



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Timothy Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** Agenda for Board Meeting of the Authority September 12, 2023

**Notice of Public Meeting**

**Roll Call**

**Approval of Previous Month's Minutes**

**CEO's Report to the Board**

**Authority Matters**

**Venture**

**Incentives**

**Real Estate**

**Wind Institute**

**Community Development**

**Loans/Grant/Guarantees**

**Authority Matters**

**New Jersey Wind Port**

**Board Memoranda**

**Public Comment**

**Executive Session**

**Adjournment**

# **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**July 26, 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, Aaron Creuz, Deputy Chief Counsel and Director of the Authorities Unit of the Executive Branch; Acting Commissioner Justin Zimmerman of the Department of Banking and Insurance, and Public Members Charles Sarlo, Vice Chair; Marcia Marley, and Robert Shimko, First Alternate Public Member;

Members of the Authority present via conference call: Aaron Binder for State Treasurer Elizabeth Muoio of the Department of Treasury; Keith White for Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development; Elizabeth Dragon representing Commissioner Shawn LaTourette of the Department of Environmental Protection, and Public Members Phil Alagia, and Aisha Glover.

Members of the Authority absent: Public Members Virginia Bauer, Massiel Medina Ferrara, and Jewell Antoine -Johnson, Second Alternate Member.

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

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 June 14, 2023 meeting minutes. A motion was made to approve the minutes by Ms. Marley and seconded by Mr. Sarlo and was approved by the eleven (11) voting members present.

The next item of business was the approval of the June 14, 2023 executive session meeting minutes. A motion was made to approve the minutes by Mr. Shimko and seconded by Ms. Marley and was approved by the eleven (11) 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.

Mr. Sullivan presented EDA employee Patty Rush with a proclamation commemorating her 46 years of employment at the EDA. He also read aloud a letter from Governor Murphy congratulating her on her upcoming retirement.

Mr. Alagia joined the meeting at this time.

### **VENTURE**

**ITEM: New Jersey Innovation Evergreen Fund: July 2023 Qualified Venture Firm Approval – Covenant Venture Capital LLC**

**REQUEST:** To approve a Qualified Venture Firm under the New Jersey Innovation Evergreen Program.

**MOTION TO APPROVE:** Mr. Shimko      **SECOND:** Mr. Sarlo      **AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

**ITEM: New Jersey Innovation Evergreen Fund: July 2023 Qualified Venture Firm Approval – Edison Partners Management LLC**

**REQUEST:** To approve a Qualified Venture Firm under the New Jersey Innovation Evergreen Program.

**MOTION TO APPROVE:** Ms. Dragon      **SECOND:** Ms. Marley      **AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

**ITEM: New Jersey Innovation Evergreen Fund: July 2023 Qualified Venture Firm Approval – RV3 Management, LLC**

**REQUEST:** To approve a Qualified Venture Firm under the New Jersey Innovation Evergreen Program.

**MOTION TO APPROVE:** Mr. Dumont      **SECOND:** Mr. Shimko      **AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**ITEM: New Jersey Innovation Evergreen Fund: July 2023 Qualified Venture Firm Approval – Newark Venture Accelerator LLC**

**REQUEST:** To approve a Qualified Venture Firm under the New Jersey Innovation Evergreen Program.

**MOTION TO APPROVE:** Ms. Dragon      **SECOND:** Mr. Dumont      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

Mr. O'Toole recused himself because his family's foundation is an investor in the Newark Venture Accelerator, LLC.

Ms. Glover recused herself to avoid a potential conflict.

Mr. Alagia recused as the County has work with the firm.

### **AUTHORITY MATTERS**

**ITEM: Extension of Consulting Services for CHIPS and IRA Support**

**REQUEST:** To approve an extension of a consulting services for CHIPS and IRA support for a one (1) year term.

**MOTION TO APPROVE:** Mr