site control, and municipal approval to operate in a NJ based municipality. This is the only product revision requested to Product 1. All other details as previously approved at the December 21, 2022, board meeting will remain as approved.

A handwritten signature in blue ink, appearing to read 'T. Sullivan', is positioned above a horizontal line.

---

Tim Sullivan, CEO



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** Recommendation for Additional Funding for the Main Street Micro Business Loan

### **Summary:**

The Members are asked to approve:

1. The utilization of \$25,800,000 from the Main Street Recovery Fund to supplement the Main Street Micro Business Loan.
2. The utilization of a three percent (3%) administrative fee in the amount of \$774,000 from this appropriation to support the NJEDA's costs to administer this additional funding dedicated to this product.
3. Delegation to the CEO to utilize up to \$20 million, with a 3% administrative fee reserved for the Authority, if additional funding becomes available to the Main Street Recovery Fund. This additional amount would cover the balance needed to support all remaining eligible applicants for the Micro Business Loans.

### **Background:**

The Main Street Recovery Finance Program known as the Main Street Recovery Fund was created under the Economic Recovery Act of 2020, and the Micro Business Loan is one of several products offered under the Main Street program. This product allows micro businesses, defined as businesses that have less than \$1.5 million in gross revenue and 10 or less full-time employees, to get up to \$50,000 in working capital. The loans have attractive rates and terms and a substantial forgiveness component after payments are made for 5 years.

On October 6, 2022, NJEDA launched the Main Street Micro Business Loan. It has been popular, taking in 1998 applications that requested a cumulative total of \$94 million in funding. The application window for this product has now closed due to this high level of demand.

NJEDA has already approved the utilization of \$20 million for the Micro Business Loan from the Main Street Recovery Finance Program. The Board then approved another \$25 million from the Lending Partnerships appropriation for the Micro Business Loan at its February 8, 2023 meeting. That \$25 million net the administrative fee was \$24,250,000, and it has nearly been depleted.

Due to the demand of this product, there is a need to supplement the original \$44,250,000 million to ensure more micro businesses are able to receive this much needed support while they work through a recovery to maintain their operations. The addition allocation from the Main Street



Recovery Fund of \$25.8 million net a 3% administrative fee will provide the needed funds to continue approvals and fully allocate the three years of appropriations, which totaled up to \$150 million.

Since even more funds will be needed to approve all eligible loan applicants, staff is requesting CEO delegation of authority to approve up to an additional \$20 million if funding becomes available to the Main Street Recovery Fund. Three percent (3%) would be deducted from that amount for the Authority's administrative fee deducted from that total for use by EDA.

Exhibit A, attached, provides a summary of all Main Street Products, their funding levels and application activity to date.

**Recommendation:**

1. The utilization of \$25,800,000 from the Main Street Recovery Fund to supplement the Main Street Micro Business Loan.
2. The utilization of a three percent (3%) administrative fee in the amount of \$774,000 from this appropriation to support the NJEDA's costs to administer this additional funding dedicated to this product.
3. Delegation to the CEO to utilize up to \$20 million, with a 3% administrative fee reserved for the Authority, if additional funding becomes available to the Main Street Recovery Fund. This additional amount would cover the balance needed to support all remaining eligible applicants for the Micro Business Loans.



---

Tim Sullivan, CEO

Prepared by: Christina Fuentes and Naimah Marshall

Exhibit A – Main Street Recovery Finance Program Product Summary

## New Jersey Economic Development Authority

### Main Street Recovery Finance Program Product Summary

| Main Street Products                           | Board Approved           | Approvals   | Approved Amount         | Balance of Funding      | Applications Under Review | Under Review Amount     | Board Approval    | Product Launch |
|--|--------------------------|-------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------|----------------|
| <b><i>Small Business Lease Grant</i></b>       | \$ 20,000,000.00         | 353         | \$ 8,704,041.70         | \$ 11,295,958.30        | 99                        | \$ 1,814,210.12         | August of 2021    | 10/20/2021     |
| EDA Admin Fee                                  | \$ 600,000.00            |             |                         |                         |                           |                         |                   |                |
| Temp Funding                                   | \$ 250,000.00            |             |                         |                         |                           |                         |                   |                |
| <b>Total</b>                                   | <b>\$ 20,850,000.00</b>  |             |                         |                         |                           |                         |                   |                |
| <b><i>Small Business Improvement Grant</i></b> | \$ 60,000,000.00         | 1281        | \$ 31,426,534.99        | \$ 28,573,465.01        | 1213                      | \$ 28,977,834.51        | August of 2021    | 2/10/2022      |
| EDA Admin Fee                                  | \$ 1,800,000.00          |             |                         |                         |                           |                         |                   |                |
| Temp Funding                                   | \$ 750,000.00            |             |                         |                         |                           |                         |                   |                |
| <b>Total</b>                                   | <b>\$ 62,550,000.00</b>  |             |                         |                         |                           |                         |                   |                |
| <b><i>Main Street Lenders Grant</i></b>        | \$ 15,000,000.00         | 8           | \$ 11,700,000.00        | \$ 3,300,000.00         | 1                         | \$ 1,500,000.00         | February of 2022  | 5/26/2022      |
| EDA Admin Fee                                  | \$ 450,000.00            |             |                         |                         |                           |                         |                   |                |
| Temp Funding                                   | \$ -                     |             |                         |                         |                           |                         |                   |                |
| <b>Total</b>                                   | <b>\$ 15,450,000.00</b>  |             |                         |                         |                           |                         |                   |                |
| <b><i>Main Street Micro Business Loan</i></b>  | \$ 20,000,000.00         | 411         | \$ 19,993,056.80        | \$ 6,943.20             | 894                       | \$ 41,724,969.91        | September of 2022 | 10/6/2022      |
| EDA Admin Fee                                  | \$ 600,000.00            |             |                         |                         |                           |                         |                   |                |
| Temp Funding                                   | \$ 1,000,000.00          |             |                         |                         |                           |                         |                   |                |
| <b>Total</b>                                   | <b>\$ 21,600,000.00</b>  |             |                         |                         |                           |                         |                   |                |
| <b><i>E-commerce Technical Assistance</i></b>  | <b>\$ 4,000,000.00</b>   | 52          | \$ 392,444.29           | \$ 3,607,555.71         | 10                        | \$ 54,502.68            | December of 2022  | March of 2023  |
|  |                          |             |                         |                         |                           |                         |                   |                |
| <b>Total of funds allocated to products</b>    | <b>\$ 124,450,000.00</b> | <b>2105</b> | <b>\$ 72,216,077.78</b> | <b>\$ 46,783,922.22</b> | <b>2217</b>               | <b>\$ 74,071,517.22</b> |                   |                |

\*As of 5/19/23

|  |                          |
|--|--------------------------|
| <b>Total Main Street Appropriation</b> | <b>\$ 150,250,000.00</b> |
| Allocated to Programs                  | \$ 119,000,000.00        |
| Allocated to EDA Admin Fees            | \$ 3,450,000.00          |
| Allocated to Temps                     | \$ 2,000,000.00          |
| <b>Balance</b>                         | <b>\$ 25,800,000.00</b>  |



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan, Chief Executive Officer

**DATE:** June 14, 2023

**RE:** New Jersey Zero Emission Incentive Program (NJ ZIP) Shifting undisbursed Phase 1 funding to Phase 2

### **REQUEST**

The Members of the Board are requested to approve delegated authority to the Chief Executive Officer (CEO) or delegate(s) of the CEO to shift any unused Phase 1 NJ ZIP funding in Regional Greenhouse Gas Initiative (RGGI) allocations to NJ ZIP Phase 2.

### **Summary**

The purpose of this memorandum is to request the Members of the Board to approve the shifting of unallocated NJ ZIP Phase 1 funding to NJ ZIP Phase 2 as needed. This request for additional delegation allows for flexibility if there are any other rare or unforeseen circumstances that could result in unused Phase 1 funding. As of today, we expect that there will be at least \$3M of unused funding remaining due to applicants withdrawing or changes in vehicle purchasers. However, there could be circumstances where the unused funding could rise above the \$3M of unused funding already identified. Both Phases of NJ ZIP pilot will continue to focus on the adoption and use of zero emission vehicles in the State of New Jersey, and related administration are funded from New Jersey Economic Development Authority's (NJEDA or Authority) allocation of the RGGI auction proceeds.

The recommendation in the memorandum is aligned with the Authority's responsibility to disburse RGGI funds and foster a zero-emission vehicle ecosystem for New Jersey businesses and communities.

### **Background on NJ ZIP: the New Jersey Zero Emission Incentive Program: Voucher Pilot for Medium and Heavy-Duty Zero Emission Vehicles**

The NJ ZIP pilot is structured as a first-come, first-serve voucher program. The pilot is focused on incentivizing the adoption of medium and heavy duty-zero-emission vehicles (ZEV) by New Jersey businesses and institutions, especially those operating within overburdened community (as defined by NJ P.L.2020, c.92, and which, for the purposes of the pilot, is used interchangeably with the term "environmental justice communities" specified in the RGGI Strategic Funding Plan), that have been disproportionately impacted by emissions. The Authority's use of this funding is aligned with both its core mission, to foster sustainable and equitable economic growth – in this

case, in the commercial-use ZEV ecosystem and value chain within the State – and with the State’s broader clean transportation goals, to transition 75% of medium- and 50% of heavy-duty vehicles to zero emission by 2050 supported by incentive programs, which the Energy Master Plan (Goal 1.1.8) cites as NJEDA’s responsibility.

Phase 1 of the NJ ZIP pilot with an allocation of \$42M, focused specifically on incentivizing the adoption of medium-duty ZEV within four pilot communities: the Greater Camden, Greater Newark, Greater New Brunswick, and Greater Shore Areas.

The primary goals of Phase 1 as enumerated in the January 2021 Board memorandum were to:

- 1) Accelerate the adoption and use of medium duty zero-emission vehicles within New Jersey;
- 2) Reduce emissions within the pilot overburdened communities, Greater Camden, Greater Newark, Greater New Brunswick, and Greater Shore Areas.
- 3) Allow NJEDA to determine and stimulate market-readiness, assess effectiveness of funding levels and program design, and test methodologies for measuring economic impact of such adoption.

Phase I was met positively having received continuous application flow from applicants in the eligible communities, in addition to repeated interest for expansion to more parts of the state and for a longer-term permanent program. As of the close of the Phase 1 pilot program in October 2022, two hundred twenty-five (225) purchaser applications were approved, totaling \$41,287,250. The vehicles purchased under Phase 1 will operate within the pilot communities: Greater Camden (42 vehicles with vouchers totaling \$4,037,250), Greater Newark (114 vehicles with vouchers totaling \$11,151,500), Greater New Brunswick (45 vehicles with vouchers totaling \$4,563,500) and Greater Shore area (188 vehicles with vouchers totaling \$21,535,000), meeting all of Phase 1’s funding set asides. The 389 vehicles will result in the reduction of carbon emissions by 13,441.76 short tons annually.

More than 95% of the approved purchaser applicants are small businesses (receiving a 25% funding bonus), with the vast majority being microbusinesses earning less than \$1,500,000 annually, and more than 60% of approvals to date are minority- and/or woman-owned businesses. While Phase 1 primarily addressed the first barrier for medium-duty zero emission vehicles, as they represent the largest percentage of the commercial vehicle population and were more readily available, Phase 2 strives to address additional barriers.

First, to address the calls for increased access, Phase 2 is expanded to include the whole state and heavy-duty vehicles. This will more adequately address the breadth and depth of the market, providing the Authority with the opportunity to assess the functionality of the program for the wider range of use-cases, such as drayage, refuse vehicles, and school buses. Second, to address the knowledge barrier, Phase 2 incorporated technical assistance from Rutgers University through an MOU between the Authority and the University, that will provide a critical lifeline to small businesses who need technical guidance to support their decision making on ZEV adoption. Third, to address some challenges with user experience, NJEDA implemented updates to the application portal and website. Additionally, improvements in efficiency of internal processes will reduce external friction and lower known barriers for small businesses.

Phase 2 launched April 18th, 2023, with \$45M in project funding. On May 5th 2023, NJ ZIP passed the threshold of \$45M in requests, which was the internal trigger to move applications to a waitlist. As such, the purchaser application for NJ ZIP moved submissions to a waitlist for this

phase of the pilot, wherein applicants are not charged an application fee unless moved from waitlist to a submitted application.

The State has ambitious goals for the transition of New Jersey's MHDVs to zero-emission by 2050 with specific benefits to overburdened communities, and NJ ZIP is a critical step in this direction to support the ZEV marketplace and rapidly deploy electric MHDVs on the road.

### **Shifting Funding Amounts**

In late June 2022, NJ ZIP passed the threshold of \$42.75M in applications received, which was the internal trigger to move applications to a waitlist. Due to withdrawn applications after Phase 1 applications were closed for submission to a waitlist, including changes in vehicle purchases and any other unforeseen circumstances, NJ ZIP Phase 1 will have left over unallocated funding.

As such, staff proposes that the remaining Phase 1 funds be shifted to NJ ZIP Phase 2 as needed. This will allow the EDA to put these funds to use in Phase 2 expeditiously.

### **ESTIMATED BUDGET AND IMPACT**

The RGGI-funded expansion to the NJ ZIP Phase 2 pilot budget will increase by the same dollar amount that is reallocated from Phase 1 funding.

These additional funds will be reserved to fund vouchers for overburdened community applications.

### **Recommendation**

Staff recommends the Members of the Board approve delegated authority for the Authority's Chief Executive Officer (CEO) or delegate(s) of the CEO to shift NJ ZIP Phase 1 allocations to NJ ZIP Phase 2 as needed, for which the pilot will continue to focus on the adoption and use of zero emission vehicles in the State of New Jersey.



---

Tim Sullivan, CEO



## **MEMORANDUM**

**TO:** Members of the Authority

**FR:** Tim Sullivan  
Chief Executive Officer

**DA:** June 14, 2023

**RE:** Recommendation for Award – 2023 RFP-163  
Business Attraction and Marketing Contract

### **Summary**

The members are asked to approve the award of a Business Attraction and Marketing Contract to Choose New Jersey, Inc., a recognized 501(c)(3) nonprofit organization to develop and implement an extensive marketing program that highlights the benefits of doing business in New Jersey and encourages domestic and international business entities to relocate to and expand within the state with a contract duration of one (1), three (3) year term.

### **Background**

In New Jersey's Fiscal Year 2023 Appropriations Act, which was signed into law by Governor Phil Murphy in June of 2022, the New Jersey Economic Development Authority ("Authority") was appropriated \$15,000,000 for Business Attraction and Marketing initiatives. To best utilize this funding, the Authority issued a Request for Proposals (RFP) to enter into a contract with a qualified, responsible, and recognized 501(c)(3) nonprofit organization to develop and implement an extensive marketing program that highlights the benefits of doing business in New Jersey, and encourages domestic and international business entities to relocate to, and expand, within the state.

In line with Governor Murphy's 2018 Economic Development Plan, "The State of Innovation: Building a Stronger and Fairer Economy in New Jersey," the Authority's Business Attraction and Marketing RFP required all applicants to have prior experience creating, implementing and managing large scale business attraction and marketing campaigns across Governor Murphy's nine strategic sectors, which are, advanced manufacturing, clean energy, film and digital media, finance and professional services, life sciences, non-retail food and beverage, offshore wind, transportation and logistics, and technology. Additionally, the Authority defined within the RFP that the ideal candidate as a recognized 501(c)(3) non-profit entity with expertise in economic development as well as both international and domestic business attraction. This was determined due to a similar line item in the FY23 Appropriations Act for the Office of the New Jersey Secretary of State which appropriated \$5,000,000 for a Business Marketing Initiative, with a nonprofit specifically identified as the sole eligible applicant type. Due to the similarity in scope between the Authority's contract and the one appropriated to the Office of the New Jersey Secretary of State, the Authority utilized similar requirements on applicant type, limiting only to nonprofit entities due to legislative intent.

Since the Authority is entitled to collect a 3 percent administrative fee off this appropriation, the total value of the Business Attraction and Marketing Contract is \$14,550,000, which will last for a three (3) year contract term through and including calendar year 2026.

### **RFP Process**

On March 27, 2023, the Authority issued an RFP (2023-RFP-163), Business Attraction and Marketing Contract, to solicit proposals for a Business Attraction and Marketing Contract from a qualified, responsible, and recognized nonprofit organization with expertise in economic development. The RFP language provided for the award of one (1) Contractor, with a three (3) year contract. The three (3) year contract will take effect upon the execution of the contract by all parties.

The RFP was duly advertised in two (2) newspapers for one (1) day on March 27, 2023, in the Courier Post and Star Ledger, posted on the Authority's website, and on the New Jersey State Business Portal, under Commodity Codes: 916-00, 918-00, and 946-00. Forty-one (41) firms were identified by the department, through an NJSTART search, and an NJSAVI search for bid notification of the posting and identified firms were sent an email.

The Questions & Answers period closed on April 4, 2023. On April 11, 2023, Addendum #1, was posted on the Authority's website with responses to Questions received during the Question-and-Answer period. On April 19, 2023, Addendum #2, was posted on the Authority's website with an update on how to fill out and sign the required Signatory Page.

Prior to the receipt of proposals, an Evaluation Committee was established and comprised of four individuals, three voting and one alternate voting member, all with relevant professional experience to the scope of the RFP. They included the Authority's Chief Economic Transformation Officer, Executive Vice President of Public Affairs & Special Projects, Senior Advisor – Strategic Communications, and Senior Business Officer – Economic Transformation.

Proposals were due at or before 1:00 PM (ET) on Wednesday May 17, 2023. One (1) proposal was received electronically, prior to the opening date and time. No members of the public nor the proposers attended the public bid opening.

All proposals were graded across the following Evaluation Criteria/Weighting Percentages across four categories: Personnel (20%), Experience of Entity (35%), Technical Proposal (30%), and Fee Proposal (15%).

One (1) proposal, Choose New Jersey, Inc., was received prior to the bid opening date and time.

The RFP required a bidder to receive a total score of three (3) or higher to be considered for Award, which the responsive bidders achieved. Choose New Jersey, Inc. successfully received a passing total score of 4.4. Therefore, the evaluation committee recommended Choose New Jersey Inc., for the award of the Authority's Business Attraction and Marketing contract.

### **Recommendation**

The members are asked to approve the award of a Business Attraction and Marketing Contract to Choose New Jersey, Inc., a recognized 501(c)(3) nonprofit organization to develop and implement an extensive marketing program that highlights the benefits of doing business in New Jersey and encourages domestic and international business entities to relocate to and expand within the state for one (1) three (3) year term at \$14,550,000.



---

Tim Sullivan, CEO



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan, Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** NJDEP Hazardous Discharge Site Remediation Fund Program

The following municipal project has been approved by the Department of Environmental Protection to perform remedial action activities. The scope of work is described on the attached product summary:

### **HDSRF Municipal Grant:**

|                |  |                |
|----------------|--|----------------|
| Product 311214 | Borough of National Park<br>(Robert Hawthorne Sanitary Landfill) | \$2,522,733.98 |
|----------------|--|----------------|

|                                       |                       |
|---------------------------------------|-----------------------|
| <b>Total HDSRF Funding –June 2023</b> | <b>\$2,522,733.98</b> |
|---------------------------------------|-----------------------|

A handwritten signature in blue ink, appearing to read "T. Sullivan", is positioned above a horizontal line.

Tim Sullivan, CEO

Prepared by: Kathy Junghans



# NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## Hazardous Discharge Site Remediation

**APPLICANT:** National Park Borough – Robert Hawthorne Sanitary Landfill

PROD-00311214

**PROJECT USER(S):** Same as applicant

**PROJECT LOCATION:** Robert Hawthorne Sanitary Landfill      National Park Borough      Gloucester County

### APPLICANT BACKGROUND:

Between February 2007 and May 2023, Borough of National Park, identified as Block 111, Lots 1, 2 & 3 received an initial grant in the amount of \$266,537 under P17808 and supplemental grants in the amount of \$104,946 under P32343, \$63,931 under P40734, \$286,257 under P44798, \$264,516 under P45450; \$900,000 under P45638, \$447,292.81 under Product 188154; \$831,083 under Product 218899, \$672,484.75 under Product 258778; \$2,325,059.15 under Product 300433; \$2,986,335.86 under Product 301705 and \$477,266 under Product 310244 for remedial investigation (RI) and remedial action (RA) at the project site which is a former landfill and has potential environmental areas of concern (AOCs). The Borough of National Park currently owns the project site and has satisfied proof of site control. It is the Borough's intent upon completion of the environmental investigation activities to redevelop the project site for renewable energy.

NJDEP has approved this supplemental request for Remedial Action (RA) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. This specific HDSRF grant request is for additional RA work which needs to be completed in accordance with the New Jersey Department of Environmental Protection technical requirements.

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects involving the redevelopment of contaminated property for recreation and conservation purposes, provided that the use of the property for recreation and conservation purposes is included in the redevelopment plan and is conveyed by a development easement, deed restriction for development or conservation easement for recreation and conservation purposes.

### OTHER NJEDA SERVICES:

\$266,537, P17808; \$104,946, P32343; \$63,931, P40734; \$286,257, P44798; \$264,516 under P45450; \$900,000 under P45638; \$447,292.81, Prod 188154; \$831,083, Prod 218899; \$672,484.75, Prod 258778; \$2,325,059.15, Prod 300433; \$2,986,335.86 Prod 301705; \$477,266 Prod 310244

### APPROVAL REQUEST:

Borough of National Park is requesting aggregate supplemental grant funding to perform RA in the amount of \$2,522,733.98 at the Robert Hawthorne Sanitary Landfill project site. Total grant funding including this approval is \$12,148,442.55.

### FINANCING SUMMARY:

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT:** \$2,522,733.98

**TERMS OF GRANT:** No Interest; No Repayment

### PROJECT COSTS:

|                 |                |                         |          |
|-----------------|----------------|-------------------------|----------|
| Remedial Action | \$2,522,733.98 | EDA Administrative Cost | \$500.00 |
|-----------------|----------------|-------------------------|----------|

---

**TOTAL COSTS:      \$2,523,233.98**

**DATE:** 6/2/2023



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** Temporary license with PSEG Nuclear for dredge placement on Parcel B

### **REQUEST**

The Members of the Board are asked to approve the Authority entering into a license agreement with PSEG Nuclear ("PSEG") granting PSEG the temporary right to deposit dredge material into an approximately 28-acre portion of Parcel B. Parcel B is a 110-acre property owned by NJEDA that is permitted as a Confined Disposal Facility (CDF) (i.e a property that is permitted and built to receive and store dredge spoils).

Based on NJEDA's current plans for construction of a new permanent CDF at the port property, to be sited on Parcel E, the license is expected to be in effect for up to 18 months. PSEG does not anticipate proactive (non-emergency) dredging within this period and has yet to undertake emergency dredging in the 37 years that its nuclear plant has been operational – meaning a very remote likelihood that the license will be acted upon. As described below, the terms of the license and staff's proposed oversight address the possibility of any such dredging. Staff recommends approval because the license will result in several million dollars in savings from NJEDA's use of PSEG's Parcel C as a CDF, such use being conditioned on this license. Reflecting these savings and the benefits NJEDA would derive from placed material – with Phase 2 of the Port (on Parcel B) having an estimated deficit of several hundred thousand cubic yards (CYs) of material – the license is being granted to PSEG for no cost.

NJEDA's direct costs under the license are capped at \$0.5 million per each three-year period the license is in effect. State budget appropriations will be used to cover these costs should they be incurred. The license will expire upon the earlier of NJEDA ceasing use of Parcel C as a CDF (part of which is currently a CDF used by PSEG for dredge placement) or the completion by NJEDA of a new CDF at the port property which is planned to occur by no later than the end of 2024.

### **DETAIL**

PSEG Nuclear performs regular de-silting of its cooling tower intake structures, as well as biennial dredging around the structures, and has an existing CDF located on Parcel C for material placement. The Parcel C CDF is sufficient for these activities but may lack capacity for both PSEG's activities and the NJEDA's current use if NJEDA's use continues long term. Through a

Ground Lease amendment, executed on May 22, 2023<sup>1</sup>, NJEDA was granted the right to install wick drains and surcharge an approximately 10-acre portion of Parcel C prior to drawing that parcel down; resulting in savings to NJEDA of several million dollars. Savings stem from the ability to move surcharge material a short distance from Parcel A to Parcel C, versus moving it to a temporary location elsewhere at the property and then moving it to Parcel C post drawdown; such drawdown being contingent on the relocation of the PSEG firing range which is not due to complete until Quarter 1, 2024. However, the amendment included as a condition precedent to the placement of surcharge material on Parcel C the execution a license agreement for PSEG to place dredge on Parcel B; given NJEDA's use of Parcel C restricts PSEG's ability to expand the capacity of its own CDF.

Staff are now seeking approval of the license agreement, the terms of which are summarized below and enclosed in Exhibit A in final substantial form.

| Topic            | Term  | Explanation  | Risk assessment   |
|------------------|---|--|---|
| Effective date   | To take effect upon execution   | Movement of material from Parcel A to Parcel C will occur in mid-June – with license execution a condition precedent to material placement on Parcel C.  | N/a   |
| Termination date | To occur upon the earlier of: cessation of NJEDA's use of Parcel C as a CDF and restoration to its original condition; or completion of a CDF on Parcel E (which is expected to occur by the end of 2024).  | The Ground Lease commits NJEDA to building a new CDF on Parcel E, an approximately 50-acre property, for long-term use by both PSEG and NJEDA. NJEDA intends to use Parcel E for the placement of dredge maintenance. The Ground Lease commits NJEDA to draw down Parcel E by no later than 12/1/23, with a target completion of a new CDF of 11/1/24. | Risks of delay in completing a new CDF on Parcel E are minimal for the following reasons: <ul style="list-style-type: none"> <li>- NJEDA has a right to drawdown and develop Parcel E under the Ground Lease;</li> <li>- Funding is secured (bond proceeds);</li> <li>- Permits have been lodged;</li> <li>- Designs are underway; and</li> <li>- Construction of a CDF is relatively straightforward and is not dependent on long lead items.</li> </ul> |
| Dredge volumes   | PSEG can place up to 200,000 CY of non-emergency (i.e planned maintenance) dredge material over the license period. Emergency dredge is uncapped. PSEG is to provide NJEDA with evidence of volumes placed no later than 30 days after dredging completion. | This cap has been sized through negotiations. PSEG's current permitted limit is 120,000 CY, noting that PSEG can seek a permit modification from NJDEP.<br><br>That emergency dredge is uncapped recognizes the challenges in setting an accurate target and need for PSEG to preserve an ability to take action to protect plant safety.              | NJEDA currently estimates a deficit of several hundred thousand CYs of material to surcharge Parcel B. The risk that PSEG will need to place dredge at a volume above that amount, which would adversely impact NJEDA, is considered very remote. This assessment draws on extensive experience amongst NJEDA's construction team with dredging volumes and PSEG's confirmation that the prior biennial dredging removed about 2000 CY.                   |
| Environmental    | PSEG is required to comply with all regulatory and legal requirements pertaining to dredging. Additionally, PSEG is responsible for   | In order to secure a new permit or permit modification to undertake dredging, PSEG – per NJDEP regulatory requirements – must test the riverbed in the area that is intended to be dredged for contaminants.   | While the license does not explicitly require that PSEG test material prior to placement, risks are bounded in practice by NJDEP's mandatory testing requirements as a prerequisite to a dredging permit – as well as PSEG's express obligation to  |

<sup>1</sup> The lease amendment expanded the permitted uses of Parcel C prior to the parcel's drawdown without a material increase to NJEDA's risk exposure, and thus resulted in a net benefit to NJEDA through the avoided double handling of material.

|                              |  |   |  |
|------------------------------|--|---|--|
|                              | remediating any contaminated or hazardous materials placed on Parcel B.  |   | remediate any contaminated or hazardous materials.<br><br>To further lessen any residual risk, NJEDA will undertake testing of any material placed immediately after placement in order to establish an accurate condition report.   |
| Notification & Review rights | PSEG is required to provide NJEDA with a placement plan prior to non-emergency placement. Any changes to the plan shall require NJEDA's prior approval.  | By reviewing work plans (for non-emergency dredging) NJEDA aims to minimize impacts on its operations and/or construction. Work plans are not required for emergency dredging events recognizing that prior notice to NJEDA may not be feasible.  | While NJEDA does not have the same advance notice rights in the event of emergency dredging, PSEG must still abide by the interference provisions of the license. The designation of a placement area within the northern section of Parcel B further reduces any risk to NJEDA, with this area selected due to its distance from the Port.  |
| Cost reimbursement           | NJEDA is obligated to reimburse PSEG's documented incremental costs for dredge placement above the costs PSEG would incur had dredge been placed on its own CDF on Parcel C – capped at a maximum of \$0.5M per each 3-year period of the license. | Staff anticipate that actual incremental costs would be negligible. Parcel B is approximately 1,700 feet further from the anticipated dredging area but having existing berms and weir structures in place – with Parcel C requiring construction of berms and dewatering infrastructure to increase CDF capacity beyond its current estimated capacity of 100,000-120,000 CY.<br><br>Staff do not anticipate the license extending beyond 18 months, based on the current schedule for the development of a new CDF on Parcel E. | NJEDA's construction team have assessed (at a high level) the relative cost of placement on Parcel B1 versus Parcel C and have determined that Parcel B costs are most likely less than those of Parcel C due to the existing berms on Parcel B.<br><br>While the precise procedures and threshold of evidence needed to quantify incremental costs are not specified in the license, the \$0.5M caps NJEDA's cost exposure. |
| Placement area               | Placement is restricted to a 28.65 acre area within Parcel B (enclosed as Exhibit B)   | NJEDA has demarcated an area to the northern end of Parcel B.   | The demarcation of the placement area has been decided by NJEDA with a view to its planned use of Parcel B and expected operations on Parcel A during the license period in order to minimize impacts.   |
| Right of ingress/egress      | PSEG is being provided with a right of egress/ingress across Parcel C to access Parcel B for the purpose of dredge placement.  | Egress/ingress will be provided on Parcel C via leaving space between Parcel A and surcharge material – NJEDA does not intend to construct a corridor.  | Risks of being unable to preserve egress/ingress is minimal as NJEDA will require access for its own use of Parcel B. NJEDA's intended activities of Parcel C will also allow for this access, in that there is flexibility in where material is placed on Parcel C in order to preserve access.   |
| Regulated use                | Any placement must be in conformance with regulatory permits.  | PSEG has a current permit for dredge maintenance. PSEG would require a permit modification in order to undertake emergency dredge placement, or to place maintenance dredge in excess of 120,000 CYs.   |  |
| Indemnification              | PSEG will indemnify NJEDA for gross negligence and willful misconduct.   | This was a negotiated term.   | Staff have assessed the residual risks to NJEDA of not having a full indemnification, in consultation with its environmental counsel, and working with its insurance agent, and believe risk to be manageable given:   |

|  |  |   |   |
|--|--|---|---|
|  |  |   | <ul style="list-style-type: none"> <li>- Minimal interface between PSEG's dredging activities and NJEDA's construction activities;</li> <li>- Existing site condition, with Parcel B lacking existing buildings/utilities or other structures that could create reliance risks;</li> <li>- PSEG's obligation to remediate contaminated or hazardous materials; and</li> <li>- Remoteness of the site and distance from members of the public and/or other third parties, limiting third party liability risks.</li> </ul> <p>As described below, PSEG is required to provide insurance, and NJEDA has its own general liability and umbrella coverage for the site of \$12M, which would be a backstop for non-environmental risks.</p> |
| Insurance                              | PSEG shall maintain State insurance requirements, including naming NJEDA as additional insured.        | License insurance requirements were negotiated, with negotiations informed by NJEDA's insurance broker. |   |
| Interface risk management/interference | PSEG must take all reasonable steps to avoid interference with NJEDA's construction and/or operations. |   | NJEDA is confident that any impacts to its operations and/or construction will be minimal with dredge placement to occur via hydraulic pumping straight into Parcel B via the river – and restricted to an approximately 28-acre area to the north of Parcel B. The short term nature of the license agreement further limits the likely interface issues for NJEDA.  |

### Risk assessment summary

The likelihood that the license will be acted upon is remote when considering the following factors:

- PSEG have not undertaken emergency dredging in the 37 years the Hope Creek Nuclear Plant has been operational;
- PSEG undertook maintenance dredging in 2022 and 2023, with the next maintenance event scheduled for 2025;
- The development of a new CDF on Parcel E, which would trigger expiration of the license, is planned to complete by the end of 2024 – with this timeframe being fairly certain; and
- PSEG could still use the existing CDF on Parcel C, which has a capacity of approximately 100,000 CY which should be sufficient for any planned maintenance in the next three years.

Drawing on its extensive in-house dredging expertise, buttressed by its technical advisor, WSP, Staff have carefully assessed the risk to NJEDA should a dredge placement event occur and conclude that the terms of the license and staff's proposed oversight address the possibility of any such dredge placement event. One such risks is the risk that PSEG will need to place in excess of the amount that NJEDA needs for Phase 2 development. In particular, the following license terms

seek to further minimize risks to NJEDA:

- Dredge can only be placed in an approximately 28-acre portion of Parcel B, such area selected on the basis of its distance from port operations and NJEDA's planned construction activities;
- PSEG is responsible for the remediation of any contaminated and/or hazardous materials;
- NJEDA's direct costs are capped at \$0.5 million for each three-year license period;
- PSEG's right to place dredge other than in an emergency is capped at 200,000 CY;
- PSEG must take reasonable commercial steps to avoid interfering with NJEDA's construction and/or port operations; and
- NJEDA has a right to review PSEG's plans ahead of a placement event, other than in an emergency dredge situation.

Additionally, risks to NJEDA are minimized by the strict regulatory requirements applying to dredging in New Jersey, which is overseen by the NJDEP. This includes a rigorous review process for a new or modified permit, a permitted volume limit, as well as mandatory testing prior to placement. These requirements are unlikely to lessen over the period of the license.

Further, this license enables the use by NJEDA of Parcel C as a CDF, which results in several million dollars in savings for NJEDA.

## **RECOMMENDATION**

Members are asked to approve the Authority entering into a license agreement with PSEG Nuclear granting PSEG Nuclear the temporary right to deposit dredge material into Parcel B, which is a 110-acre property owned by NJEDA.



---

Tim Sullivan, CEO

Prepared by: Jonathan Kennedy, John Kuehne, William Dixon

## Exhibit A – License Agreement

### LICENSE AGREEMENT

**THIS LICENSE AGREEMENT** (this “License”), made this \_\_\_ day of June, 2023, between **PSEG NUCLEAR LLC (“NUCLEAR”)**, a Delaware limited liability company having an office at 80 Park Plaza, Newark, New Jersey 07102, and **THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (“NJEDA”** and, with NUCLEAR, the “**Parties**”), a body corporate and politic organized and existing under the laws of the State of New Jersey having its principal offices located at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625.

### WITNESSETH:

**WHEREAS**, NJEDA is the owner in fee simple of a certain tract of real property situated in the Township of Lower Alloways Creek, County of Salem, State of New Jersey, containing approximately 109.486 acres of land known as a portion of Block 26, Lot 2 (to be subdivided and known as Lot 2B) (the “**Property**”) which is related to NJEDA’s construction, development, and operation of the New Jersey Wind Port (the “**NJ Wind Port**”); and

**WHEREAS**, NUCLEAR and NJEDA have entered into a certain Ground Lease Agreement, dated September 14, 2021 (the “**Ground Lease**”), pursuant to which NUCLEAR has agreed to lease to NJEDA, at various times and subject to various conditions, parcels of property as set forth in the Ground Lease (the “**Leased Premises**”); and

**WHEREAS**, NJEDA desires to additionally install wick drains, place material and surcharge a portion of NUCLEAR’s CDF Parcel (as defined in the Ground Lease), the use of which thereby reduces NUCLEAR’s ability to utilize the CDF Parcel; and

**WHEREAS**, NJEDA has agreed to permit NUCLEAR to use a portion of the Property shown and identified on the map entitled “Dredge Placement Area” (the “**Dredge Placement Area**”), which is attached hereto as **Exhibit A** as a confined disposal facility (“**CDF**”) for the sole purpose set forth in Section 1 hereof; and

**WHEREAS**, NJEDA is willing to temporarily license the use of the Dredge Placement Area to NUCLEAR for the sole purpose set forth herein and in accordance with a NJDEP Waterfront Development permit (“**NJDEP Permit**”);

**NOW, THEREFORE**, in consideration of the recitals and mutual promises contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Grant of License.** NJEDA hereby grants to NUCLEAR a license in the Dredge Placement Area with full rights, privileges and authority for NUCLEAR and its principals, officers, employees, contractors, subcontractors, agents and representatives (NUCLEAR and each such party are sometimes collectively referred to herein as the “**NUCLEAR Parties**” and, individually as a “**NUCLEAR Party**”) to enter upon same from time to time and to use the Dredge Placement Area for the sole purpose of constructing a confined disposal facility (CDF) in the Dredge Placement Area and the placement of dredged sediment from the Delaware River/Bay adjacent to the shoreline structures associated with the NUCLEAR Salem 1, 2 and Hope Creek Generating Stations (the “**Authorized Dredge Materials**”), the occurrence of such work, being “**Dredge Placement Area Work**”, in accordance with NJDEP regulations, for the period beginning on the date hereof and continuing until the earlier of the date of completion of the CDF to replace the NUCLEAR CDF currently existing on the CDF Parcel or NJEDA terminates the Ground Lease with respect to Parcel C or NUCLEAR directs NJEDA to permanently cease activities on the CDF Parcel and NJEDA restores the CDF Parcel to the same or better condition (the “**License Expiration Date**”), unless

otherwise agreed to by the Parties in each Party's sole discretion or upon earlier termination as set forth in Section 2, as follows:

(a) **Certain General NJEDA Requirements.** The Dredge Placement Area may be used by NUCLEAR for the sole purpose of using the existing CDF on Parcel B (the "**Parcel B CDF**") in the Dredge Placement Area, or constructing a new CDF or modifying the existing CDF within the Parcel B CDF (the "**CDF Construction Work**"), and to perform Dredge Placement Area Work, subject to the following additional terms and/or conditions:

- (i) in the event of an Emergency, NUCLEAR shall utilize the Dredge Placement Area as a CDF. An "Emergency" event shall be defined as an event for which NJDEP has issued an emergency permit.
- (ii) in the case of non-Emergency use of the Dredge Placement Area, NUCLEAR shall submit to NJEDA for its review and approval, which approval shall not be unreasonably conditioned, delayed or withheld (x) the construction plans (or any revisions thereto), to the extent construction is necessary, for the Parcel B CDF and other facilities required to be constructed in the Dredge Placement Area to perform Dredge Placement Area Work including, among other things, the proposed discharge alignment and location and height of berms, dikes, cross dikes, cells, weir box and outlet structures (collectively, the "**CDF Construction Plans**"); and (y) the implementation plans (or any revisions thereto) setting the processes and procedures to be utilized for the performance of Dredge Placement Area Work, including, without limitation, the processes and procedures for dredging, testing, extracting and disposing of contaminated materials, and complying with all laws, licenses, permits and approvals (collectively, the "**Dredging Implementation Plans**"). Any disapproval shall be in writing; state in reasonable detail the reason(s) for such disapproval; be limited to concerns of personnel safety or noncompliance with Environmental Laws; and provide recommendations to address NJEDA's concerns with the CDF Construction Plans or the Dredging Implementation Plans.
- (iii) in the case of non-Emergency use of the Dredge Placement Area, at least thirty (30) days prior to commencement of the CDF Construction Work or Dredge Placement Area Work, NUCLEAR shall have obtained and submitted to NJEDA (x) a NJDEP Permit authorizing the Dredge Placement Area Work on the Parcel B CDF on the Dredge Placement Area, which property is owned by NJEDA; (y) revised, final CDF Construction Plans and revised, final Dredging Implementation Plans; and (z) copies of all other licenses, permits and approvals required to perform the CDF Construction Work. NJEDA shall cooperate with NUCLEAR in connection with NUCLEAR obtaining any such NJDEP Permit.
- (iv) NUCLEAR shall completely dewater the Dredge Placement Area and restore the Dredge Placement Area to substantially the same or better condition that it was in as of the commencement of NUCLEAR's use (subject to ordinary wear and tear) by the date falling ninety (90) days after the earlier of the License Expiration Date or earlier termination date in accordance with Section 2 below, which obligation shall survive the License Expiration Date; except NUCLEAR shall not be responsible for the removal of Authorized Dredge Materials unless subject to Section 7(b) below and shall not be responsible for the deconstruction of the Parcel B CDF; and
- (v) Notwithstanding anything to the contrary contained herein, this License and the rights granted to NUCLEAR by NJEDA pursuant hereto are subject to all of the covenants, conditions and restrictions binding on the Property and NJEDA, as successor to NDEV, LLC, pursuant to that certain Quitclaim Deed - Artificial



Island and Alloway Creek Dredged Material Placement Site, Salem County, New Jersey Tract No. 13 (Partial) and a Portion of the Adjacent Riparian Area, from the United States of America (the “**UNITED STATES**”), acting by and through the Deputy Assistant Secretary of the Army, to NDEV, LLC, dated April 26, 2022, and recorded on May 3, 2022 with the County Clerk of Salem County, New Jersey, in Book 4630 at Page 1481, which is incorporated herein by reference thereto (the “**USACE Deed**”).

(b) **Notice of Volume of Authorized Dredge Materials.** In the case of Emergency Dredge Placement Area Work, there shall be no cap on volume deposited into the Dredge Placement Area. In the case of non-Emergency Dredge Placement Area Work, NUCLEAR shall dispose of no more than 200,000 cubic yards of Authorized Dredge Materials within the Dredge Placement Area. No later than thirty (30) days after the completion of each Dredge Placement Area Work, NUCLEAR shall provide NJEDA with a report certified by a qualified licensed New Jersey Professional Engineer setting forth, as of the date of such report, the volume of Authorized Dredge Materials placed in the Dredge Placement Area as a result of such Dredge Placement Area Work.

(c) NJEDA shall have the right, in its sole discretion, to perform any activities required to be performed by NUCLEAR hereunder, including the removal and disposal of any environmentally contaminated Authorized Dredge Materials, in the event that NUCLEAR fails to perform such activities in accordance with the terms hereof.

2. **Termination.** NUCLEAR may terminate this License prior to the License Expiration Date upon seven (7) days prior written notice to NJEDA. NJEDA may terminate this License prior to the License Expiration Date (a) upon the occurrence of a breach or default of this License by NUCLEAR and the failure of NUCLEAR to cure such breach or default within one hundred twenty (120) days after notice thereof by NJEDA to NUCLEAR; or (b) upon the termination by NUCLEAR of the right of NJEDA to use the CDF Parcel and the restoration thereof by NJEDA in accordance with the Second Amendment of Ground Lease, dated May 22, 2023, between NUCLEAR and NJEDA, which amends the Ground Lease.

3. **Reimbursement of Costs.** NJEDA hereby agrees to reimburse NUCLEAR for all additional incremental costs incurred in using the Dredge Placement Area as a CDF as compared to using NUCLEAR’s CDF Parcel in an amount not to exceed \$500,000 for each three-year period from the period beginning on this date until the License Expiration Date, including, but not limited to, costs incurred pursuant to the terms herein, and provided that any such costs are supported by documentation showing the cost increases associated with using the Dredge Placement Area compared to NUCLEAR’s CDF Parcel.

4. **Restrictions.** (a) **Access.** Notwithstanding anything herein to the contrary and except as provided in this Agreement, NJEDA shall not refuse any NUCLEAR Party access to the Dredge Placement Area; provided, however, that in the event of a catastrophic incident or other imminent threat to human safety or if required in accordance with any license, permit, practice, restriction or applicable law, NJEDA may reasonably restrict access to all or any portion of the Dredge Placement Area, if necessary, for such time as may reasonably be necessary to remedy such danger and secure the Property. NJEDA shall provide ingress and egress to the Dredge Placement Area by way of an access corridor sufficient for heavy equipment to traverse through a portion of Parcel C and shall maintain access through the duration of this License.

(b) **Compliance with Applicable Law; Performance of Dredge Placement Area Work.** NUCLEAR shall perform the CDF Construction Work and all Dredge Placement Area Work in the Dredge Placement Area in accordance with the rights, privileges and authority herein granted and conveyed in a workmanlike manner, in compliance with all applicable laws, Environmental Laws, ordinances, regulations, licenses, permits and other legal requirements, including, without limitation, the Dredging Implementation Plans, as applicable.

(c) **Interference with NJEDA Activities.** In exercising its rights hereunder, NUCLEAR shall use commercially reasonable efforts to avoid interfering with the construction, use or operation of the

Property. Except in the case of NUCLEAR's use of the Dredge Placement Area due to an Emergency, in the event that the NJEDA reasonably determines that the Dredge Placement Area Work or activities by the NUCLEAR Parties unduly interferes with the operations of the Property, or constitute a hazard to life or property, upon written notice to NUCLEAR setting forth the specific Dredge Placement Area Work or activities by the NUCLEAR Parties that constitute the circumstances giving rise to the concerns, except if such written notice is not immediately possible (in which case, written notice will be provided as soon thereafter as practicable), NUCLEAR shall immediately suspend the Dredge Placement Area Work and activities that are the subject of such notice until such time as NJEDA and NUCLEAR reasonably determine that the Dredge Placement Area Work or activities may safely resume.

5. **Enforcement of License.** Except as otherwise provided herein, NJEDA shall not obstruct, impede, or interfere with the use of the Dredge Placement Area by the NUCLEAR Parties. NJEDA and future owners of the Property, shall be allowed access to the Dredge Placement Area; provided that the use of the Dredge Placement Area by NUCLEAR shall not interfere with the use of, or obstruct access to, other portions of the Property by NJEDA. Subject to any encumbrances of record predating the date of this License, NJEDA shall not place or allow any obstructions to be placed within the Dredge Placement Area that would in any way interfere with the use of the Dredge Placement Area for its intended purpose by NUCLEAR. Either Party may notify, in writing, the other party of any apparent unauthorized use of the Dredge Placement Area in violation of the terms of this License. The Party receiving such written notification shall cease or take immediate steps to prevent further prohibited use of the Dredge Placement Area.

6. **Insurance and Indemnification.** (a) NUCLEAR shall, at its sole expense, during the License Period Term and continuing until completion of all restoration activities in accordance with Section 1(a)(iii) hereof, maintain the following insurance (or its then reasonably available equivalent) with carriers acceptable to NJEDA:

(i) Commercial General Liability insurance (claims-made) providing coverage against claims for bodily injury, contractual liability, personal injury, death, or property damage occurring upon, in, or about the Dredge Placement Area and the Property, providing coverage in the form of: (i) broad form comprehensive general liability with a minimum \$10,000,000 each occurrence and \$10,000,000 aggregate limit for property damage and bodily injury; and (ii) statutory worker's compensation limits and at least \$1,000,000 employer's liability limits with a carrier licensed to do business in the State of New Jersey ("**NUCLEAR's Liability Insurance**"); and

(ii) Commercial Automobile Liability insurance providing coverage for all owned, non-owned, and hired automobiles, with a combined single limit of not less than \$1,000,000.

(b) NUCLEAR's Liability Insurance shall name NJEDA and its officers and employees as additional insureds. The coverage provided by the policy set forth in clause (a) shall be at least as broad as that provided by the standard, basic, unamended and unendorsed Comprehensive General Liability policy occurrence coverage form in use in the State of New Jersey, which shall not be circumscribed by any endorsement limiting the breadth of coverage. Such liability insurance shall contain endorsements for cross liability and for assumed contractual liability for liabilities assumed by NUCLEAR under this License. Notwithstanding anything contained herein, NUCLEAR shall have the right to self-insure for any or all of the risks set forth in Section 6(a), provided that NUCLEAR delivers prior Notice thereof to NJEDA.

(c) All insurance policies this License requires shall be issued by carriers that: (i) have a policyholders' rating of "A-VII" or better, based on the latest rating publication of Property and Casualty Insurers by A.M. Best Company (or its equivalent if such publication ceases to be published); and (ii) are lawfully doing business in the State of New Jersey. NUCLEAR may provide any insurance through a combination of primary and umbrella/excess liability policies, provided that (A) such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to the Dredge Placement Area and the Property, which amount(s) shall equal or exceed the amount(s) required by this License and shall not be reduced for claims made for other properties; and (B) such policy otherwise complies with this License.

(d) NUCLEAR shall provide NJEDA with current certificates of insurance for all coverages and renewals of the insurance policies NUCLEAR is required to obtain and maintain, which must contain the provision that the insurance provided in the certificate shall not be canceled for any reason except after thirty (30) days' prior notice to the insureds and NJEDA. NUCLEAR shall provide such certificates to NJEDA on an annual basis; due upon the anniversary date of this License. If any policy contains a deductible, NUCLEAR shall be responsible for payment of the deductible without reimbursement by NJEDA.

(e) NUCLEAR shall indemnify, defend and save harmless NJEDA from and against any and all claims for damages (including any reasonable legal fees actually incurred), loss, cost, claim, liability, damage or expense which NJEDA may incur as a result of NUCLEAR's and NUCLEAR Parties' gross negligence or willful misconduct arising from the performance of the CDF Construction Work or Dredge Placement Area Work by NUCLEAR or NUCLEAR's Parties.

7. **Environmental - General.** (a) NUCLEAR shall comply with all Environmental Laws that are or become applicable to NUCLEAR's activities on the Dredge Placement Area and the Dredging Implementation Plan. Except as otherwise provided in Section 1(a), NUCLEAR shall conduct no excavation activities; environmental studies; or chemical analyses of the native soil in the Dredge Placement Area, unless specifically authorized by NJEDA.

(b) It is further agreed that any use, discharge, storage, and/or disposal of Hazardous Materials, as defined by applicable federal and state Environmental Laws and in violation of Environmental Laws, in the Dredge Placement Area which is the result of any act or omission by either NJEDA or NUCLEAR, shall be the sole responsibility of the Party causing such environmental condition, including all monetary expenses and/or fines levied by any governmental entity. In the event NUCLEAR causes such environmental condition, NUCLEAR shall immediately notify NJEDA of any such use, discharge, storage and/or disposal of Hazardous Materials in violation of Environmental Laws, in accordance with Section 8 and Section 9 and be solely responsible for undertaking such corrective measures as is necessary to remediate any environmental condition pursuant to applicable Environmental Laws caused by NUCLEAR, as well as restoring any property affected by the environmental condition to the same or as good as condition as existing prior to such environmental condition. In no event shall NUCLEAR be responsible for the investigation and/or remediation of any Hazardous Materials that existed on or in the Dredge Placement Area prior to the commencement date for this License granted for the Dredge Placement Area. Any waste materials generated as a result of activities conducted by NUCLEAR shall be disposed of by NUCLEAR in accordance with all applicable federal, state and local laws and regulations and related NJDEP guidance. NUCLEAR shall identify itself as the generator on all waste manifests and shipping papers necessary for the offsite disposition of any such waste materials existing on or in any of the Dredge Placement Area. This provision of this section shall survive the License Expiration Date or earlier termination of this License.

(c) For purposes of this License and as used herein, (i) "Environmental Law or Environmental Laws" means any applicable federal, state, local or other law, statute, ordinance, rule, regulation, permit, judgment, order, decree, license, or other binding requirement of, or binding agreement with any governmental entity, now or hereafter in effect and, in each case, as amended from time to time, relating to or governing the presence, release, or threatened release of Hazardous Material the protection of natural resources, health, safety of the environment, or the management, manufacture, use, processing, sale, generation, handling, labeling, distribution, transportation, treatment, storage, disposal, remediation, disclosure, or notice of the presence, release or threatened release of Hazardous Material, including, without limitation, (a) the Atomic Energy Act, 42 U.S.C. § 2011 et seq., as amended, (b) the Clean Air Act, 42 U.S.C. § 7401 et seq., as amended, (c) CERCLA, (d) the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq., (e) the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq., as amended, (f) the federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., as amended ("FWPCA"), (g) the Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq., as amended ("HMTA"), (h) the Low-Level Radioactive Waste Policy Act, 42 U.S.C. § 2021b et seq., as amended

("LLRWPA"), (i) the Nuclear Waste Policy Act of 1982, 42 U.S.C. § 10101 et seq., as amended ("NWP"), (j) the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., as amended ("OSHA"), (k) the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., as amended ("RCRA"), (l) the Safe Drinking Water Act, 42 U.S.C. § 300f et seq., as amended, (m) the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., as amended ("TSCA"), (n) the substantive equivalent of any of the foregoing in any state or foreign jurisdiction, (o) the Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., as amended ("ISRA"), (p) the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq., as amended ("Spill Act"), (q) the Site Remediation Reform Act, N.J.S.A. 58:10C-1 et seq., as amended ("SRRA") and (r) the Technical Requirements for Site Remediation, N.J.A.C. 7:26E, as amended (the "Tech Regs"); and (ii) "Hazardous Materials" means any chemical, material or substance, regardless of its form or nature, defined as or included in the definition of "hazardous substances," "hazardous wastes," "solid waste," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "solid waste," "contaminants of emerging concern", per- and polyfluoroalkyl substances ("PFAS"), perfluorooctanesulfonic acid ("PFOS"), perfluorooctanoic acid ("PFOA"), or words of similar import under any applicable Environmental Laws.

8. **Environmental - NDEV Deed Restrictions and Covenants.** Pursuant to that certain Quitclaim Deed – Artificial Island and Alloway Creek Dredged Material Placement Site, Salem County, New Jersey, from NDEV, LLC to the NJEDA dated July 22, 2022 and recorded on August 15, 2022 with the County Clerk of Salem County, New Jersey, in Book 4641 at page 167 (the "**NDEV Deed**"), NJEDA is required to include the language of Paragraph 3 (Environmental Protection Provisions) of the NDEV Deed in all subsequent deeds, easements, leases, or grant of any interest, privilege or license in, on or to the Property or any portion thereof. Accordingly, such required language, modified only to specifically reference NJEDA, Nuclear, the Nuclear Parties and the Dredge Placement Area as appropriate, is set forth in this Section 8.

(a) Land Use Restrictions:

(1) The United States Department of the Army has undertaken careful environmental study of the Property, which includes the Dredge Placement Area, and concluded that the land use restrictions set forth below are required to ensure protection of human health and the environment. NUCLEAR, its successors or assigns, shall not undertake nor allow any activity on or use of the Dredge Placement Area that would violate the land use restrictions contained herein.

(i) Residential Use Restriction. NJEDA, its successors and assigns, and NUCLEAR shall use the Dredge Placement Area solely for commercial or industrial activities and not for residential purposes. For purposes of this provision, residential use includes, but is not limited to, single family or multi-family residences; child care facilities; and nursing home or assisted living facilities; and any type of educational purpose for children/young adults in grades kindergarten through 12.

(2) Modifying Restrictions. Nothing contained herein shall preclude NJEDA, its successors or assigns, from undertaking, in accordance with applicable laws and regulations and without any cost to the United State of America (the "UNITED STATES"), such additional action necessary to allow for other less restrictive use of the Dredge Placement Area. Prior to such use of the Dredge Placement Area, NJEDA shall consult with and obtain the approval of the UNITED STATES, and, as appropriate, the State or Federal regulators, or the local authorities. Upon NJEDA'S obtaining the approval of the UNITED STATES and, as appropriate, State or Federal regulators, or local authorities, the UNITED STATES has agreed to record an amendment to such restrictions. This recordation shall be the responsibility of NJEDA and at no additional cost to the UNITED STATES.

(3) Submissions. NJEDA, its successors and assigns, shall submit all requests for modifications to the above restrictions to the UNITED STATES and NJDEP Coastal & Inland

Regulation and Urban Growth, by first class mail, postage prepaid, addressed as follows:

(i) UNITED STATES –

United States of America c/o Chief of  
Real Estate North Atlantic Division  
U.S. Army Corps of Engineers  
Fort Hamilton Military Community 3  
02 General Lee Avenue  
Brooklyn, New York 11252-6700

(ii) EPA/State Regulator –

Assistant Director  
New Jersey Department of Environmental Protection  
Coastal & Inland Regulation and Urban Growth Mail  
Code 501-02A  
P.O. Box 420  
Trenton, New Jersey 08625-0420

(b) Notice of the Potential Presence of Munitions and Explosives of Concern (MEC):

(1) The UNITED STATES represented in the USACE Deed that, to the best of its knowledge, no MEC was present on the Dredge Placement Area on the date of the USACE Deed. Notwithstanding the UNITED STATES' determination, NUCLEAR acknowledges that there is a possibility that MEC may exist on the Dredge Placement Area. If any NUCLEAR Party, any subsequent owner or licensee or user, or any other person should find any MEC on the Dredge Placement Area, they shall immediately stop any intrusive or ground- disturbing work in the area or in any adjacent area and shall not attempt to disturb, remove or destroy it, but shall immediately notify the local Police Department so that appropriate explosive ordnance disposal personnel can be dispatched to address such MEC as required under applicable law and regulations.

(2) Easement and Access Rights:

(i) The UNITED STATES reserved in the USACE Deed a perpetual and assignable right of access on, over, and through the Dredge Placement Area, to access and enter upon the Dredge Placement Area in any case in which a munitions response action is found to be necessary, or such access and entrance is necessary to carry out a munitions response act on adjoining Property. Such easement and right of access includes, without limitation, the right to perform any additional investigation, sampling, testing, test-pitting, surface and subsurface clearance operations, or any other munitions response action necessary for the UNITED STATES to meet its responsibilities under applicable laws and as provided for in the NDEV Deed or the USACE Deed. This right of access shall be binding on NJEDA and NUCLEAR, and their respective successors and assigns, and shall run with the land.

(ii) In exercising such easement and right of access, the UNITED STATES shall give NJEDA or the then record owner, reasonable notice of the intent to enter on the Dredge Placement Area, except in emergency situations. The UNITED STATES shall use reasonable means, without significant additional cost to the UNITED STATES, to avoid and/or minimize interference with NJEDA'S and NJEDA'S successors', assigns' and licensees' use of the Dredge Placement Area. Such easement and right of access includes the right to obtain and use utility services, including water, gas, electricity, sewer, and communications services available on the Dredge Placement Area at a reasonable charge to the UNITED STATES. Excluding the reasonable charges for such utility services, no fee, charge, or compensation will be due NJEDA nor its successors

and assigns or any NUCLEAR Party, for the exercise of the easement and right of access retained and reserved by the UNITED STATES.

(iii) In exercising such easement and right of access, neither NJEDA, its successors and assigns, nor any NUCLEAR Party, as the case may be, shall have any claim at law or equity against the UNITED STATES, or any officer, employee, agent, contractor of any tier, or servant of the UNITED STATES based on actions taken by the UNITED STATES or its officers, employees, agents, contractors of any tier, or servants pursuant to and in accordance with this Section. In addition, NJEDA, its successors and assigns, or any NUCLEAR Party, shall not interfere with any munitions response action conducted by the UNITED STATES on the Dredge Placement Area.

9. **Property Damage and Environmental Incidents in Dredge Placement Area.** Within thirty (30) minutes after the occurrence of any use, discharge, storage and/or disposal of Hazardous Materials in violation of Environmental Laws on or in the Dredge Placement Area or any incident involving property damage to the Parcel B CDF or the Dredge Placement Area, in each case, arising out of the performance of the CDF Construction Work or any Dredge Placement Area Work by any NUCLEAR Party and/or the use and occupancy of the Dredge Placement Area by any NUCLEAR Party, NUCLEAR shall notify NJEDA of such environmental discharge or property damage incident, and if requested by NJEDA, NUCLEAR shall provide a written report to NJEDA detailing such incident within twenty-four (24) hours after the occurrence thereof. Within seven (7) days (unless a shorter period of time is required by applicable law or to protect health, life or safety in which case such shorter period of notification shall be required) after the occurrence of any use, discharge, storage and/or disposal of Hazardous Materials in violation of Environmental Laws within the Parcel B CDF or the Dredge Placement Area by NJEDA or any incident involving property damage to the Parcel B CDF or the Dredge Placement Area caused by NJEDA or any of its affiliates or licensees that may impact the Dredge Placement Area, NJEDA shall notify NUCLEAR of such environmental discharge or property damage incident and, if requested by NUCLEAR shall provide a written notice to NUCLEAR detailing such incident within twenty-four (24) hours of the request. Notification to NJEDA shall be provided to Mark Healy (AECOM Tishman) at 646-323-2866 and to Joseph Burns (NJEDA) 609-649-9412 (24 hours a day; 7 days a week). Notification to Nuclear shall be provided to the Nuclear Project Manager at 609-774-3142 or the Development Manager at 609-332-2165. Such notice shall not relieve NUCLEAR or NJEDA of its obligations under this License, if applicable, and shall not be construed to be other than a mere notification.

10. **Binding Effect.** The covenants, terms, conditions and restrictions contained herein shall be binding upon and shall inure to the benefit of the Parties hereto, and their respective successors and assigns until termination of this License in accordance with the terms hereof, except for the provisions of this License that survive the License Expiration Date. This License or a memorandum thereof may not be recorded by NUCLEAR.

11. **Assignment.** This License may not be assigned without the written consent of NJEDA in its sole discretion.

12. **Governing Law.** The interpretation of and performance under this License shall be governed by and construed in accordance with the laws of the State of New Jersey. All tort claims against NJEDA shall be governed by the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and all contract claims against NJEDA shall be governed by the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1. The Parties agree that any litigation directly or indirectly relating to this License must be brought before and determined by a court of competent jurisdiction within Mercer County, New Jersey.

13. **Prevailing Wages.** In performing any construction, reconstruction, demolition, alteration, custom fabrication, duct cleaning, or repair work at the Dredge Placement Area, NUCLEAR shall comply, and cause its contractors to comply, with all applicable prevailing wage requirements (including, but not limited to, N.J.S.A. 34: 11-56.25 et seq.) and with the provisions of the Public Works Contractor Registration Act, N.J.S.A. 34:11-56.48 et seq., including, but not limited to, the requirement that all



contractors, subcontractors and lower tier subcontractors who bid on or engage in any contract for construction, reconstruction, demolition, alteration, custom fabrication, duct cleaning, or repair work at the Dredge Placement Area be first registered with the New Jersey Department of Labor and Workforce Development.

14. **Modification.** Neither this License nor any of its terms, provisions, conditions, or covenants can be modified except by written instrument duly executed by both Parties.

15. **Ground Lease.** Except as provided herein, all of the terms, covenants and provisions of the Ground Lease shall remain unchanged and in full force and effect.

16. **Notices.** Except as required by Section 9, any notice or other communication, including coordination of any Dredge Placement Area Work, that either Party desires or is required to give to the other pursuant to this License shall be in writing and shall be considered given upon personal delivery or upon receipt by registered or certified U.S. mail, courier service or email addressed as follows:

As to NUCLEAR: PSEG Nuclear LLC  
80 Park Plaza  
Newark, New Jersey 07102  
Attention: Charles McFeaters  
[Charles.Mcfeaters@pseg.com](mailto:Charles.Mcfeaters@pseg.com)  
856-339-1025

With copies to: Jamie Mallon  
[James.Mallon@pseg.com](mailto:James.Mallon@pseg.com)  
  
Frank Romano, Esq.  
[Frank.Romano@pseg.com](mailto:Frank.Romano@pseg.com)  
  
Tim Pellegrin  
[Timothy.Pellegrin@pseg.com](mailto:Timothy.Pellegrin@pseg.com)  
  
Jacob Skaist, Esq.  
[Jacob.Skaist@pseg.com](mailto:Jacob.Skaist@pseg.com)

As to NJEDA: New Jersey Economic Development Authority  
36 West State Street, P.O. Box 990  
Trenton, New Jersey 08625  
Attention: Jonathan Kennedy, VP – Infrastructure  
[Jkennedy@njeda.com](mailto:Jkennedy@njeda.com)

With copies to: John Kuehne, Esq.  
[Jkuehne@njeda.com](mailto:Jkuehne@njeda.com)  
  
Timecka Wright  
[Twright@njeda.com](mailto:Twright@njeda.com)

Upon written notice to the other Party, either Party may change its addressee for notices at any time.

17. **Severability.** If any of the provisions of this License shall be held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the other provisions of this License as a whole shall remain unaffected.

**THIS SPACE INTENTIONALLY LEFT BLANK.**

*Signature page follows*



**IN WITNESS WHEREOF**, the Parties have executed this License on the date hereinbefore first indicated.

**WITNESS:**

**PSEG NUCLEAR LLC**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**WITNESS:**

**THE NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Tim Sullivan

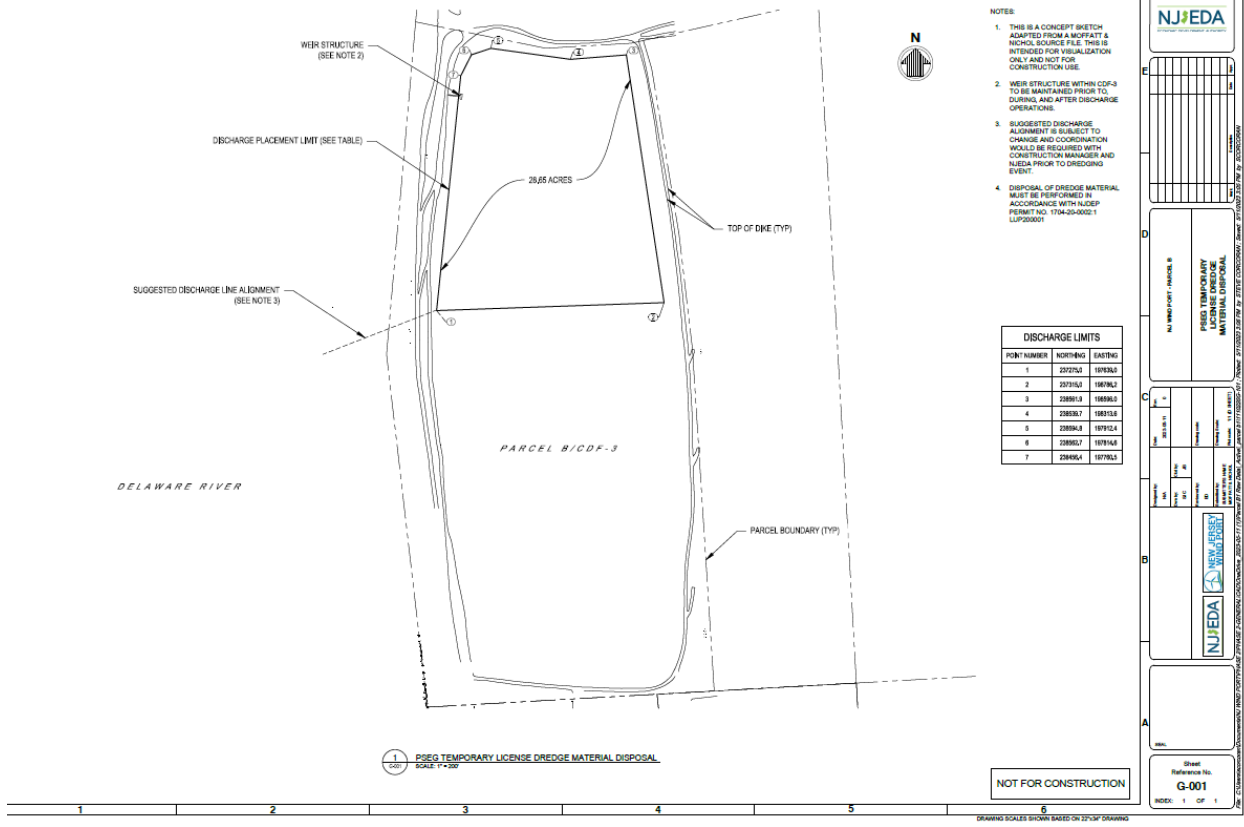
Chief Executive Officer

**EXHIBIT A**

**Map of Dredge Placement Area**

**(See Memo Exhibit B)**

### Exhibit B – Allowable placement area within Parcel B





## NJEDA REAL ESTATE DEPARTMENT

### Department Overview:

The Department of Real Estate Development & Programs (Department) mission is to fill gaps in the commercial real estate marketplace by facilitating projects that, absent our assistance, would not move forward. Since 1979, REDD has developed  $\pm 13.7$  million SF, and currently holds an interest in  $\pm 4.5$  million SF, and actively manages  $\pm 3$  million SF of real estate. The Department has grown from a land developer in urban centers to a full service, state-wide development entity and administers real estate programs and tax incentives.

The Department's assistance can take several forms:

- Development, Construction and Strategic Projects:  
This team provides technical assistance, planning, financial, and/or development/construction services for Authority or State strategic initiatives, and also manages property within Authority's portfolio.
- Programs:  
This team develops real estate related products, which include, but are not limited to the Construction Inflation, Stranded Assets, and the Film Infrastructure programs.
- Incentives:  
This team administers the Aspire and other real estate tax incentives.

The Department engages consultants to assist with the acquisition of property, the planning, development and construction of projects, and the administration of real estate programs.

## **MEMORANDUM**

To: Members of the Authority

From: Tim Sullivan  
Chief Executive Officer

Re: University Hospital Study and Master Plan

- Approve Memorandum of Understanding with New Jersey Department of Community Affairs (“NJCA”) providing Coronavirus State Fiscal Recovery Funds for the University Hospital Study and Plan Program
- Approve Memorandum of Understanding with University Hospital for the Initial Use of the Coronavirus State Fiscal Recovery Funds for the Study and Plan Program

Date: June 14, 2023

### **Request**

I request the Members approve two memoranda of understanding (“MOU”) for the University Hospital (“UH”) Study and Project on its campus in Newark, Essex, County as follows:

- Between the Authority and NJCA providing \$50 million of Coronavirus State Fiscal Recovery Funds to the Authority for the University Study and Plan
- Between the Authority and UH for the initial use of the Coronavirus State Fiscal Recovery Funds for the Study and Plan Program

### **Background**

#### *A. UH Master Plan*

In the 2021-22 annual budget, *see* P.L.2021, c.133, the State provided UH with \$150 million to commence the planning, construction, and renovation of its existing campus in Newark, Essex County. UH engaged Gensler to prepare a campus master plan, which includes several phases: demolition and site preparation for new facility construction; construction of a new garage and office buildings for acute care, out-patient care and medical offices; and extensive renovations of the existing hospital. The current estimated cost to implement the master plan is \$1.8 billion over 8.75 years.

The UH master plan responds to the negative economic impact of the COVID-19 public health emergency by helping close the healthcare availability gap between low-income populations and the rest of the State. Low-income individuals, particularly individuals living in predominantly low-income communities such as qualified census tracts, have significantly impaired access to quality medical care, and often lack the financial resources to seek care where it is available.

UH, located within a qualified census tract, serves more low income and uninsured patients than any other level one trauma center in the State. UH has a commitment to serve the poor and uninsured in the local community. However, the hospital requires significant capital improvements.

The hospital, which is over 49 years old, requires upgrades to mechanical, electrical, and plumbing systems, and improved patient facilities to serve its population. Prior to the pandemic, the emergency department at University Hospital saw 100,000 patients annually, double its intended occupancy.

*B. Allocation of Coronavirus State Fiscal Recovery Funds (“CSFRF”)*

In the 2022-23 annual budget, *see* P.L. 2022, c.49, the State allocated \$50 million to the Authority to be used as follows:

“[T]o study and plan for new health care facilities at the [UH] site to meet community health care needs in the City of Newark, and to fund site development and capital construction. The study shall take into consideration how new facilities would complement existing health care services and facilities in the region, and shall be submitted to the Governor, the Legislature, and the [UH] Board of Directors upon completion.”

*C. The MOUs*

*1. The MOU with NJDCA*

The Department of Treasury has designated NJDCA as the grant manager of the CSFRF and the Authority must enter into a MOU with NJDCA to receive and use the funds. The MOU with NJDCA provides the following:

- Use the funds for the designated purpose, i.e., “to study and plan for new health care facilities at the [UH] site to meet community health care needs in the City of Newark, and to fund site development and capital construction their intended purpose.”
- Obligate the funds by December 31, 2024, and expend all the funds prior to December 31, 2026
- Provide sufficient staff to administer the plan
- Comply with all the federal requirements of the program

Commencing with the execution of the MOU, the Authority will receive an initial distribution of \$12.5 million and up to three (3) additional disbursements of \$12.5 million upon written request.

*2. MOU with UH*

The MOU with UH will permit the Authority to provide the following support for to implement UH’s master plan:

- Procure and pay consultants to prepare the study required by P.L. 2022, c.49, which will take “take into consideration how new facilities would complement existing health care services and facilities in the region”
- Procure and pay for consultants to prepare an economic feasibility study of under-utilized parcels on the UH campus that could possibly assist in subsidizing the renovation/new construction on the UH campus
- Procure and pay for consultants to analyze financing alternatives, and to assist with creating and implementing the financing plan for UH’s campus development plan, which currently has an estimated cost of \$1.8 billion.

For the services provided in this MOU, the Authority will receive an administrative fee equal to 5% of the contracted consultants' costs, or the actual amount of billable staff time, whichever is less. The MOU has a term of five years, which can be terminated with notice by either party.

If the Authority will provide development services to UH (e.g., demolition, site preparation, construction of facilities), those development services will be presented to the members of the Board in a separate MOU.

*D. Staff Recommendation*

The MOUs attached as Exhibit A and B to this memo are in substantially final form. The final documents may be subject to revision, although the basic terms and conditions will remain consistent with the attachments. The final terms of the MOUs will be subject to the approval of the Chief Executive Officer and the other parties to the MOUs. Staff recommends that the Members approve the 2 MOUs to permit the Authority to use the \$50 million of CSFRF to supplement the \$150 million received by UH to implement the master plan.

### **Recommendation**

I recommend that the Members approve the following:

- MOU between the Authority and NJDCA providing \$50 million of Coronavirus State Fiscal Recovery Funds to the Authority for the University Study and Plan
- MOU between the Authority and UH for the initial use of the Coronavirus State Fiscal Recovery Funds for the Study and Plan Program



---

Tim Sullivan, CEO

att: Exhibits A and B  
Prepared by: Juan Burgos



## **MEMORANDUM OF UNDERSTANDING REGARDING UNIVERSITY HOSPITAL**

This Memorandum of Understanding (“MOU”) by and between University Hospital (“UH”), a body corporate and politic and an instrumentality of the State of New Jersey (“State”), and the New Jersey Economic Development Authority (“EDA”), with an effective date of July 1, 2022, will confirm the mutual understanding and intention regarding the preparation of the study required by the 2022-2023 State Budget, and associated site development and capital construction required to implement the UH Master Plan in Newark, Essex County (“Project”). UH and EDA are collectively referred to herein as the “Parties.”

WHEREAS, the 2021-2022 State Budget allocated \$500,000 to UH for the initial planning of the UH campus. In January 2022, UH engaged Gensler, an architecture and engineering firm with expertise in healthcare design, to develop a master facilities plan for the future of UH (“Master Plan”). The Master Plan is expected to be completed in 2023;

WHEREAS, most recently, the 2022-2023 State Budget allocated \$50 million of American Rescue Plan Act Funds (“ARP Funds”) to EDA “to study and plan for new health care facilities at the University Hospital site to meet community health care needs in the City of Newark, and to fund site development and capital construction. The study shall take into consideration how new facilities would complement existing health care services and facilities in the region.” Upon completion, the study shall be submitted to the “Governor, the Legislature, and the University Hospital Board of Directors.”;

WHEREAS, for the purpose of engaging consultants to facilitate the planning and development of the UH Campus, the Parties agree to enter into this MOU as an inter-departmental governmental agreement consistent with N.J.S.A. 52:14-1 et seq.

**NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED** by and between UH and EDA that for and in mutual consideration of the covenants herein the Parties agree as follows:

1. **EDA Services and Responsibilities.**

EDA will be responsible for the following:

- A. **The Health Care Needs Study.** EDA will engage and manage the required consultant to prepare the study required by the 2022-23 budget funding allocation, which includes, but is not limited to assessing the health care needs of the Greater Newark community (collectively, “Predevelopment Services”). A copy of the RFP and contract is attached as Exhibit A.

- B. Economic Feasibility Study for UH Campus Parcels. To determine the best use of certain parcels, as identified in the RFP, on the UH Campus EDA will engage and manage the required consultant to prepare a study regarding the best economic development and real estate use alternatives for certain parcels on the UH Campus, which will be identified in partnership with UH and Rutgers University as the State's current tenants on the parcels. A copy of the RFP is attached as Exhibit B, and a copy of the final contract will be shared with UH upon execution.
- C. Financial Planning for UH Campus. EDA will engage and managed the required consultant to prepare an initial study to determine the best methods to finance the Master Plan improvements.
- D. Additional Services. Should the Parties identify the need for additional services in furtherance of the development of the UH Campus, including but not limited to additional professional services, EDA will engage the required experts to meet those identified needs only after the mutual agreement of the Parties. Any additional services to be provided will be subject to an amendment to this MOU or a new MOU, and subject to the availability of funds.
- E. Consultants and Contractors. EDA will engage contractors and consultants as follows:
- i. EDA's Authority to Hire Consultants and Contractors. The Parties agree that EDA shall retain and enter into agreements and contracts with consultants and contractors (including other State agencies) to assist EDA in connection with the services in Section 1 of this MOU. To the extent payment for such services is intended to be drawn from the funds appropriated to EDA for the UH Campus, such agreements and contracts will only be entered into following mutual agreement of the Parties.
  - ii. Commencement of Services. The Parties intend and UH authorizes EDA to contract for services required for the Predevelopment Services upon full execution of this MOU. These services shall be performed under the direction of EDA, with input from UH.
  - iii. Procurement Process. Any and all contracts with consultants or contractors entered into by EDA in connection with the EDA Services shall be advertised, solicited and selected by EDA in accordance with EDA applicable procurement requirements, including but not limited to those federal requirements associated with use of ARP funds as applicable, with UH participating in the selection of consultants and contractors to the extent permitted by EDA's policies and procedures.
  - iv. Form of Contracts and Agreements. The general terms and conditions of such

contracts shall be consistent with agreements typically entered into by EDA and shall provide for the termination by EDA at any time. Prior to termination of a contract EDA will advise UH.

- v. Paying Consultants and Contractors. EDA will use the funding outlined in Section 2 of this MOU to pay consultants, contractors and other vendors for work to complete the services required in Section 1 of this MOU.
2. Funding for Services Under this MOU. The ARP Funds will be used to pay for the services included in this MOU, subject to the determination by the Executive Director of the Governor's Disaster Recovery Office that the proposed use of the funds included in this MOU are eligible purposes under the American Rescue Plan Act of 2021, and subject to the approval of the Director of the Division of Budget and Accounting.
3. UH's Responsibilities. UH will be responsible for the following:
  - A. Providing information, as requested by EDA, to complete the required tasks included in this MOU, provided such information is not in conflict with the fiduciary duties of the Hospital.
  - B. As requested, participate in the selection of consultants and contractors to the extent permitted by EDA's policies and procedures.
  - C. Review and provide input as may be requested by EDA on the Study to be presented to the Governor, Legislature and the UH Board of Directors.
4. Compensation and Payment.
  - A. The Study. EDA shall receive up to 5% of the consultant's fee for the study, and any additional work performed under the contract.
  - B. Economic/Feasibility Study for UH Campus Parcels. EDA shall receive up to 5% of the consultant's fee for the study, and any additional work performed under the contract.
  - C. Financial Planning. EDA shall receive up to 5% of the consultant's fee for the study, and any additional work performed under the contract.
5. Additional Provisions.
  - A. Sufficient Funds. It is agreed that nothing in this MOU shall obligate or require EDA or UH to enter into or continue any agreement or contract for the services included in Section 1 of this MOU or to expend EDA or UH personnel time or other administrative costs for the services included in Section 1 of this MOU unless sufficient funds are readily available

to such Party for their respective expenses and fees that would be incurred in connection with the services included in Section 1 of this MOU. Notwithstanding Section 6(h), the Parties shall at all times have the right to terminate or discontinue any agreement, contract or work if either Party determines that sufficient funds are not readily available and approved for the expenses and fees that would be incurred in connection with the services included in Section 1 of this MOU.

- B. Right of Entry. This MOU constitutes a right of entry license from UH to EDA, its employees, officers, agents, consultants and contractors, for access to all portions of the UH campus in order to carry out the services included in this MOU.
- C. Consultant Requirements. Any and all consultants and contractors hired by EDA who enter upon the UH Campus shall:
- i. Indemnify, defend and hold UH and EDA and their respective employees, agents and representatives harmless from any and all damages, losses or claims related to or arising from said consultant or contractor, or any agent, employee, subcontractor, supplier or subconsultant of such consultant or contractor entering the UH Campus.
  - ii. Maintain adequate insurance coverage as reasonably determined by UH and EDA.
  - iii. Be aware of and comply with UH's policies and Code of Conduct and all federal, state and local laws, ordinances, rules and regulations that affect those engaged or employed providing the required services in this MOU.
- F. Other Approvals. Each Party will obtain all applicable governmental approvals, permits, and authorizations necessary to effectuate their respective responsibilities under this MOU.
- G. Commencement and Duration. This MOU will be effective as of July 1, 2022. This MOU shall remain in effect for 60 months from the date and year first written above, and shall automatically renew for an additional 60 months unless otherwise terminated by the parties in writing.
- H. Amendments. This MOU may be amended in a writing executed by the Parties.
- I. Termination. Any Party shall have the right to terminate this MOU upon written notice to the other party. Upon termination, EDA shall make reasonable efforts not to incur any additional expenses or administrative costs; provided, however, EDA shall be permitted to continue to use the ARP Funds to pay for any expenses or fees actually incurred in connection with the services in Section 1 of this MOU.

- J. Notices. All notices required to be served or given hereunder shall be in writing and will be deemed given when received by personal delivery, by an overnight delivery service which issues a receipt from delivery, or three business days after having been mailed by certified mail, return receipt requested, and addressed as follows:

If to EDA: New Jersey Economic Development Authority  
36 West State Street  
P.O. Box 990  
Trenton, New Jersey 08625-0990  
Attention: Juan Burgos, Vice President  
Real Estate Development

If to UH: University Hospital  
150 Bergen St, Room D-225  
Newark, NJ 07103  
Attention: Chief Legal Officer

- K. Good Faith. UH and EDA will act with reasonable diligence and in good faith for the purpose of satisfying the conditions set forth herein.
- L. Titles and Headings. Titles and headings are included for convenience only and shall not be used to interpret the MOU.
- M. Electronic Signatures. Pursuant to written policy, EDA allows documents to be signed electronically and hereby agrees to be bound by such electronic signatures. UH also agrees to be bound by electronic signatures as a signatory to this MOU.

The foregoing correctly reflects the Parties' understanding and intent.

**[INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be duly executed and delivered as of the date and year first above written and by so executing, represent and warrant they have the authority to do so.

UNIVERSITY HOSPITAL

---

Edward Jimenez, MBA  
President and Chief Executive Officer

NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY

---

Tim Sullivan  
Chief Executive Officer

The foregoing document has been reviewed and approved as to form.

MATTHEW J. PLATKIN,  
ATTORNEY GENERAL OF NEW  
JERSEY

By: \_\_\_\_\_  
, Deputy Attorney General

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS  
AND  
THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
FOR THE  
UNIVERSITY HOSPITAL STUDY AND PLAN PROGRAM**

This **MEMORANDUM OF UNDERSTANDING** (“MOU”) (MOU Number 2023-18), is made by and between the New Jersey Department of Community Affairs (“DCA” or “Grantee”) and the New Jersey Economic Development Authority (“EDA”), an instrumentality of the State of New Jersey (the “State”), to set forth the terms and conditions for the disbursement of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies for the University Hospital Study and Plan Program (“Program”). DCA and EDA may sometimes hereinafter be collectively referred to as the “Parties” and individually as a “Party.”

**PREAMBLES**

**WHEREAS**, due to the increase in the number of novel coronavirus (“COVID-19”) cases in New Jersey, the surrounding region and across the globe, the Governor of the State of New Jersey issued Executive Order No. 103 declaring a public health emergency and a state of emergency in the State of New Jersey (the “State”) on March 9, 2020, allowing for certain executive actions to respond to the increasing number of COVID-19 cases in the State; and

**WHEREAS**, on March 11, 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic (the “COVID-19 Pandemic”) and on March 13, 2020, the President of the United States (“President”) declared a national state of emergency; and

**WHEREAS**, in response to the COVID-19 Pandemic, Congress enacted a series of laws to address the impacts of the COVID-19 Pandemic; and

**WHEREAS**, on March 11, 2021, the President signed the “American Rescue Plan Act of 2021” P.L. 117-2 (the “ARP Act”) into law; and

**WHEREAS**, as part of the ARP Act, Congress at subtitle M of the ARP Act, amended Title VI of the Social Security Act (42 U.S.C. 801 et seq.) by adding Sections 602 and 603 to create the “Coronavirus State Fiscal Recovery Fund” (“CSFRF”); and

**WHEREAS**, CSFRF monies (“CSFRF Funds”) are to be used, generally: (a) to respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (b) to respond to workers performing essential work during the COVID public health emergency by providing premium pay to eligible workers of the State who are performing such essential work, or by providing grants to eligible workers who perform essential work; (c) for the provision of government services to the extent of the reduction in

revenue of the State due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the State prior to the emergency; or (d) to make necessary investments in water, sewer, or broadband infrastructure; and

**WHEREAS**, the State received \$6,244,537,955.50 in CSFRF Funds under the ARP Act which must be used in conformance with the requirements of the ARP Act; and

**WHEREAS**, pursuant to the Fiscal Year 2023 Appropriations Act, P.L. 2022, c. 49, as may be amended from time to time, Fifty Million Dollars (\$50,000,000) of CSFRF Funds were appropriated to EDA to study and plan for new health care facilities at the University Hospital site to meet community health care needs in the City of Newark, and to fund site development and capital construction, subject to a determination by the Executive Director of the Governor's Disaster Recovery Office that the proposed use of the funds is an eligible purpose under the American Rescue Plan Act of 2021, and subject to the approval of the Director of the Division of Budget and Accounting; and

**WHEREAS**, pursuant to the Fiscal Year 2022 Appropriations Act, L. 2021, c.133, as may be amended from time to time, DCA is responsible for overseeing the entire portfolio of funds, consistent with CSFRF requirements, as the State-designated Grants Manager; and

**WHEREAS**, the State Treasurer has entered into a Memorandum of Understanding dated as of July 22, 2021, with DCA, as Grants Manager for the CSFRF Funds, to provide those grant management functions and processes for the State that are necessary to administer, manage and monitor State entity grant awards and disburse funds accordingly; and

**WHEREAS**, DCA will use its State Integrated Recovery Operations and Management System (“SIROMS”) to track State entity expenditures and obligations, administer approved grant funds, and track compliance with applicable laws, regulations, guidance, and program requirements; and

**WHEREAS**, DCA is distributing a portion of the CSFRF Funds, in an amount not to exceed Fifty Million Dollars (\$50,000,000.00), to provide funding to EDA for the implementation of the Program, that the Governor’s Disaster Recovery Office has determined eligible for CSFRF Funds; the Grant is described in Exhibit A and the Program budget is set forth in Exhibit B, both exhibits attached hereto and made a part hereof; and

**WHEREAS**, the implementation of the Program shall be undertaken in compliance with Federal, State and local laws and regulations as well as the requirements of this MOU, Executive Order No. 166 (Murphy 2020) (“EO 166”), 31 CFR Part 35 U.S. Treasury Coronavirus State and Local Fiscal Recovery Funds – Final Rule, and Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“2 CFR Part 200”); and

**WHEREAS**, it is in the Parties’ mutual interests, as well as in the public interest, to have the Parties’ respective responsibilities concerning the implementation of services for the Program memorialized in a written agreement.



**NOW, THEREFORE,** DCA and EDA agree as follows:

#### Section 1. Grant Award

1.1 Subject to the terms and conditions of this MOU, DCA, as Grantee, shall make available to EDA, funds in the amount not to exceed Fifty Million Dollars (\$50,000,000.00) (the “Grant Funds”) for the purpose of funding the Program. Upon full execution of this MOU, DCA will disburse one-quarter (25%) of the entire amount of the Grant Funds, or Twelve Million Five Hundred Thousand Dollars (\$12,500,000.00) to EDA.

1.2 After the initial advance, DCA will disburse three subsequent advances, each totaling one-quarter of the entire amount of the Grant, or Twelve Million Five Hundred Thousand Dollars (\$12,500,000.00), upon written request by EDA to DCA. The request shall include the required documentation such as a Duplication of Benefits Certification and the reporting requirements that include performance objectives proposed by the Parties and/or required by the United States Department of the Treasury (“U.S. Treasury”), as identified in Exhibits C and D. Exhibits C and D are attached hereto and made a part hereof.

1.3 DCA agrees to advance the requested funds within fifteen (15) calendar days of EDA’s submission of a complete request. The cash transfer to provide EDA with the advance will be recorded in SIROMS.

#### Section 2. Terms of the Services

2.1 EDA shall use the Grant Funds for the purpose of funding the Program. Any material changes to the Program must be approved by DCA prior to implementation, except to the extent such changes are required to conform with federal requirements or conditions of funding.

2.2 EDA must meet the deadlines for the use of CSFRF Funds. Any CSFRF Funds not obligated by December 31, 2024, or not expended by December 31, 2026 to cover such incurred costs, must be returned to United States Department of the Treasury (“U.S. Treasury”), unless the deadline is extended by U.S. Treasury.

2.3 EDA must also ensure that any entities to which EDA provides CSFRF Funds obligate the Grant Funds by December 31, 2024 and expend the Grant Funds by December 31, 2026, unless the deadline is extended by U.S. Treasury.

2.4 EDA will receive and must use the proceeds of this Grant for “Allowable Costs,” meaning costs that are acceptable pursuant to 2 CFR §200.403, all other applicable federal regulations, and approved as part of the Program encompassed by this MOU.

2.5 EDA may use the Grant Funds for Direct Costs, as defined in 2 CFR Part §200.413. EDA shall maintain full documentation of Direct Costs for all expenses incurred and provide access for DCA, U.S. Treasury, and any other monitoring agency upon request.

2.6 EDA must not use the Grant Funds for ineligible costs, as defined by the ARP Act, 42 U.S.C. 802(c)(2) and the U.S. Treasury CSFRF Final Rule, 87 Fed. Reg. 4338, 4422 (Jan. 27, 2022), including the use of funds for debt service or to replenish financial reserves.

2.7 The administrative costs of the Program are in addition to the Grant Funds allocated to EDA's Program and may not exceed Five Percent (5%) of the total Grant allocation.

### Section 3. Responsibilities of EDA

3.1 Prior to December 31, 2024, to demonstrate compliance with Section 2.2, EDA shall provide a report to the DCA demonstrating actual or committed disbursement of Grant Funds and the need for and commitment to expend the Grant Funds by no later than December 31, 2026.

3.2 EDA shall provide the requisite staff and support required to implement the Program.

3.3 EDA hereby binds itself, certifies and assures that it will comply with all federal, State and local laws and regulations, policies, guidelines and requirements, as they relate to the acceptance and use of federal CSFRF Funds, including all applicable State and Federal Executive Orders. The Parties expressly acknowledge that the matters which are the subject of this MOU are governed by the ARP Act, including subtitle M, and administered by the U.S. Treasury, and may be subject to ongoing modifications and clarifications. The Parties agree to comply with all applicable CSFRF requirements and Federal cross-cutting statutes and regulations as more fully detailed in the Schedule of Assurances attached hereto as Exhibit E and made a part hereof, in addition to the U.S. Treasury Guidance and Frequently Asked Questions and the U.S. Treasury Final Rule (31 CFR Part 35) as they may be updated from time to time, and subject to any other exceptions and waivers that may be issued by U.S. Treasury that affect CSFRF Funds.

3.4 EDA shall be responsible for requiring that their subrecipients, contractors and all tiers of subcontractors adhere to all applicable State and Federal laws and regulations, including the ARP Act, all other applicable federal statutes, U.S. Treasury regulations, as well as the requirements set forth in this MOU, including Exhibit E, and to conduct all necessary monitoring for such compliance.

3.5 The frequency of financial reporting will be monthly and the Grant's progress reporting will be quarterly, unless the Parties agree otherwise.

3.6 EDA shall submit a record of all their obligations and expenditures into SIROMS with necessary supporting documentation, along with other obligations such as grants, subrecipient agreements and contracts. In addition to data entry, review, and other document submittals, EDA shall upload all monthly and quarterly reports, as required herein, and other Federal and State reports into SIROMS.

3.7 EDA agrees that in connection with its rights and obligations pursuant to this MOU, it shall cooperate with DCA, including the DCA monitoring team and the COVID-19 Integrity Oversight Monitor ("Integrity Monitor"), with regard to the audit of activities carried out pursuant to this

MOU, including compliance with various operating and reporting procedures which may hereinafter be promulgated by DCA or federal funding sources. EDA shall provide DCA with (read) access to and reporting from EDA's financial records and management systems which include, but are not limited to, paper documents, worksheets, grant management systems, contract management systems, and databases.

3.8 EDA must appoint and retain an Integrity Monitor pursuant to Executive Order No. 166 because the Grant Funds exceed twenty million dollars (\$20,000,000). NJDCA will follow-up with EDA to ensure that any concerns or findings reported by the Integrity Monitor are addressed.

3.9 To the extent that U.S. Treasury audits the use of the Grant Funds, EDA shall coordinate with DCA a response to such audit(s). EDA shall also be responsible for any recoupment of the Grant Funds that U.S. Treasury may require as the result of any audit findings.

3.10 EDA must comply with the audit requirements as outlined in 2 CFR Part 200, Subpart F, Audit Requirements, which mandates that if a non-Federal entity expends \$750,000 or more in federal awards during the non-Federal entity's fiscal year, the entity must have a single or Grant-specific audit conducted by an independent auditor for that year.

3.11 In the event that the actual or committed disbursement of funds as stated in the report provided pursuant to Section 3.1 is less than the amount of the Grant Funds, or upon termination of the MOU, EDA shall promptly remit to DCA the balance of the remaining Grant Funds.

3.12 EDA is responsible for ensuring that the use of Grant Funds does not constitute "Improper Payments," as defined by the Uniform Administrative Requirements at 2 C.F.R. § 200.1. EDA shall establish appropriate policies and procedures to prevent Improper Payments and shall cooperate and coordinate with other State Departments and agencies to prevent and rectify Improper Payments, which may include, but is not limited to, recoupment of Grant Funds.

3.13 The Accountability Officer for EDA is the Chief Legal and Administrative Affairs Officer, who shall be responsible for overseeing the successful performance and completion of EDA's obligations as provided in this MOU and shall be the point of contact for DCA, Governor's Office and the Office of the State Comptroller. The Accountability Officer is required to perform risk assessments and is responsible for overseeing the Program along with hiring an Integrity Monitor, if appropriate.

3.14 EDA shall provide any complaints of discrimination on the grounds of race, color, or national origin, and limited proficiency covered by Title VI of the Civil Rights Act of 1964, and any review, proceedings and outcome related to the complaint.

3.15 EDA shall maintain records for the period set forth in the State General Retention Schedule or seven (7) years for federal grants. Non-federal entities not subject to State retention requirements shall maintain records for the period set forth in 2 C.F.R. § 200.334.

#### Section 4. General Provisions

4.1 Termination and Amendments. This MOU may be modified or extended only by prior written agreement by the Parties. This MOU may be terminated by either DCA or EDA upon thirty (30) days prior written notice to the other Party.

4.2 This MOU is being entered into for the sole purpose of evidencing the mutual understanding and intention of the Parties.

4.3 There are no third-party beneficiaries of this MOU.

4.4 This MOU shall be administered consistent with N.J.S.A. 52:14-1 et seq.

4.5 The Effective Date of this MOU shall be the later of the date executed by the Parties below and shall continue until March 31, 2027.

4.6 DCA and EDA shall retain all the powers, obligations and immunities provided by law.

4.7 The Parties acknowledge that the successful completion of each Party's duties hereunder will require cooperation between the Parties. The Parties agree to work cooperatively to achieve the goals of this MOU.

4.8 The recitals appearing before Section 1 are made part of this MOU and are specifically incorporated herein by reference.

4.9 This MOU may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[The remainder of this page is intentionally left blank.]

**IN WITNESS WHEREOF**, the Parties have executed and delivered this MOU on the date set forth next to their respective signatures below, but effective as of the date set forth above. The Parties agree to accept electronic signatures.

**STATE OF NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**

\_\_\_\_\_  
By: Samuel R. Viavattine  
Deputy Commissioner

Date: \_\_\_\_\_

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

\_\_\_\_\_  
By: Tim Sullivan  
Chief Executive Officer

Date: \_\_\_\_\_

Exhibit A – Description of the Grant  
Exhibit B – Budget  
Exhibit C – Financial Reporting Requirements  
Exhibit D – Performance Reporting Requirements  
Exhibit E – Schedule of Assurances

**EXHIBIT A**  
**UNIVERSITY HOSPITAL (UH) NEED AND PROGRAM ELIGIBILITY**

**A. Project Purpose**

**In addition to answering the following questions, please provide a brief narrative describing the project.**

**1. How does your project relate to COVID-19?**

- a. Public Health (EC 1): Describe how funds are being used to respond to COVID-19 and the broader health impacts of COVID-19 and the COVID-19 public health emergency.**

As the only public hospital in the State of New Jersey and the only State-designated Level 1 Trauma Center in Northern New Jersey, UH is a critical part of the State's infrastructure for emergency and disaster response. UH is using CSFRF funds to apply the lessons learned from the front lines of the pandemic to build modern infrastructure that allows for a safer environment of care in the context of communicable diseases, such as COVID-19, as well as to increase preparedness for future pandemics.

UH has received a separate allocation of CSFRF funds (\$150 million) to upgrade its existing facilities in response to COVID-19. This grant to the New Jersey Economic Development Authority (NJEDA) will supplement UH's \$150 million and may be used for some or all of the following activities:

- Engage various consultants to implement UH's planned improvements on its campus (i.e., market analysis, feasibility study for parcels, project financial analysis and planning)
- UH has prepared a campus master plan that includes these campus improvements:
  - Expand the UH Emergency Department to accommodate more patients, while improving the physical infrastructure in all clinical areas to establish better infection control protocols, such as greater distance between treatment bays and enhanced ventilation.
  - Expand and fortify Intensive Care treatment areas that are equipped with negative pressure ventilation and technology improvements to allow for remote monitoring of patients, thereby reducing the strain on PPE and other resources that, during an emergency, can be in short supply.
  - Design and develop an acuity-flexible beds to allow for a more dynamic care model that can adapt more easily to the changing requirements of battling airborne, respiratory intensive viruses.

- Design and develop a best-in-class Command Center to improve the ability of hospital leaders and care teams to manage any pandemic or health crisis and enhance compatibility with existing Medical Coordination Center resources to facilitate UH's role as the Regional Collaborator for Northern New Jersey in this and any future public health emergencies.

To implement the campus master plan, the funds provided to NJEDA may be used for design, engineering, environmental investigation and related remediation, demolition, site improvements, new construction, renovation or rehabilitation of buildings on the UH campus, and other services/items required to implement the master plan.

## **B. Targeted Beneficiaries (Describe all that Apply)**

New Jersey aims to promote equity for underserved, marginalized, and adversely affected groups by directing programs to prioritize economic and racial equity. To review the State's equity strategy, please see the [2021 New Jersey Recovery Plan Performance Report](#).

1. How does your program align with New Jersey's equity strategy? As applicable, please describe how your use of funds prioritizes economic and racial equity as a goal, names specific targets intended to produce meaningful equity results at scale and articulates the strategies to achieve those targets.
  - a. Goals: Does your program intend to serve particular historically underserved, marginalized, or adversely affected groups?

As an anchor institution serving a diverse patient population, UH will lead by example and build both an internal and outward facing antiracism and equity and inclusion strategy. Newark is rich in history, vibrant in its culture and diversity, and primed for strategic initiatives that address an array of racial, economic and health equity inequities. As part of the Master Facilities Plan, Brick by Brick is the UH campaign to drive community conversations around what intergenerational family members need to thrive. These discussions can help UH build an envisioned healthcare system with an equitable campus-wide action plan that considers the safety and well-being of everyone. In addition, UH will periodically assess its workforce for implicit bias, cultural humility/responsiveness, and alignment with community needs.

UH has four key anti-racism priority action areas: 1) Provide tools to eliminate organizational bias and discriminatory behaviors; 2) Become a culturally responsive and accountable organization; 3) Develop catalysts for change in the areas of diversity, equity, accessibility, belonging, justice, truth and reconciliation, and inclusion for staff, patients and the community; and 4) Excel on external measures of inclusivity. Additional efforts include UH's: design and mobilization of Social Determinants of Health (SDOH) screenings; conducting Community Health Needs Assessment (CHNA); continuing to establish and grow community partnerships; organizing a community resource map, Now Pow

system integration and Epic updates; on-going establishment of risk stratification tools using patient registries; driving the Hospital-Based Violence Intervention Program; providing spiritual care to victims of crime; an internal UH violence prevention committee; continual evaluation of hospital program effectiveness and implementation of the strategies to address needs identified by the CHNA, soliciting facilities improvement and master planning input from hundreds of individuals and community organizations, etc.

A cross-functional team of UH's Equity and Inclusion Steering Committee members, as well as other key stakeholders, held multiple meetings to brainstorm, research, and prioritize a series of measurable goals for UH to include on its Patient, Community and Workforce Equity and Inclusion scorecard. UH is also thinking about intergenerational outreach. By engaging younger populations and the organizations that serve them, UH also helps address inequities. Engaging youth increases the probability of students navigating their social and economic environment and achieving a greater likelihood of success in adulthood. Related to strategies, evidence shows that the most effective interventions at addressing health literacy and equity include multi-lingual, simplified written materials, picture-based instructions, video presentations, social media campaigns, educational forums, pop-up health fairs and one-on-one health education. Across patient, employee, community, and other domains, UH will offer more transparency such that patterns of bias and other inequities can be more easily identified via data and feedback and addressed with accountability. UH will tailor quality improvement efforts to meet the needs of its patient populations, with focused action on achieving positive outcomes for patients experiencing the most common chronic conditions and program funding can assist in navigating these areas.

- b. Awareness: How will you ensure these groups become aware of the services funded by this program?

UH has a strong track record of engaging community and informing them of hospital initiatives, including the many organizations and alliances UH collaborates with. There are numerous community affairs and equity focused public education activities throughout each month; and some have the capacity to reach thousands of people.

The infrastructure for engaging community has been well established and communicating these public education developments in-person, via various communication platforms, including social media, flyers, press releases, patient engagement, online tools, at senior centers, through community anchors, etc., would continue in a manner that helps UH engage, inform and share power with community and ensure that UH is a place where the human experience is emphasized, and care is designed in ways that are accountable and effective for the populations UH serves.



In addition, UH will use the CHNA process to engage stakeholders around the final CHNA report and related equity-centered developments. Also, UH will leverage the Community Advisory Council which is a subcommittee of the UH Community Oversight Board to share key updates around its services and programs.

- c. Access and Distribution: How will you ensure equal levels of access to benefits and services across groups? How will you remove administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?

New Jersey's health equity strategy promotes equity for underserved, marginalized, and adversely affected groups and aims to provide direct benefits and services to individuals and families who have the greatest and most immediate need—even more so, because of the pandemic. For New Jersey, these groups include women, Black/African American, Latino/Hispanic, Asian American and/or native or indigenous groups, and the economically disadvantaged; UH's mission is aligned with the state's health equity strategy and therefore centers the human experience and access to quality healthcare for every patient, every time, inclusive of care takers, historically excluded groups, the LGBTQIA+ community, the economically disadvantaged. UH is also mindful of the need to be inclusive around language barriers, ability status, etc.

Central to fully realizing the promise of the project is improvement to the existing UH programming and services, the state's only public hospital in New Jersey and, by statute, the principal teaching hospital for Rutgers New Jersey Medical School, Rutgers School of Dental Medicine, and any other Rutgers Biomedical and Health Sciences Newark-based medical education programs. The improvements would include new operating rooms, upgraded clinical facilities and an enhanced trauma center. As an outcome of this project and its improved and expanded facilities, UH will partner with existing and new partners to provide state-of-the-art behavioral health services, cardiovascular and transplant treatment, comprehensive healthcare for women and children, and cutting-edge oncology services with support to UH.

UH is providing clinical preventive services to the community and connecting to care those who have been lost to care. As New Jersey's public academic health center, addressing identified healthcare disparities and gaps in care delivery are integral to its mission. Improving healthcare services depends in part on ensuring that people have a usual and ongoing source of care which, in turn, helps patients have better health outcomes.

UH has declared that racism is a public health crisis. Black and Brown communities have disproportionate rates of hypertension, diabetes, and obesity. UH is tracking related data and equity dimensions to improve access to quality healthcare services. Targeting inequitable conditions through heightened services will improve overall health outcomes and decrease comorbidities. Identifying organizations and stakeholders equipped to leverage solutions is a first step in

addressing the social determinants of health. Programming aims to support diverse and inclusive community members in practicing a healthy lifestyle and making changes that reduce the risk of developing chronic diseases.

- d. Outcomes: How are intended outcomes focused on closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions where relevant for the policy objective?

While the need for new construction at UH was identified prior to the COVID-19 pandemic, UH has learned much from being on the front lines battling this virus and intend to ensure that funds from this grant would be dedicated to building an infrastructure that allows for a safer environment of care in the context of COVID-19, as well as increase its preparedness overall for future pandemics. Preliminary design elements to achieve this purpose include:

- Expanded space in UH's Emergency Department to accommodate more patients, while improving the physical infrastructure to establish greater infection control protocols, such as greater distance between treatment bays and enhanced ventilation
- Expanded and fortified Intensive Care treatment areas that are equipped with negative pressure ventilation and technology improvements to allow for remote monitoring of patients, thereby reducing the strain on PPE and other resources that can become short in supply
- Design of acuity-flexible beds to allow for a more dynamic care model that can adapt more easily to the changing requirements of battling airborne, respiratory intensive viruses
- Best-in-class Command Center space to improve the ability of hospital leaders and care team members to manage any pandemic or health crisis, as well as greater compatibility with existing Medical Coordination Center resources to further cement UH's role as the Regional Collaborator for Northern New Jersey in this and any future public health emergency.

Provider relationships, prenatal care, preventive screenings, substance use disorder treatment, and telehealth have been areas of focused discussion with community anchors. While everyone should have equal access to healthcare, vulnerable segments of the population require greater support and services--this is a central tenet of health equity, i.e., to design services and interventions according to specific and known needs. If certain illnesses or diseases affect a group disproportionately, greater support is needed to improve their health outcomes (i.e., among the Black/African American, Hispanic/Latino, LGBTQIA+, undocumented, non-English speaking population, et al.).

Long waits in the Emergency Department, limits of telehealth due to internet access issues and its inability to provide comprehensive care, the need for preventative health screenings in the community, need for cultural competency and humility among providers, lack of trustworthiness and accountability by healthcare systems, healthcare inclusivity (LGBTQIA+ and youth), transportation as a barrier, along with the insufficiency of charity care, unaffordability of health insurance, high premiums, and ineligibility of undocumented persons to get health insurance were cited among participants in the CHNA. UH will engage community stakeholders in its CHNA implementation plan which will deliberately align with strategic and organizational priorities as well.

As part of Brick-by-Brick, UH has hosted numerous feedback sessions for employees and the greater Essex County community. UH has learned a great deal and will continue to learn more through this engagement process. Key to engaging its communities in an authentic manner is providing enhanced multi-lingual outreach. Ensuring staff are equipped to best serve diverse, inclusive and multi-lingual patients and community members is also important. UH will safeguard inclusive processes throughout the talent life cycle and will embed de-biasing tools at key decision points in the process and provide equitable opportunities to develop the capability and skills that UH needs to deliver high-quality, safe and equitable care for its patients with a focus on anti-racism initiatives for patients, staff and community members. In addition, UH will commit to expanding access to business opportunities for small businesses, local businesses, and businesses owned by historically excluded groups, women, veterans, and LGBTQIA+ persons as all aspects of diversity impact patient-centered and trauma informed care.

2. How does your program's planned or current use of funds incorporate written, oral, and other forms of input that capture diverse feedback from constituents, community-based organizations, and the communities themselves?

UH currently captures feedback through the following methods:

- through its CHNA and Brick by Brick conversations, in tandem with community engagement expand the reach and depth of its access to input and diverse feedback. Across this spectrum of activities, community has been engaged in person, via online platforms, electronic surveys and/or publicly available vision and discussion boards
- UH has hosted webinars and partnered with advocacy groups, held open forum listening sessions and feedback discussions, breakout groups, focus groups, opportunities for written submissions to capture diverse feedback, etc..

3. How will funds build the capacity of community organizations to serve people with significant barriers to services, including people of color, people of low incomes, limited English proficient populations, and other traditionally underserved groups?

Almost 70% of UH inpatients have Medicaid, receive charity care, or are self-pay. Health care access including access to primary care, including prevention services, mental health, dental care, and prenatal care are areas UH strives to remove barriers and ensure all people receive quality services.

Furthermore, medical records indicate that nearly 2,500 patients hospitalized in FY2021 reported problems related to employment, and approximately 4,500 had issues related to housing and economic circumstances. UH's team of providers, social workers, patient navigators, resource and financial counselors, community health workers, community health chaplains, limited English proficiency staff and others are huge contributors to UH living its mission and values and connecting patients to the necessary social services and clinical services according to their social needs and health conditions. UH will continue to implement the US Department of Health and Human Services' 15 action steps for providing Culturally and Linguistically Appropriate Services. UH will also deploy strategies to remediate inequities in healthcare services that may impact health of populations by designing solutions that consider the social determinants of health or the conditions under which UH's patients live, work, worship, and recreate.

Thus, the Brick-by-Brick program has allowed UH to ask specific questions around patient and community needs. Since the Newark Accords were signed, UH has had an imperative to deliver for the greater Newark area. With growing primary care needs of UH's community, lessons learned from the COVID-19 pandemic, an ongoing mental and behavioral health crisis that has been exacerbated by the pandemic, and the community's demand for more comprehensive and specialized care, its current facilities are bursting at the seams. A new, modern facility will allow UH to meet and exceed these needs, in its quest to build a thriving and modern biomedical campus.

### **C. Additional Funding (Current or Anticipated)**

At this time, UH has recognized that the total cost of the project exceeds the currently appropriated CSFRF funds available. As a result, UH is reviewing other sources of capital funding. In addition, UH is considering economic development and partnership opportunities that could yield additional capital dollars, though none are secured to date.

**American Rescue Plan State of New Jersey Budget Template - Exhibit B USD's (\$50,000,000.00)**

**Sub-recipient:** Economic Development

**Program:** University Hospital Study and Plan Program

**Grant Award:** \$ 50,000,000.00

Activity 1 Expenditure Sub- Category:

Activity 2 Expenditure Sub-Category:

Activity 3 Expenditure Sub- Category:

2.21 Medical Facilities for Disproportionately Impacted Communities^

**Section 1 Direct:**

| <b>Budget Expenditure Categories</b>           | Activity 1       | Activity 2 | Activity 3 | Total            | Line Item Justification Narrative                          |
|--|------------------|------------|------------|------------------|--|
| 1. Salaries                                    |                  |            |            | -                |  |
| 2. Related Benefits                            |                  |            |            | -                |  |
| 3. IT/Telecom                                  |                  |            |            | -                |  |
| 4. Operating Supplies & Services               |                  |            |            | -                |  |
| 5. Environmental Reviews                       |                  |            |            | -                |  |
| 6. Grants                                      |                  |            |            | -                |  |
| 7. Contracts                                   | 7,000,000        |            |            | 7,000,000        | Activity 1: consultants for project planning and financing |
| 8. Loans                                       |                  |            |            | -                |  |
| 9. Transfers                                   |                  |            |            | -                |  |
| 10. Direct                                     |                  |            |            | -                |  |
| <b>11. Total Direct Costs (add lines 1-10)</b> | <b>7,000,000</b> | <b>-</b>   | <b>-</b>   | <b>7,000,000</b> |  |

**Section 2 Admin:**

| <b>Budget Expenditure Categories</b>           | Activity 1 | Activity 2 | Activity 3 | Total    | Line Item Justification Narrative |
|--|------------|------------|------------|----------|-----------------------------------|
| 1a. Salaries                                   |            |            |            | -        |                                   |
| 2a. Related Benefits                           |            |            |            | -        |                                   |
| 3a. IT/Telecom                                 |            |            |            | -        |                                   |
| 4a. Operating Supplies & Services              |            |            |            | -        |                                   |
| 5a. Contracts/Professional Services            |            |            |            | -        |                                   |
| 6a. Environmental Reviews                      |            |            |            | -        |                                   |
| <b>7a. Total Admin Costs (add lines 1a-6a)</b> | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b> |                                   |

**Section 3 Capital:**

| <b>Budget Expenditure Categories</b>               | Activity 1 | Activity 2        | Activity 3 | Total             | Line Item Justification Narrative  |
|--|------------|-------------------|------------|-------------------|--|
| 1c. Salaries                                       |            |                   |            | -                 |  |
| 2c. Related Benefits                               |            |                   |            | -                 |  |
| 3c. IT/Telecom                                     |            |                   |            | -                 |  |
| 4c. Operating Supplies & Services                  |            |                   |            | -                 |  |
| 5c. Environmental Reviews                          |            | 50,000            |            | 50,000            | Activity 2: TBD construction activity requiring environmental review, if any |
| 6c. Grants   |            |                   |            | -                 |  |
| 7c. Contracts                                      |            | 42,950,000        |            | 42,950,000        | Activity 2: TBD construction activity  |
| 8c. Loans  |            |                   |            | -                 |  |
| 9c. Transfers                                      |            |                   |            | -                 |  |
| 10c. Direct  |            |                   |            | -                 |  |
| <b>11c. Total Capital Costs (add lines 1c-10c)</b> | <b>-</b>   | <b>43,000,000</b> | <b>-</b>   | <b>43,000,000</b> |  |

## EXHIBIT C

### Financial Reporting Requirements

- **Reporting of financial information**
  - **Financial reporting requirements are in place to support both US Treasury and State compliance and reporting guidelines**
  - **Financial information is required each month representing, among other data, expenditures on the program**
  - **The below list is an example of the data fields that will be required monthly (subject to revisions/edits), that will include obligations or liabilities, expenditures (invoiced as well as cash out the door), and other data relevant to grants, loans, contracts**
  - **Expenditure Categories (ECs), defined by US Treasury and identified in the program budget, will be associated with the expenditures as noted on the template**

Contract Number

Beneficiary

Obligation to Date

Cost or Expenditure Amount to Date

Contract Type

Contract Amount to Date

Contract Date

Period of Performance Start Date

Period of Performance End Date

Primary Place of Performance Address Line 1

Primary Place of Performance Address Line 2

Primary Place of Performance Address Line 3

Primary Place of Performance City Name

Primary Place of Performance State Code

Primary Place of Performance Zip+4

Primary Place of Performance Country Name

Contract Description

Expenditure Start Date

Expenditure End Date

Cost or Expenditure Category

Category Description

- **Reporting to DCA required monthly and quarterly**
  - **Monthly submissions are to occur 5 business days after previous month end**
  - **The reporting of the data will be entered directly into SIROMS or uploaded into SIROMS, and include support for expenditure transactions via excel**
  - **DCA may request data dumps to identify transactional details that facilitate reconciliation and transparency reporting**
  - **DCA will be reviewing the monthly reporting to determine that eligibility and data requirements are satisfied**
  - **Additional documentation support/backup for the above reporting should be maintained by agency/authority and subject to monitoring by DCA**
  - **Program expenditure and performance reporting is due quarterly. For example, at the end of September, both the required monthly report and a quarterly report will be due. The quarterly report will be due 10 days after the close of the quarter**
  - **DCA and the Department will work in real time to reconcile/resolve all and any issues to ensure timely distributions of funds/budget as needed**

# Coronavirus State and Local Fiscal Recovery Funds

## Program Performance Reporting

### (Exhibit D to MOU)

Compliance with CSFRF requirements includes mandatory reporting of performance indicators and programmatic data in the quarterly Project and Expenditure Reports and the annual Recovery Plan, in addition to discretionary performance indicators that the Program and DCA determine are appropriate. Discretionary performance indicators will include quantitative and qualitative targets. DCA will determine the appropriate program outcomes in collaboration with the respective agencies. Agencies will be asked to report on their progress towards those outcomes.

Following is a list of required data for Treasury's performance reporting, for each of the delineated Expenditure Categories. Agencies will be asked to report on their progress towards these deliverables. Please note that these datapoints are for informational use only and remain subject to change as U.S. Treasury finalizes its reporting requirements.

This program is qualified under **Expenditure Category 2.21** Medical Facilities for Disproportionately Impacted Communities.

All Expenditure Categories must report on the following points:

- **Projects:** Provide information on all SLFRF funded projects. Projects are new or existing eligible government services or investments funded in whole or in part by SLFRF funding. For each project, the recipient will be required to enter:
  - the project name,
  - identification number (created by the recipient),
  - project expenditure category,
  - description, and
  - status of completion.
- **Obligations and Expenditures:** Once a project is entered the recipient will be able to report on the project's obligations and expenditures. Recipients will be asked to report:
  - Current period obligation
  - Cumulative obligation
  - Current period expenditure
  - Cumulative expenditure
- **Project Status:** Once a project is entered the recipient will be asked to report on project status each reporting period, in four categories:
  - Not Started
  - Completed less than 50 percent
  - Completed 50 percent or more
  - Completed



# Coronavirus State and Local Fiscal Recovery Funds

## Program Performance Reporting

### (Exhibit D to MOU)

- Program Income: Recipients should report the program income earned and expended to cover eligible project costs, if applicable.
- Adopted Budget (States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents only): Each state, territory and metropolitan city and county with a population that exceeds 250,000 residents will provide the budget adopted for each project by its jurisdiction associated with SLFRF funds. Treasury will use this information to better understand the intended impact, identify opportunities for outreach, and understand the recipient's progress in program implementation. Treasury is not approving or pre-approving projects or budgets.
- Subawards, Contracts, Grants, Loans, Transfers, and Direct Payments: Each recipient shall also provide detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities, and direct payments made by the recipient that are greater than \$50,000.
- Civil Rights Compliance: Treasury will request information on recipients' compliance with Title VI of the Civil Rights Act of 1964, as applicable, on an annual basis. This information may include a narrative describing the recipient's compliance with Title VI, along with other questions and assurances. This collection does not apply to Tribal governments
- Ineligible Activities: Tax Offset Provision (States and territories only): Treasury may collect additional information related to the Tax Offset Provision as described in section 602(c)(2) of the Social Security Act and implemented under 31 CFR 35.8 as part of the Project and Expenditure Report, such as but not limited to revenue reducing covered changes. Please see Section C.11 (Recovery Plan, Ineligible Activities: Tax Offset Provision) for more information.

Programs such as yours in this Expenditure Category must report on the following programmatic points:

- Project Demographic Distribution: Recognizing the disproportionate public health and negative economic impacts of the pandemic on many households, communities, and other entities, recipients must report whether certain types of projects are targeted to impacted and disproportionately impacted communities. Recipients will be asked the following:
  - What Impacted and/or Disproportionately Impacted population does this project serve. Please select the population primarily served.
  - If this project primarily serves more than one Impacted and/or Disproportionately Impacted population, please select up to two additional populations served.

|                          | Impacted | Disproportionately Impacted   |
|--------------------------|----------|---|
| Assistance to Households |          | <ul style="list-style-type: none"> <li>• Low-income households and populations<sup>3</sup></li> </ul> |

# Coronavirus State and Local Fiscal Recovery Funds

## Program Performance Reporting

### (Exhibit D to MOU)

|  |  |  |
|--|--|--|
|  |  | <ul style="list-style-type: none"> <li>Households and populations residing in Qualified Census Tracts</li> </ul> |
|--|--|--|

#### Programmatic Data

#### Expenditure Categories 1-3

##### Public Health and Negative Economic Impact (EC 1.1-3.5)

- Brief description of structure and objectives of assistance program(s), including public health or negative economic impact experienced
- Brief description of how a recipient's response is related and reasonably and proportional to a public health or negative economic impact of COVID-19.

##### Capital Expenditures (EC 1.1-3.5)

- Does this project include a capital expenditure?
- Total expected capital expenditure, including pre-development costs, if applicable
- Type of capital expenditure, based on the provided enumerated uses
- For recipients (other than Tribal governments) investing in projects with total expected capital expenditures for an enumerated eligible use of \$10 million or more, as well as projects with total expected capital expenditures for an "other" use of \$1 million or more, please provide a written justification
- For projects with total expected capital expenditures of over \$10 million, provide labor reporting as outlined for infrastructure projects on pages 30-31 of the [Compliance and Reporting Guidance](#) and page 7-8 of this document.

**EXHIBIT E**  
**SCHEDULE OF ASSURANCES**

The New Jersey Economic Development Authority (“EDA”) will comply with the provisions of the following federal statutes, rules, and regulations in connection with the American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund:

**A. Federal regulations applicable include, without limitation, the following:**

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as U.S. Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by U.S. Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award. See <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds/recipient-compliance-and-reporting-responsibilities>
2. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
3. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
4. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and U.S. Treasury’s implementing regulation at 31 C.F.R. Part 19.
5. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
6. Government-wide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
7. New Restrictions on Lobbying, 31 C.F.R. Part 21.
8. Executive Order 13985 On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government (January 20, 2021).
9. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

10. Generally applicable federal environmental laws and regulations.

**B. Statutes and regulations prohibiting discrimination applicable include, without limitation, the following:**

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and U.S. Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance. The following language must be included in every contract or agreement subject to Title VI and its regulations between the Recipient and the Recipient's sub-grantees, contractors, subcontractors, successors, transferees and assignees:

The sub-grantee, contractor, subcontractor, successor, transferee, and assignees shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the U.S. Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the U.S. Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

2. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.
3. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.
4. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and U.S. Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.
5. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**C. Federal Labor Standards**

1. The Contract Work Hours and Safety Standards Act (40 U.S.C. §3701 et seq.), requiring that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts of \$100,000 or greater be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work-week;

2. The Federal Fair Labor Standards Act (29 U.S.C. 201 et seq.), requiring that covered nonexempt employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week;
3. The Copeland “Anti-Kickback” Act (18 U.S.C. 874), as supplemented in Department of Labor regulations (29 CFR 3), which requires payment of wages once a week and allows only permissible payroll deductions.

**D. Other State and federal laws applicable include, but are not limited to, the following:**

1. The New Jersey Prevailing Wage Act (N.J.S.A. 34:11-56.25 et seq.), establishing a prevailing wage level for workers engaged in public works.
2. The Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limits certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
3. State of New Jersey Executive Order No. 215 (Kean 1989), requiring environmental assessments or environmental impact statements to the extent applicable for major construction projects.
4. (a) In accordance with 41 U.S.C. § 4712, EDA may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.  
  
(b) The list of persons and entities referenced in the paragraph above includes the following:
  - a. A member of Congress or a representative of a committee of Congress;
  - b. An Inspector General;
  - c. The Government Accountability Office;
  - d. A Treasury employee responsible for contract or grant oversight or management;
  - e. An authorized official of the U.S. Department of Justice or other law enforcement agency;
  - f. A court or grand jury; or
  - g. A management official or other employee of DCA, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.  
(c) EDA shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.
5. Contracting with Small, Minority-owned, Women-owned and Veteran-owned Businesses, and Labor Surplus Area Firms.

(a) EDA shall take all necessary affirmative steps to ensure contracting opportunities are provided to small, minority-owned, woman-owned, and veteran-owned businesses, and labor surplus area firms. As used in this contract, the terms “minority-owned business,” “women-owned business,” and “veteran-owned business” means a business that is at least fifty-one percent (51%) owned and controlled by minority group members, women or veterans. For purposes of this definition, “minority group members” are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and Native Americans. EDA may rely on written representations by businesses regarding their status as minority, women and veteran businesses in lieu of an independent investigation.

(b) Affirmative steps shall include:

- a. Placing qualified small and minority-, veteran- and women-owned businesses on solicitation lists;
- b. Ensuring that small and minority-, veteran- and women-owned businesses are solicited whenever they are potential sources for goods and/or services required in furtherance of the Agreement;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority-, veteran- and women-owned businesses;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority-, veteran- and women-owned businesses;
- e. Using the service and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce; and
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in subparagraphs (a) through (e) of this section.

#### **E. Increasing Seat Belt Use in the United States.**

1. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), EDA should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

#### **F. Reducing Text Messaging When Driving**

1. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), EDA should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and EDA should establish workplace safety policies to decrease accidents caused by distracted drivers.

#### **G. Personally Identifiable Information**

1. To the extent EDA receives personally identifiable information, it will comply with the Privacy Act of 1974 and U.S. Treasury rules and regulations related to the protection of personally identifiable information. The term “personally identifiable information” refers to information which can be used to distinguish or trace an individual’s identity, such as their name, social

security number, biometric records, etc., either alone or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc. See 2 CFR 200.79. Subrecipients shall require all persons that have access to personally identifiable information (including subcontractors/subconsultants and their employees) to sign a Non-Disclosure Agreement.

#### **H. Conflicts of Interest.**

1. EDA must maintain a conflict-of-interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded with CSFRF Funds.
2. EDA and any grantees or subrecipients must disclose in writing to U.S. Treasury or DCA, as appropriate, any potential conflict of interest affecting the CSFRF Funds in accordance with 2 C.F.R. § 200.112.

#### **I. American Rescue Plan Act**

1. Sections 602 and 603 of the Social Security Act, as added in Section 9901 of the American Rescue Plan Act (Pub. L. 117-2).
2. Implementing regulations adopted by U.S. Treasury pursuant to Section 602(f) of the Social Security Act, as added in Section 9901 of the American Rescue Plan Act (Pub. L. 117-2).

## **MEMORANDUM OF UNDERSTANDING REGARDING UNIVERSITY HOSPITAL**

This Memorandum of Understanding (“MOU”) by and between University Hospital (“UH”), a body corporate and politic and an instrumentality of the State of New Jersey (“State”), and the New Jersey Economic Development Authority (“EDA”), with an effective date of July 1, 2022, will confirm the mutual understanding and intention regarding the preparation of the study required by the 2022-2023 State Budget, and associated site development and capital construction required to implement the UH Master Plan in Newark, Essex County (“Project”). UH and EDA are collectively referred to herein as the “Parties.”

WHEREAS, the 2021-2022 State Budget allocated \$500,000 to UH for the initial planning of the UH campus. In January 2022, UH engaged Gensler, an architecture and engineering firm with expertise in healthcare design, to develop a master facilities plan for the future of UH (“Master Plan”). The Master Plan is expected to be completed in 2023;

WHEREAS, most recently, the 2022-2023 State Budget allocated \$50 million of American Rescue Plan Act Funds (“ARP Funds”) to EDA “to study and plan for new health care facilities at the University Hospital site to meet community health care needs in the City of Newark, and to fund site development and capital construction. The study shall take into consideration how new facilities would complement existing health care services and facilities in the region.” Upon completion, the study shall be submitted to the “Governor, the Legislature, and the University Hospital Board of Directors.”;

WHEREAS, for the purpose of engaging consultants to facilitate the planning and development of the UH Campus, the Parties agree to enter into this MOU as an inter-departmental governmental agreement consistent with N.J.S.A. 52:14-1 et seq.

**NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED** by and between UH and EDA that for and in mutual consideration of the covenants herein the Parties agree as follows:

1. **EDA Services and Responsibilities.**

EDA will be responsible for the following:

- A. **The Health Care Needs Study.** EDA will engage and manage the required consultant to prepare the study required by the 2022-23 budget funding allocation, which includes, but is not limited to assessing the health care needs of the Greater Newark community (collectively, “Predevelopment Services”). A copy of the RFP and contract is attached as Exhibit A.



- B. Economic Feasibility Study for UH Campus Parcels. To determine the best use of certain parcels, as identified in the RFP, on the UH Campus EDA will engage and manage the required consultant to prepare a study regarding the best economic development and real estate use alternatives for certain parcels on the UH Campus, which will be identified in partnership with UH and Rutgers University as the State's current tenants on the parcels. A copy of the RFP is attached as Exhibit B, and a copy of the final contract will be shared with UH upon execution.
- C. Financial Planning for UH Campus. EDA will engage and managed the required consultant to prepare an initial study to determine the best methods to finance the Master Plan improvements.
- D. Additional Services. Should the Parties identify the need for additional services in furtherance of the development of the UH Campus, including but not limited to additional professional services, EDA will engage the required experts to meet those identified needs only after the mutual agreement of the Parties. Any additional services to be provided will be subject to an amendment to this MOU or a new MOU, and subject to the availability of funds.
- E. Consultants and Contractors. EDA will engage contractors and consultants as follows:
- i. EDA's Authority to Hire Consultants and Contractors. The Parties agree that EDA shall retain and enter into agreements and contracts with consultants and contractors (including other State agencies) to assist EDA in connection with the services in Section 1 of this MOU. To the extent payment for such services is intended to be drawn from the funds appropriated to EDA for the UH Campus, such agreements and contracts will only be entered into following mutual agreement of the Parties.
  - ii. Commencement of Services. The Parties intend and UH authorizes EDA to contract for services required for the Predevelopment Services upon full execution of this MOU. These services shall be performed under the direction of EDA, with input from UH.
  - iii. Procurement Process. Any and all contracts with consultants or contractors entered into by EDA in connection with the EDA Services shall be advertised, solicited and selected by EDA in accordance with EDA applicable procurement requirements, including but not limited to those federal requirements associated with use of ARP funds as applicable, with UH participating in the selection of consultants and contractors to the extent permitted by EDA's policies and procedures.
  - iv. Form of Contracts and Agreements. The general terms and conditions of such

contracts shall be consistent with agreements typically entered into by EDA and shall provide for the termination by EDA at any time. Prior to termination of a contract EDA will advise UH.

- v. Paying Consultants and Contractors. EDA will use the funding outlined in Section 2 of this MOU to pay consultants, contractors and other vendors for work to complete the services required in Section 1 of this MOU.
2. **Funding for Services Under this MOU.** The ARP Funds will be used to pay for the services included in this MOU, subject to the determination by the Executive Director of the Governor's Disaster Recovery Office that the proposed use of the funds included in this MOU are eligible purposes under the American Rescue Plan Act of 2021, and subject to the approval of the Director of the Division of Budget and Accounting.
3. **UH's Responsibilities.** UH will be responsible for the following:
- A. Providing information, as requested by EDA, to complete the required tasks included in this MOU, provided such information is not in conflict with the fiduciary duties of the Hospital.
  - B. As requested, participate in the selection of consultants and contractors to the extent permitted by EDA's policies and procedures.
  - C. Review and provide input as may be requested by EDA on the Study to be presented to the Governor, Legislature and the UH Board of Directors.
4. **Compensation and Payment.**
- A. The Study. EDA shall receive up to 5% of the consultant's fee for the study, and any additional work performed under the contract.
  - B. Economic/Feasibility Study for UH Campus Parcels. EDA shall receive up to 5% of the consultant's fee for the study, and any additional work performed under the contract.
  - C. Financial Planning. EDA shall receive up to 5% of the consultant's fee for the study, and any additional work performed under the contract.
5. **Additional Provisions.**
- A. Sufficient Funds. It is agreed that nothing in this MOU shall obligate or require EDA or UH to enter into or continue any agreement or contract for the services included in Section 1 of this MOU or to expend EDA or UH personnel time or other administrative costs for the services included in Section 1 of this MOU unless sufficient funds are readily available

to such Party for their respective expenses and fees that would be incurred in connection with the services included in Section 1 of this MOU. Notwithstanding Section 6(h), the Parties shall at all times have the right to terminate or discontinue any agreement, contract or work if either Party determines that sufficient funds are not readily available and approved for the expenses and fees that would be incurred in connection with the services included in Section 1 of this MOU.

- B. Right of Entry. This MOU constitutes a right of entry license from UH to EDA, its employees, officers, agents, consultants and contractors, for access to all portions of the UH campus in order to carry out the services included in this MOU.
- C. Consultant Requirements. Any and all consultants and contractors hired by EDA who enter upon the UH Campus shall:
- i. Indemnify, defend and hold UH and EDA and their respective employees, agents and representatives harmless from any and all damages, losses or claims related to or arising from said consultant or contractor, or any agent, employee, subcontractor, supplier or subconsultant of such consultant or contractor entering the UH Campus.
  - ii. Maintain adequate insurance coverage as reasonably determined by UH and EDA.
  - iii. Be aware of and comply with UH's policies and Code of Conduct and all federal, state and local laws, ordinances, rules and regulations that affect those engaged or employed providing the required services in this MOU.
- F. Other Approvals. Each Party will obtain all applicable governmental approvals, permits, and authorizations necessary to effectuate their respective responsibilities under this MOU.
- G. Commencement and Duration. This MOU will be effective as of July 1, 2022. This MOU shall remain in effect for 60 months from the date and year first written above, and shall automatically renew for an additional 60 months unless otherwise terminated by the parties in writing.
- H. Amendments. This MOU may be amended in a writing executed by the Parties.
- I. Termination. Any Party shall have the right to terminate this MOU upon written notice to the other party. Upon termination, EDA shall make reasonable efforts not to incur any additional expenses or administrative costs; provided, however, EDA shall be permitted to continue to use the ARP Funds to pay for any expenses or fees actually incurred in connection with the services in Section 1 of this MOU.

- J. Notices. All notices required to be served or given hereunder shall be in writing and will be deemed given when received by personal delivery, by an overnight delivery service which issues a receipt from delivery, or three business days after having been mailed by certified mail, return receipt requested, and addressed as follows:

If to EDA: New Jersey Economic Development Authority  
36 West State Street  
P.O. Box 990  
Trenton, New Jersey 08625-0990  
Attention: Juan Burgos, Vice President  
Real Estate Development

If to UH: University Hospital  
150 Bergen St, Room D-225  
Newark, NJ 07103  
Attention: Chief Legal Officer

- K. Good Faith. UH and EDA will act with reasonable diligence and in good faith for the purpose of satisfying the conditions set forth herein.
- L. Titles and Headings. Titles and headings are included for convenience only and shall not be used to interpret the MOU.
- M. Electronic Signatures. Pursuant to written policy, EDA allows documents to be signed electronically and hereby agrees to be bound by such electronic signatures. UH also agrees to be bound by electronic signatures as a signatory to this MOU.

The foregoing correctly reflects the Parties' understanding and intent.

**[INTENTIONALLY LEFT BLANK]**



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan, Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** Economic Transformation Products  
Delegated Authority Approvals, Declinations, & Other Actions Q1 2023  
**For Informational Purposes Only**

### **Angel Investor Tax Credit Program**

On January 31, 2013, the New Jersey Angel Investor Tax Credit Act was signed into law with Regulations approved by the Members of the Board in June 2013. The New Jersey Angel Investor Tax Credit Program (ATC) establishes credits against corporate business tax or New Jersey gross income tax. When the program was originally approved, the amount of the tax credit was 10%. In 2019, Governor Murphy approved an increase to the amount of the tax credit from 10% to 20%, with a 5% bonus for investors in either NJ certified women- or minority-owned businesses, or businesses located in a state-designated Opportunity Zone or New Markets Tax Credit census tract. Starting with the 2021 program year, the Angel Tax Credit program cap was increased from \$25 million to \$35 million.

### **Angel Investor Tax Credit Program – Q1 2023 Review**

In the first quarter of 2023, the Authority approved 105 ATC investor applications with sixteen (16) emerging technology businesses benefiting from the ATC program. Of the 16 different companies receiving investments, two (2) of these were new companies to the program (noted below). Additionally, investors in four (4) companies qualified for an additional 5% bonus, which represents 25% of companies for this quarter. Specifically, one (1) was a state-certified Minority Business Enterprise, and three (3) businesses were located in an Opportunity Zone or New Market Tax Credit census tract. In total, \$2,118,792 in Angel Investor Tax Credits were awarded which incentivized \$10,42,356 in private sector investments into NJ emerging technology businesses.

| Sector                  | Investment Amount   | Tax Credit Amount  | Applications | # of Companies | % of Total Invested | % of Total Applications |
|-------------------------|---------------------|--------------------|--------------|----------------|---------------------|-------------------------|
| <b>Life Sciences</b>    | \$6,960,137         | \$1,412,028        | 89           | 7              | 66.8                | 84.8                    |
| <b>Technology</b>       | \$3,265,219         | \$656,794          | 14           | 8              | 31.3                | 13.3                    |
| <b>Clean Technology</b> | \$200,000           | \$50,000           | 2            | 1              | 1.9                 | 1.9                     |
| <b>Total</b>            | <b>\$10,425,356</b> | <b>\$2,118,822</b> | <b>105</b>   | <b>16</b>      |                     |                         |

The following sixteen (16) companies were awarded tax credits in the first quarter of 2023:

911Inform Holdings, Inc.: Based in Wall Township, NJ, is an emergency management software company that provides a platform to help emergency response teams better manage communication and connected building controls related to an emergency. The software also allows users to become compliant with specific Federal and State regulations requiring the exact location of a 911 call.

Ailares, Inc.: Based in Princeton, NJ, is a financial technology company that leverages machine learning (ML) and artificial intelligence (AI) in the fields of wealth management, investment management and risk management. The platform is designed to provide ordinary individuals with access to highly sophisticated AI/ML-based investment strategies and products (and qualifies for a bonus as a certified Minority Business Enterprise and is also new to ATC).

Apta Research, LLC: Based in Pennsauken, NJ, is a biotechnology-based pharmaceutical company with a main focus on developing immediate release and controlled release oral solid and liquid formulations (and qualifies for a bonus for operations in an Opportunity Zone or New Markets Tax Credit census tract.)

Aspargo Laboratories, Inc.: Based in Englewood Cliffs, NJ, is a life science company that commercializes a therapeutic approach to addressing a clinical need for drugs that treat erectile dysfunction.

BioAegis Therapeutics Inc.: Based in North Brunswick, NJ, is a private company commercializing groundbreaking discoveries in inflammation and infection.

Curio Therapeutics, Inc.: Based in Princeton, NJ. Curio designs customized interventions to address women's healthcare at various stages of life, from the childbearing years to menopause, through their proprietary app technology. Their flagship product focuses on managing postpartum depression. Curio technology adopts a holistic approach, encompassing both physical and mental health conditions, and helping women connect with communities and providers. Curio designs personalized information and interventions using an AI-driven model, adaptive learning, and evidence-based resources.

Elucida Oncology, Inc.: Based in Bound Brook, NJ, is a biotechnology company focused on clinical research, development and subsequent commercialization of life-changing products based

on the “Target or Clear” technology of the novel, ultra-small nanoparticle delivery platform.

Evergreen Theragnostics, Inc.: Based in Springfield, NJ, is a Contract Development and Manufacturing Organization (CDMO) servicing the radiopharmaceutical industry in developing early-stage molecules. Evergreen is also engaged in research and development of new diagnostic and therapeutic radiopharmaceutical products that it intends to market to US hospitals.

Ionic Water Technologies, LLC: Based in Hamilton, NJ, is developing and commercializing a proprietary method of water purification and desalination which uses electrical voltage to capture and wash away ionic contaminants, as well as a method for reusing carbon in the cleaning process (and qualifies for a bonus for operations in an opportunity zone or new markets tax credit census tract)

Modern Meadow, Inc: Based in Nutley, NJ, uses fermentation technology to produce animal-free proteins via a scalable and environmentally-responsible process. These proteins become the fundamental building blocks for materials and active ingredients with applications across multiple industries.

Neumentum, Inc.: Based in Summit, NJ, is a biotechnology company dedicated to becoming a leading non-opioid analgesic and neurology pharmaceutical company with six (6) novel non-opioid products in development to treat pain, in around the world. The Company aims to address shortfalls of current pain management treatments by developing and commercializing effective and safe, non-opioid options without the risks of abuse, misuse, and diversion seen with opioids, or the opioid-induced side effects, including potentially life-threatening respiratory depression.

POM Partners, Inc.: Based in Newark, NJ, provides an emergency communications portal solution for the higher education, healthcare, and enterprise industries (and qualifies for a bonus for operations in an Opportunity Zone or New Markets Tax Credit census tract).

Revenue Engine, LLC, dba “ProfiTank”: Based in Oakland, NJ, is an information technology company that develops web-based applications and software for businesses. Its core product, ProfiTank, has proprietary algorithms that assist business owners and executives with identifying tax-based programs that provide economic benefits. The algorithms that drive these software functions and programs are in the internal programming of the ProfiTank software, which is patent pending. (New to ATC).

Ricovr Healthcare, Inc.: Based in Princeton, NJ, is transforming oral diagnostics with a patented technology. Its first product is a highly sensitive, faster, non-invasive portable device to measure THC (psychoactive component of Cannabis) using saliva.

Shinkei Therapeutics, Inc.: Based in Princeton, NJ, is a clinical stage CNS (Central Nervous System) disorders focused pharmaceutical company using the 505(b)2 regulatory strategy to repurpose existing pharmaceutical products for faster and better patient outcome.

Vytalize Health, Inc.: Based in Hoboken, NJ, provides practices with a telemedicine platform that enables communication with patients remotely via smartphones (iOS and Android) or Vytalize-

provided tablets, as well as Electronic Medical Records software needed for the proper documentation and billing of services.

Please find a detailed list of all ATC applications that were approved under delegated authority during the first quarter of 2023 in Exhibit A.

### **Angel Investor Tax Credit Program Summary**

From program inception in 2013 through Q1 of 2023, the Authority has approved over 2,800 applications for almost \$94 million in tax credits representing over \$819 million invested in 136 New Jersey-based businesses. The NJEDA has not yet begun to review applications for program year 2023 and anticipates beginning to allocate the \$35,000,000 of tax credits for tax year 2023. Of note, date of application approval does not necessarily align to program year. Approvals in each quarter may be reflected in the awarded tax credit amounts for prior or current program years.

A summary of prior year tax credit and unallocated balances is provided in Exhibit B.

---

### **NJ Ignite Program**

NJ Ignite offers grants to support the rent of early-stage technology and life science companies located in a NJ Ignite approved collaborative workspace. Grants vary in amount. The start-up must commit to work for a specified time at the collaborative space under established agreements in which the workspace will partner to forego an element of the rent to support the business.

As of January 7, 2021, the Governor signed into law the Economic Recovery Act of 2020 (ERA) which results in the creation of the NJ Ignite Statutory Program. To ensure continuous NJ Ignite program operations, specific changes were approved by the Board on May 12, 2021, so that the NJ Ignite Pilot Program conforms to the NJ Ignite Legislative Program as outlined in the ERA. These updates included moving the annual reporting deadline to the calendar year end from one year anniversary date, increasing the maximum benefit from \$15,000 to \$25,000, expanding the eligible industries to align with current NJEDA targeted industries, extending the earliest formation date from application date to seven years, and adding two more stackable bonuses for M/WBEs and foreign companies. Updated Regulations for the NJ Ignite Legislative Program created by the ERA are anticipated but their generation is subject to the availability of the NJEDA Legal Affairs department resources.

### **NJ Ignite Program – Q1 2023 Review**

While many workspaces were hopeful for new tenants, demand for space from companies which could be program eligible remains low. These work managers believe the continuous uncertainty caused by spiking cases of Covid-19 throughout the region is impacting the decisions of new businesses to take on physical spaces.

In the first quarter of 2023, staff initiated the required annual review of all approved workspaces.



The review includes verification each workspace held at least eight eco-system building events throughout the year. Each workspace will also be required to submit a current certificate of liability insurance and tax clearance. Upon request for year-end reports, of the seventeen (17) workspaces, none withdrew from the program, five (5) completed and submitted all documents, one (1) partially submitted the required docs, and eleven (11) have been unresponsive. Annual reviews will continue in the second quarter of 2023.

There was one (1) new Tenant Application Approval and no new Workspace Approvals in the first quarter. There were also no NJ Ignite benefit disbursements made.

### **NJ Ignite Program Tenant Approvals**

| <b>Tenant Name</b>        | <b>Workspace Name</b>       | <b>EDA Grant</b> | <b>Number of Employees</b> | <b>Approval Date</b> |
|---------------------------|-----------------------------|------------------|----------------------------|----------------------|
| Linus Biotechnology, Inc. | Bioscience Center Incubator | \$15,000         | 9                          | 3/10/2023            |

At the program's peak, there were twenty-two (22) approved collaborative spaces approved for NJ Ignite. As of the end of Quarter 1 of 2023, seventeen (17) approved workspaces remain active. Explanations for NJ Ignite site withdrawals include executive decisions to not forego rent, the difficulty of holding events in spaces, and worksite closures. Staff has begun a program review for NJ Ignite to assess the program's performance, identify strengths and shortcomings, then provide recommendations for improvement.

---

### **NJ Accelerate Program**

On February 11th, 2020, the NJEDA Board approved the NJ Accelerate pilot program. The total program budget is \$2.5 million. Through NJ Accelerate, the NJEDA seeks to provide early-stage businesses access to best-in-class Accelerator programs, enabling the tools and support to grow their businesses in the Garden State. The program provides up to \$250,000 of direct loan funding and up to six months of free rent to Approved Accelerator Graduates located in New Jersey. Graduates certified as women- or minority-owned can receive an additional 5% bonus to the direct loan amount, as well as one additional month of rent. Approved Accelerators may also receive sponsorship of up to \$100,000 to hold events in NJ to encourage their on-the-ground engagement in the State. Also, a sponsorship bonus of 5% is available for Approved Accelerators demonstrating meaningful written policies and practices for attracting and promoting companies owned by women and minority persons.

The Authority began accepting applications to become an approved accelerator during fourth quarter of 2020. On November 12<sup>th</sup>, 2020, Morgan Stanley Multicultural Innovation Lab became the first approved accelerator. The Authority approved Cleantech Open Northeast on April 13<sup>th</sup>, 2021, becoming the second approved accelerator, followed by VentureWell's Aspire program

which was approved on May 14<sup>th</sup>, 2021. In the third quarter of 2021, University City Science Center's Launch Lane Accelerator was approved to participate in the Program on September 1<sup>st</sup>, 2021. HAX LLC is the most recent Accelerator program approved for participation in NJ Accelerate on April 4<sup>th</sup>, 2022.

### **NJ Accelerate Program Approved Accelerators**

| <b>Accelerator Name</b>                                  | <b>Accelerator Location</b> |
|--|-----------------------------|
| Morgan Stanley Multicultural Innovation Lab              | New York City, NY           |
| Cleantech Open Northeast                                 | Boston, MA                  |
| VentureWell - Aspire Program                             | Hadley, MA                  |
| University City Science Center - Launch Lane Accelerator | Philadelphia, PA            |
| HAX LLC  | Newark, NJ                  |

### **NJ Accelerate Program – Q1 2023 Review**

Reviews and discussions with accelerator programs and their company participants continued during the first quarter of 2023, as well as outreach to new accelerators. No new accelerator programs were approved for NJ Accelerate in the first quarter of 2023.

On February 8, 2023, the Board approved two delegations of authority to the Chief Executive Officer for NJ Accelerate Loan Benefits:

- 1) Delegation to approve individual NJ Accelerate Loan Benefit applications for Approved Accelerator Graduates. This delegation will increase efficiency by shortening response time identified as critical for the success of the Approved Accelerator Graduates and the NJ Accelerate.
- 2) Delegation to approve modifications of terms for approved NJ Accelerate funding, in accordance with existing post-closing delegate authority for loan programs.

---

### **Angel Match Program**

The funding for the Angel Match Program comes from the federal program known as the Small State Business Intuitive (SSBCI). New Jersey's share of the \$10 billion federal program is \$255,197,631. SSBCI is designed to cause and result in lending and investment of private capital into small businesses. On September 14, 2022, the NJEDA Board approved the Angel Match Program, the first of six programs under SSBCI. The total Angel Match Program budget is \$20,197,631. The Authority launched the Program's application on March 13, 2023.

The Angel Match Program provides funding to approved companies in the form of a convertible promissory note. Each note will be from \$100,000 up to \$500,000. The funding amount is determined by matching the NJEDA's funds with investments provided by the company by outside investors on a 1 to 1 basis. The investments must be in the form of preferred equity with a defined share price per share. The NJEDA's note will be unsecured and have no payments for the first

seven years. The note will have a 3% fixed interest rate and a 10- year maturity

### **Angel Match Program – Q1 2023 Review**

The Angel Match program launched in March 2023. Discussions began with various groups, such as Golden Seeds, TiE and the program was included in the presentation at the NJ Founders and Funders event. On March 17<sup>th</sup>, Staff presented a webinar on the Angel Match Program which was well received by the attendees. Since launch, Staff has received significant inbound interest from companies. Multiple companies have the potential to leverage the programs and will be monitored for possible application submissions.

---

### **New Jersey Zero-emission Incentive Program (NJ ZIP)**

In January 2021, the Members of the Board approved a \$15,750,000 pilot program called NJ ZIP, the New Jersey Zero-emission Incentive Program, funded from New Jersey Economic Development Authority's (NJEDA) allocation of the Regional Greenhouse Gas Initiative (RGGI) auction proceeds. Launched in April 2021, the NJ ZIP pilot established a first-come, first-served voucher-style program to reduce the upfront cost to purchase zero-emission vehicles for eligible applicants, with a focus on the adoption and use of zero-emission medium-duty vehicles in the greater Newark and greater Camden areas.

The primary goals of this pilot program are to:

- Accelerate the adoption and use of medium duty zero-emission vehicles in New Jersey;
- Reduce emissions within the pilot communities, greater Newark and greater Camden;
- Allow NJEDA to determine and stimulate market-readiness, assess effectiveness of funding levels and program design, and test methodologies for measuring economic impact of such adoption.

Based on the results of the pilot program (e.g., program uptake, efficacy, and continued market need), and assuming continued availability of RGGI funds allocated to this program, a longer-term program with expanded eligibility may be proposed after the pilot funds are fully reserved.

In addition to delegated authority to approve and decline applicants to the program, the Members of the Board also approved in January 2021 delegated authority to “the CEO to, based upon program demand reviewed at 3-month intervals, (i) shift funding allocations, (ii) adjust voucher amounts, (iii) select additional eligible communities, and (iv) expand the pilot program to a maximum of \$25 million.” After a program review, and as outlined in the Q3 Delegations Memorandum, the NJEDA CEO approved on September 28, 2021 the expansion of the pilot program to a total of \$25,000,000 and add the greater New Brunswick area as an additional eligible community. Finally, at the November 2021 Board, a further expansion of the NJ ZIP pilot was approved, adding an additional \$20,000,000 of voucher funding and expanding eligibility to the greater Shore area.

In May 2022, based on the results and feedback on the pilot, the Board approved action to extend certain voucher deadlines due to the on-going supply chain crisis caused by COVID-19.

Finally, in late June 2022, NJ ZIP passed the threshold of \$42.75M in applications received, which was the internal trigger to move applications to a waitlist. As such, the purchaser application for NJ ZIP moved to submission to waitlist for this phase of the pilot, wherein applicants are not charged an application fee unless moved from waitlist to a submitted application.

In July 2022, the Board approved a second phase of the NJ ZIP pilot, with a voucher pool of \$45M, administrative fees (at a rate of 3.5% or \$1.575M), and additional funding for the creation of a technical assistance program. The second phase is intended to test new program functions, features, and eligibility, based on learnings from the first phase. While the overarching structure of the pilot will remain unchanged, the second phase of this pilot will include two major eligibility changes from the first phase – to expand eligibility to include heavy-duty vehicle classes and to Purchaser Applicants statewide – and will provide updated support structures for pilot participants, including the development of a technical assistance mechanism. In addition, a number of small yet impactful changes will be made based on stakeholder feedback, including adjustment of voucher funding levels and extending voucher duration to account for the on-going supply chain crisis. The voucher application and technical assistance launching April 18<sup>th</sup>, 2023.

Further, on October 19, 2022, an administrative clarification was noted via an Operational Memo to file. This clarified a single reference within the July 2022 memorandum which mistakenly cited “\$575,000” as the administrative fees rather than the accurately and elsewhere noted “\$1,575,000”.

### **New Jersey Zero-emission Incentive Program Phase 1 – Q1 2023 Review**

NJ ZIP Phase 1 was administered in sequential steps. First, a zero-emission vehicle vendor must submit an application to become an approved vendor. Once approved, a vehicle purchaser may submit an application to receive an NJ ZIP voucher to purchase a qualified vehicle from their selected approved vendor. This voucher that may be redeemed for a specific dollar amount after completion of the total vehicle purchase. The value of the voucher ranges from \$25,000 to \$100,000 per vehicle depending on the vehicle’s weight class. Additional bonus amounts can be added to the voucher if certain conditions are met by the purchaser, such as by being a small or micro-business, or by the vendor, such as by manufacturing 25% or more of the vehicle in NJ. For the purposes of this Program, a small business is defined as having 25 or fewer full-time employees in total or less than \$5M in annual revenue.

In Q1 2023, no new zero-emission vehicle vendors were approved to participate in NJ ZIP Phase 1, and approved Vendors remained at 16. In Q1 2023, no new purchaser waitlist submissions were made to the Program. Inclusive of waitlist submissions that have transitioned to submitted applications, the total submitted purchaser applications remains at 279. Of these, 4 purchaser applications were approved in Q1 2023 for a total of \$962,750.00 across 10 vouchers. These 4 purchasers’ 10 vouchers support the addition of 10 zero-emission medium-duty vehicles on New Jersey roads once the vouchers are redeemed, supplied by 4 different vendors. In Q1 2023, 75% of the approved purchaser applicants are small businesses (receiving a 25% funding bonus) and 50% are minority-, woman-, and/or veteran-owned (receiving an additional \$4,000

bonus per vehicle per qualifying certification); all Q1 2023 approved applicants will operate and/or register their vehicles within the greater Camden (0 purchasers), greater Newark (3 purchasers), greater New Brunswick (0 purchasers), or greater Shore (1 purchasers) areas. No applicants withdrew from the program in Q1 2023 and one application remains in review. Eleven approved vouchers have been redeemed as of the end of the Q1 2023, for a total of \$ 2,164,000.00. NJ ZIP Phase 1 total disbursements \$6,947,750.00

### **New Jersey Zero-emission Incentive Program Phase 1 - Q1 2023 Results**

| <b>Purchaser Applicant</b>      | <b>Vendor</b>                 | <b>Purchaser Location</b> | <b>SBE</b> | <b>MBE</b> | <b>WBE</b> | <b>VBE</b> | <b># of Vehicles</b> | <b>Voucher Approved \$</b> |
|---------------------------------|-------------------------------|---------------------------|------------|------------|------------|------------|----------------------|----------------------------|
| Pick & Send Transportation LLC  | Envirotech Vehicles Inc       | Greater Newark            | Yes        | Yes        |            |            | 3                    | \$ 293,250.00              |
| Amira Transport LLC             | Endera Motors, LLC*           | Greater Shore             | Yes        |            |            |            | 1                    | \$ 112,500.00              |
| Universal Maritime Service Corp | Phoenix Motorcars             | Greater Newark            |            |            |            |            | 2                    | \$ 150,000.00              |
| Grupo La Providencia LLC        | GreenPower Motor Company, Inc | Greater Newark            | Yes        | Yes        | Yes        |            | 4                    | \$ 407,000.00              |
| <b>Totals:</b>                  | <b>4 Applicants</b>           |                           |            |            |            |            | <b>10</b>            | <b>\$2,164,000</b>         |

\*Vendor qualified for NJ Manufacturing bonus (additional 25% on top of base voucher)

Note: Adomani Inc changed its name to Envirotech Vehicles Inc.

### **New Jersey Zero-emission Incentive Program Phase 2 – Q1 2023 Review**

NJ ZIP Phase 2 implemented a phased launch approach for Vendor and Purchaser applications. First, a zero-emission vehicle vendor must submit an application to become an approved vendor. Vendors applied for Phase 2, October 18th, 2022 thru November 22nd, 2022, applications are being reviewed and approved on a rolling basis. Voucher applications opened April 18<sup>th</sup>, 2023 for vehicle purchasers to submit an application to receive an NJ ZIP voucher to purchase a qualified vehicle from their selected approved vendor. This voucher that may be redeemed for a specific dollar amount after completion of the total vehicle purchase. The value of the voucher ranges from \$20,000 to \$175,000 per vehicle depending on the vehicle's weight class. Additional bonus amounts can be added to the voucher if certain conditions are met by the purchaser, such as by being a small or micro-business, or by the vendor, such as by manufacturing 25% or more of the vehicle in NJ. For the purposes of this Program, a small business is defined as having 25 or fewer full-time employees in total or less than \$5M in annual revenue.

In Q4 2022, thirty-two (32) vendor applications were submitted to the program and three (3) applications were approved.

In Q1 2023, twenty-three (23) vendor applications were approved in Q1 2023, with six remaining in review.

Applications for purchasers opened April 18<sup>th</sup>, 2023.

### **New Jersey Zero-emission Incentive Program Phase 2 - Q1 2023 Results**

| <b>Phase 2 Vendor Applications:</b>        | <b>Approval Date</b> |
|--|----------------------|
| Greenpower Motor Company, Inc.             | 12/19/2022           |
| Gabrielli Kenworth Of New Jersey, L.L.C.   | 12/27/2022           |
| Phoenix Motorcars LLC                      | 12/29/2022           |
| Rivian, LLC                                | 1/9/2023             |
| Sea Electric LLC                           | 1/23/2023            |
| Nova Bus (Us) Inc.                         | 1/27/2023            |
| Campbell Freightliner, LLC                 | 2/1/2023             |
| Bentley Truck Services Inc.                | 2/1/2023             |
| Cleveland Brothers Equipment Co., Inc.     | 2/1/2023             |
| Envirotech Vehicles Inc                    | 2/7/2023             |
| H.K. Truck Services Inc.                   | 2/7/2023             |
| Quality Truck Center                       | 2/7/2023             |
| North Jersey Truck Center                  | 2/8/2023             |
| American Commercial Equipment Leasing, LLC | 2/10/2023            |
| New England Truck Solutions Of Avon, LLC   | 2/21/2023            |
| Orange EV LLC                              | 2/24/2023            |
| Xos Services, Inc.                         | 2/27/2023            |
| Hunter Keystone Peterbilt, L.P.            | 3/1/2023             |
| Navistar, Inc                              | 3/1/2023             |
| Endera                                     | 3/1/2023             |
| Alta Electric Vehicles North East, LLC     | 3/6/2023             |
| Van-Con, Inc.*                             | 3/6/2023             |
| Tec Equipment Inc                          | 3/7/2023             |
| Thomas Bus, Inc.                           | 3/10/2023            |
| Robert H. Hoover & Sons, Inc.              | 3/23/2023            |

\*Vendor qualified for NJ Manufacturing bonus (additional 25% on top of base voucher)

---

### **New Jersey Film and Digital Media Tax Credit Program**

Originally created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation

business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 35% of qualified film production expenses, or 30% of qualified film production expenses incurred for services performed and tangible personal property purchased for at a sound stage or other 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New York. Under the Digital Media Tax Credit Program, applicants are eligible for 30% of qualified digital media production expenses and 35% for qualified digital media production expenses purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

On April 13, 2022, the Board approved the delegations of authority for the New Jersey Film and Digital Media Tax Credit Program. Film Tax Credit applications seeking \$10 million or less, and Digital Media Tax Credit applications seeking \$3 million or less in tax credits can be approved under the updated delegations of authority.

### **New Jersey Film and Digital Media Tax Credit Program - Q1 2023 Results**

In the first quarter of 2023, there were 7 film applications approved under delegated authority for a total of \$24,619,721, and one digital media application approved under delegated authority for a total of \$1,590,603.

|   | <b>FILM TAX CREDITS</b>               |                      |                      |                  |
|---|---------------------------------------|----------------------|----------------------|------------------|
|   | <b>Applicant Name</b>                 | <b>PROD #</b>        | <b>Award Amount</b>  | <b>Approval</b>  |
| 1 | <b>Happy Birthday Productions Inc</b> | <b>PROD-00302199</b> | <b>\$799,414</b>     | <b>2/3/2023</b>  |
| 2 | <b>Moon Shot Productions</b>          | <b>PROD-00306447</b> | <b>\$5,023,204</b>   | <b>2/8/2023</b>  |
| 3 | <b>Breed of Greed 1 LLC</b>           | <b>PROD-00308520</b> | <b>\$1,341,474</b>   | <b>2/8/2023</b>  |
| 4 | <b>Sweethearts LLC</b>                | <b>PROD-00304034</b> | <b>\$6,569,140</b>   | <b>2/10/2023</b> |
| 5 | <b>Sourdough Productions LLC</b>      | <b>PROD-00308516</b> | <b>\$2,780,013</b>   | <b>2/21/2023</b> |
| 6 | <b>Big Indie Musica, Inc</b>          | <b>PROD-304904</b>   | <b>\$7,822,817</b>   | <b>3/14/2023</b> |
| 7 | <b>Dope King, LLC</b>                 | <b>PROD-00304834</b> | <b>\$283,659</b>     | <b>3/27/2023</b> |
|   |                                       | <b>FILM TOTAL</b>    | <b>\$ 24,619,721</b> |                  |
|   |                                       |                      |                      |                  |
|   | <b>DIGITAL MEDIA TAX CREDITS</b>      |                      |                      |                  |
| 1 | <b>Malka Media Group, LLC</b>         | <b>PROD-00308728</b> | <b>\$1,590,603</b>   | <b>2/8/2023</b>  |
|   |                                       | <b>DIGITAL TOTAL</b> | <b>\$1,590,603</b>   |                  |
|   |                                       |                      |                      |                  |

---

### **New Jersey Manufacturing Voucher Program (NJ MVP)**

On October 12, 2022, the NJEDA Board approved the New Jersey Manufacturing Voucher

Program (NJ MVP). The New Jersey Manufacturing Voucher Program will provide equipment grants sized at 30% – 50% of the cost of the eligible equipment (including installation) up to a maximum award amount of \$250,000. The program will target the State’s manufacturers within targeted industries that will purchase equipment that integrate advanced or innovative technologies, processes, and materials to improve the manufacturing of products. The program will also offer bonuses focused on certified woman, minority, veteran owned businesses (WMVB), opportunity zones, purchasing manufacturing equipment in New Jersey as well as bonuses for companies that have a collective bargaining agreement in place. NJ MVP is also committed to supporting small businesses by awarding manufacturers with under 100 Full Time Equivalents employees (FTE) higher award percentages. In addition, applications will be accepted on a rolling basis and remain open until all funds are committed.

On March 8, 2023 ,the Board approved to increase the available funding from \$20,000,000 to \$33,750,00 less \$1 million for administrative expenses available to support New Jersey manufacturers’ access to manufacturing equipment needed to become more efficient, productive, and profitable.

### **New Jersey Manufacturing Voucher Program (NJ MVP) - Q1 2023 Results**

The NJMVP application launched on March 8th, 2023, and the Authority has received 267 applications as of May 1, 2023, totaling \$37,625,049.28. Applications received beyond the available funding have been placed on a waitlist. Applications are currently being reviewed, processed, and approvals being issued.

---

### **NJ Entrepreneur Support Program (NJESP) Program**

On March 26, 2020, the NJEDA Board approved the NJ Startup Entrepreneur Support Program (NJESP) to support New Jersey entrepreneurial businesses with limited funding navigate COVID-19 related cashflow constraints by providing financial support to their existing investors. Through NJESP, investors in NJ entrepreneurial businesses (operating in Innovation Economy sectors) could receive a guarantee (up to 80%, not to exceed \$200,000 per company) for new, qualified bridge loans/convertible notes into NJ entrepreneurial business. The guarantee matures in one year having an expiration date one year from the underlying note’s issue date. If certain financial conditions are met by the company within this one-year term, the note investor could submit a claim to the NJEDA for payment of the guarantee. The total program budget was \$5 million.

Applications for the program opened on April 22, 2020. No applications were accepted after February 12, 2021. A total 97 applications were submitted, from which 47 applications were approved by the Authority staff under delegated authority. The guarantee amount in total was \$2.036 million for \$2.545 million of promissory note investments. This represents investments in 13 unique businesses with a total 85 full-time NJ employees. Additionally, 28 applications were withdrawn, and 22 applications were declined.



Entering into 2023, the effects stemming from the pandemic continue to impact the financial system presenting challenges to the startup-focused banking system, similar to the issues identified by NJEDA at the start of the Covid pandemic. In particular, on March 8, 2023, this financial crisis made headlines after a run at Silicon Valley Bank. As a result of these conditions, the investor market is becoming reluctant to extend financial support to startup businesses. In response, the NJEDA decided to provide additional support to by reopening the NJESP in March of 2023. Then, in April of 2023, the NJEDA Board approved program updates to better suit NJESP to the current market.

These updates include:

- Allowing current and new investors to apply to the program.
- Increasing the total guarantee amount per company to \$400,000 (\$500,000 in total loans guaranteed per company).
- Raising the company's maximum amount of total employees to with fewer than 225 total employees.
- Removing the trailing twelve-month revenue requirement.
- Updating to the eligible company industries to the NJEDA's list of established "targeted industries".

### **NJ Entrepreneur Support Program - Q1 2023 Review**

For the 1<sup>st</sup> quarter of 2023, the NJESP program re-launched in March 2023. Announcements were made through various communications channels including all media platforms utilized by the Authority and external outlets such as NJBIZ, Insider NJ, New Jersey Business Magazine, shared by elected officials and more. Since launch, Staff has received significant inbound interest from companies. Multiple companies have the potential to leverage the programs and will be monitored for possible application submissions.



---

Tim Sullivan, CEO

**Angel Investor Tax Credit Prepared by:**  
Christopher Shyers

**NJ Ignite Prepared by:**  
Jerrel Burney

**NJ Accelerate Prepared by:**  
Sara Caddedu

**New Jersey Zero-emission Incentive Program Prepared by:**  
Olivia Barone

**New Jersey Film and Digital Media Tax Credit Program Prepared by:**  
Matthew Sestrich

**New Jersey Manufacturing Voucher Program (NJ MVP) Prepared by:**  
Ivan Mendez

**Angel Match Program Prepared by:**  
Monika Athwal

**NJ Entrepreneur Support Program Prepared by:**  
Jerrel Burney

**Memo Prepared by:**  
Fariha Sheikh  
Clark Smith

## EXHIBIT A

### Q1 2023 Delegated Approvals - Angel Investor Tax Credit

| Investor (s)                                   | Employees<br>in NJ  | Company                     | Investment | Tax Credit |
|--|---------------------|-----------------------------|------------|------------|
| Stonehurst Capital, LLC                        |                     | 911 inform                  | \$500,000  | \$100,000  |
| 1  | NJ: 26<br>Total: 32 | 911 inform                  | \$500,000  | \$100,000  |
| Peter James Wachtell                           |                     | Ailares Inc.                | \$25,000   | \$6,250    |
| 1  | NJ: 3<br>Total: 3   | Ailares Inc.                | \$25,000   | \$6,250    |
| Rakesh Lad                                     |                     | Apta Research LLC           | \$200,000  | \$50,000   |
| Ishwar Chauhan                                 |                     | Apta Research LLC           | \$200,000  | \$50,000   |
| 2  | NJ: 7<br>Total: 7   | Apta Research LLC           | \$400,000  | \$100,000  |
| Ben C. Abatti Jr and Judith Carole Abatti      |                     | Aspargo Laboratories, Inc.  | \$50,000   | \$10,000   |
| Jeffrey Plourd & Delu Plourd JTWROS            |                     | Aspargo Laboratories, Inc.  | \$100,000  | \$20,000   |
| Dina Gatto-Colbert Revocable Trust             |                     | Aspargo Laboratories, Inc.  | \$100,000  | \$20,000   |
| Dominick Keefe                                 |                     | Aspargo Laboratories, Inc.  | \$87,000   | \$17,400   |
| Jon Hyman                                      |                     | Aspargo Laboratories, Inc.  | \$100,000  | \$20,000   |
| Kerry Gordon                                   |                     | Aspargo Laboratories, Inc.  | \$25,000   | \$5,000    |
| MARK SCHOEPPNER & CYNTHIA SCHOEPPNER JTWROS    |                     | Aspargo Laboratories, Inc.  | \$250,000  | \$50,000   |
| Thomas Rafael Jr                               |                     | Aspargo Laboratories, Inc.  | \$65,000   | \$13,000   |
| Dina Gatto-Colbert Revocable Trust             |                     | Aspargo Laboratories, Inc.  | \$100,000  | \$20,000   |
| Robert Kennelly & Patricia Kennelly JTWROS     |                     | Aspargo Laboratories, Inc.  | \$50,000   | \$10,000   |
| Brian L. Willever and Maria D. Willever JTWROS |                     | Aspargo Laboratories, Inc.  | \$35,000   | \$7,000    |
| 11   | NJ: 2<br>Total: 2   | Aspargo Laboratories, Inc.  | \$962,000  | \$192,400  |
| Jan van der Wal                                |                     | BioAegis Therapeutics, Inc. | \$25,000   | \$5,000    |
| Kris Vinckier                                  |                     | BioAegis Therapeutics, Inc. | \$70,000   | \$14,000   |
| Ellis De Meester                               |                     | BioAegis Therapeutics, Inc. | \$25,000   | \$5,000    |
| James Kearney                                  |                     | BioAegis Therapeutics, Inc. | \$25,000   | \$5,000    |
| Marc Joosten                                   |                     | BioAegis Therapeutics, Inc. | \$25,000   | \$5,000    |
| Patrick Rosa                                   |                     | BioAegis Therapeutics, Inc. | \$60,000   | \$12,000   |

|  |  |                             |          |          |
|--|--|-----------------------------|----------|----------|
| Willem Vink  |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| Tony Blokhuis and Viola van Breemen                            |  | BioAegis Therapeutics, Inc. | \$20,000 | \$4,000  |
| Chantal van Dijk-Kleijns                                       |  | BioAegis Therapeutics, Inc. | \$42,500 | \$8,500  |
| Elise Boekholt   |  | BioAegis Therapeutics, Inc. | \$30,000 | \$6,000  |
| Johan Victor Dehem   |  | BioAegis Therapeutics, Inc. | \$75,000 | \$15,000 |
| IRA Services Trust Company<br>CFBO Rush Howe                   |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| Brecht Arnaert   |  | BioAegis Therapeutics, Inc. | \$25,099 | \$5,020  |
| Jean-Luc Lamote  |  | BioAegis Therapeutics, Inc. | \$80,000 | \$16,000 |
| William P. McAlvany  |  | BioAegis Therapeutics, Inc. | \$20,000 | \$4,000  |
| Chimezie Agwu  |  | BioAegis Therapeutics, Inc. | \$30,000 | \$6,000  |
| Bradley and Bonnie Smallwood                                   |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Rita Vansteenkiste   |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Thomas A. Mischley 2015 Living Trust                           |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Libby Heller   |  | BioAegis Therapeutics, Inc. | \$12,000 | \$2,400  |
| C.G. Van Ham Blacquiere  |  | BioAegis Therapeutics, Inc. | \$45,000 | \$9,000  |
| Robbie Vandaele  |  | BioAegis Therapeutics, Inc. | \$24,955 | \$4,991  |
| Daniel Lemahieu  |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| Luc Martens  |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| Bernhard Szondi  |  | BioAegis Therapeutics, Inc. | \$17,000 | \$3,400  |
| Jacques van Dijk   |  | BioAegis Therapeutics, Inc. | \$42,500 | \$8,500  |
| Filiep Dendauw   |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Paul Berger  |  | BioAegis Therapeutics, Inc. | \$40,875 | \$8,175  |
| Tom Beyst  |  | BioAegis Therapeutics, Inc. | \$41,520 | \$8,304  |
| Herman Reulens   |  | BioAegis Therapeutics, Inc. | \$20,438 | \$4,088  |
| Craig and Susana Agrusti                                       |  | BioAegis Therapeutics, Inc. | \$20,000 | \$4,000  |
| Jean-Luc Lamote  |  | BioAegis Therapeutics, Inc. | \$32,700 | \$6,540  |
| IRA Services Trust Company<br>CFBO Marie Dubinsky IRA          |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| IRA Services Trust Company<br>CFBO Mark Dubinsky IRA           |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| Sandra Radojevic   |  | BioAegis Therapeutics, Inc. | \$25,000 | \$5,000  |
| Equity Trust Company Custodian<br>FBO Maudgretchen Klinger IRA |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Richter Investment Corp  |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Rita Geraerts  |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |
| Christine E. Lagana  |  | BioAegis Therapeutics, Inc. | \$50,000 | \$10,000 |

|   |                     |                                    |             |           |
|---|---------------------|------------------------------------|-------------|-----------|
| Bart De Meyer   |                     | BioAegis Therapeutics, Inc.        | \$12,500    | \$2,500   |
| Willem Elenbaas   |                     | BioAegis Therapeutics, Inc.        | \$26,000    | \$5,200   |
| Voshel Family Trust   |                     | BioAegis Therapeutics, Inc.        | \$425,000   | \$85,000  |
| JDCO Comm V.  |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Equity Trust Company Custodian<br>FBO Leslie A. Halpern 401 K |                     | BioAegis Therapeutics, Inc.        | \$30,000    | \$6,000   |
| Mark Alan Smith   |                     | BioAegis Therapeutics, Inc.        | \$50,000    | \$10,000  |
| Michael Mischley  |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Roelof A.J.J. Nieboer   |                     | BioAegis Therapeutics, Inc.        | \$30,000    | \$6,000   |
| Jan A. Dekker   |                     | BioAegis Therapeutics, Inc.        | \$50,000    | \$10,000  |
| Paul Berger   |                     | BioAegis Therapeutics, Inc.        | \$50,000    | \$10,000  |
| Ann Véronique Mortier   |                     | BioAegis Therapeutics, Inc.        | \$45,000    | \$9,000   |
| Peter and Ann Guild   |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Rohu Holding BV   |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| V.G.B. van Gellicum den Hartog                                |                     | BioAegis Therapeutics, Inc.        | \$49,980    | \$9,996   |
| Lucy D Werner   |                     | BioAegis Therapeutics, Inc.        | \$30,000    | \$6,000   |
| Robert Walters  |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Toon Van Assche & Anja Van Geert                              |                     | BioAegis Therapeutics, Inc.        | \$49,971    | \$9,994   |
| IRA Services Trust Company<br>CFBO Lauren Seamon              |                     | BioAegis Therapeutics, Inc.        | \$30,000    | \$6,000   |
| Hans Van Nieuwenhove  |                     | BioAegis Therapeutics, Inc.        | \$34,750    | \$6,950   |
| Klaas Vinckier  |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Roel De Beckker   |                     | BioAegis Therapeutics, Inc.        | \$50,000    | \$10,000  |
| Eddie Moonen  |                     | BioAegis Therapeutics, Inc.        | \$41,700    | \$8,340   |
| Arti Business SA  |                     | BioAegis Therapeutics, Inc.        | \$104,250   | \$20,850  |
| Dominicus Verbist   |                     | BioAegis Therapeutics, Inc.        | \$50,000    | \$10,000  |
| Equity Trust Company Custodian<br>FBO Mark A. Moore IRA       |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Dominique Berton  |                     | BioAegis Therapeutics, Inc.        | \$30,000    | \$6,000   |
| Thomas A. Collentine  |                     | BioAegis Therapeutics, Inc.        | \$50,000    | \$10,000  |
| Wim De Decker   |                     | BioAegis Therapeutics, Inc.        | \$30,000    | \$6,000   |
| Bram Van Mossevelde   |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| Bert Vinckier   |                     | BioAegis Therapeutics, Inc.        | \$25,000    | \$5,000   |
| 69  | NJ: 11<br>Total: 12 | BioAegis Therapeutics, Inc.        | \$2,918,738 | \$583,748 |
| Régis Frachon   |                     | Curio Digital Therapeutics<br>Inc. | \$58,018    | \$11,604  |
| Laurence Gauchon  |                     | Curio Digital Therapeutics<br>Inc. | \$34,207    | \$6,841   |

|   |                     |                                   |             |           |
|---|---------------------|-----------------------------------|-------------|-----------|
| 2   | NJ: 3<br>Total: 4   | Curio Digital Therapeutics Inc.   | \$92,225    | \$18,445  |
| Irrevocable Aloha Trust U/A dtd 5/1/02                        |                     | Elucida Oncology, Inc.            | \$189,000   | \$37,800  |
| Marstar Alternative Investments LLC                           |                     | Elucida Oncology, Inc.            | \$174,800   | \$34,960  |
| 2   | NJ: 16<br>Total: 19 | Elucida Oncology, Inc.            | \$363,800   | \$72,760  |
| Dal 1802 Educazione Cultura Salute Ambiente Tecnologia S.r.l. |                     | Evergreen Theragnostics Inc       | \$1,999,999 | \$400,000 |
| Isabelle M Germano  |                     | Evergreen Theragnostics, Inc.     | \$50,000    | \$10,000  |
| 2   | NJ: 4<br>Total: 4   | Evergreen Theragnostics, Inc.     | \$2,049,999 | \$410,000 |
| Barbara A. McGinnity  |                     | Hope Portal Services, Inc         | \$175,000   | \$35,000  |
| Vincent Tizzio  |                     | Hope Portal Services, Inc         | \$150,000   | \$30,000  |
| H. Edward Wilkin  |                     | Hope Portal Services, Inc         | \$50,000    | \$10,000  |
| 3   | NJ: 5<br>Total: 5   | Hope Portal Services, Inc         | \$375,000   | \$75,000  |
| Hisham AlRazzuqi  |                     | Ionic Water Technologies, LLC     | \$80,000    | \$20,000  |
| Hisham AlRazzuqi  |                     | Ionic Water Technologies, LLC     | \$120,000   | \$30,000  |
| 2   | NJ: 5<br>Total: 5   | Ionic Water Technologies, LLC     | \$200,000   | \$50,000  |
| Andras Forgacs  |                     | Modern Meadow, Inc.               | \$249,994   | \$49,999  |
| Cape Capital Holdings AG                                      |                     | Modern Meadow, Inc.               | \$750,000   | \$150,000 |
| 2   | NJ: 80<br>Total: 85 | Modern Meadow, Inc.               | \$999,994   | \$199,999 |
| Dyke Rogers   |                     | Neumentum, Inc.                   | \$15,600    | \$3,120   |
| Spinel Investments LP   |                     | Neumentum, Inc.                   | \$200,000   | \$40,000  |
| 2   | NJ: 3<br>Total: 3   | Neumentum, Inc.                   | \$215,600   | \$43,120  |
| Christopher H Kelly   |                     | POM Partners, Inc.                | \$50,000    | \$12,500  |
| 1   | NJ: 6<br>Total: 8   | POM Partners, Inc.                | \$50,000    | \$12,500  |
| Geoffrey N Rosamond   |                     | Revenue Engine, LLC dba ProfiTank | \$25,000    | \$5,000   |
| James Scott D'Alessandro                                      |                     | Revenue Engine, LLC dba ProfiTank | \$25,000    | \$5,000   |
| 2   | NJ: 1<br>Total: 1   | Revenue Engine, LLC dba ProfiTank | \$50,000    | \$10,000  |

|                    |                   |                        |                     |                    |
|--------------------|-------------------|------------------------|---------------------|--------------------|
| John McCarthy      |                   | Ricovr Healthcare Inc. | \$50,000            | \$10,000           |
| 1                  | NJ: 4<br>Total: 4 | Ricovr Healthcare Inc. | \$50,000            | \$10,000           |
| Talal Sharaiha     |                   | Vytalize Health Inc.   | \$50,000            | \$10,000           |
| Ghawi Capital LLC  |                   | Vytalize Health Inc.   | \$1,123,000         | \$224,600          |
| 2                  | NJ: 7<br>Total: 9 | Vytalize Health Inc.   | \$1,173,000         | \$234,600          |
| <b>Grand Total</b> |                   | <b>105</b>             | <b>\$10,425,356</b> | <b>\$2,118,822</b> |

## EXHIBIT B

### Program Summary - Angel Investor Tax Credit

| Program Year | # of Declined Applications | # of Approved Applications | # of Approved Companies |
|--------------|----------------------------|----------------------------|-------------------------|
| 2013         | 0                          | 28                         | 5                       |
| 2014         | 7 withdrawn/5 declined     | 174                        | 20                      |
| 2015         | 3 withdrawn/32 declined    | 212                        | 27                      |
| 2016         | 12 declined                | 247                        | 31                      |
| 2017         | 3 declined                 | 256                        | 39                      |
| 2018         | 14 withdrawn               | 244                        | 45                      |
| 2019         | 7 withdrawn/4 declined     | 161                        | 32                      |
| 2020         | 17 withdrawn/1 declined    | 646                        | 52                      |
| 2021         | 15 withdrawn/3 declined    | 593                        | 56                      |
| 2022         | 6 withdrawn                | 254                        | 12                      |
| 2023         | 0                          | 0                          | 0                       |

| Program Year | Annual Tax Credit Allocation | Approved Tax Credits | Allocated Amount Remaining | Program Open/Closed |
|--------------|------------------------------|----------------------|----------------------------|---------------------|
| 2013         | \$25,000,000.00              | \$1,407,315          | \$23,592,684.80            | Closed              |
| 2014         | \$25,000,000.00              | \$5,363,927          | \$19,636,073.00            | Closed              |
| 2015         | \$25,000,000.00              | \$5,008,169          | \$19,991,830.75            | Closed              |
| 2016         | \$25,000,000.00              | \$8,357,418          | \$16,642,582.00            | Closed              |
| 2017         | \$25,000,000.00              | \$11,177,610         | \$13,822,390.00            | Closed              |
| 2018         | \$25,000,000.00              | \$10,650,387         | \$14,349,613.00            | Closed              |
| 2019         | \$25,000,000.00              | \$3,310,934          | \$21,689,066.00            | Closed              |
| 2020         | \$25,000,000.00              | \$21,740,296         | \$3,259,704.00             | Open                |
| 2021         | \$35,000,000.00              | \$19,551,840         | \$15,448,160.00            | Open                |
| 2022         | \$35,000,000.00              | \$7,354,769          | \$27,645,231.00            | Open                |
| 2023         | \$35,000,000.00              | \$0                  | \$35,000,000.00            | Open                |





## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** June 14, 2023

**SUBJECT:** Real Estate Division Delegated Authority for Leases and Right of Entry (ROE)/  
Licenses for Second Quarter 2023 *For Informational Purposes Only*

The following approvals were made pursuant to Delegated Authority for Leases and ROE/  
Licenses in April 2023, May 2023 and June 2023:

## **LEASES**

| <b><u>TENANT</u></b>  | <b><u>LOCATION</u></b>      | <b><u>TYPE</u></b> | <b><u>TERM</u></b> | <b><u>S.F.</u></b> |
|-----------------------|-----------------------------|--------------------|--------------------|--------------------|
| Linus Biotechnology   | Bioscience Center Incubator | Lease Agreement    | One Year           | 2174               |
| Hopkins Medtech Group | Bioscience Center Incubator | Lease Agreement    | One Year           | 1862               |
| JMS Pharma LLC        | Bioscience Center Incubator | Lease Extension    | One Year           | 1800               |
| Sonder Research X     | Bioscience Center Incubator | Lease Extension    | One Year           | 5445               |
| Neoventech            | Bioscience Center Incubator | Lease Renewal      | One Year           | 900                |
| SPES Pharmaceuticals  | Bioscience Center Incubator | Month to Month     | Month to Month     | 1800               |
| TheWell Bioscience    | Bioscience Center Incubator | Month to Month     | Month to Month     | 2174               |

|                         |                             |                    |                    |                    |
|-------------------------|-----------------------------|--------------------|--------------------|--------------------|
| Fidelis Pharmaceuticals | Biscience Center Incubator  | Month to Month     | Month to Month     | 125                |
| Histobridge             | Biscience Center Incubator  | Month to Month     | Month to Month     | 900                |
| <b><u>TENANT</u></b>    | <b><u>LOCATION</u></b>      | <b><u>TYPE</u></b> | <b><u>TERM</u></b> | <b><u>S.F.</u></b> |
| Meridian                | Step Out Labs               | Lease Amendment    | 4/15/23 to 9/30/25 | 3345               |
| OLI Technologies        | Bioscience Center Incubator | Renewal            | On Year            | 900                |
| Couragene               | Cioscience Center Incubator | Amendment          | 5.5 months         | 1862               |




---

Tim Sullivan, CEO

Prepared by: Cyndi Costello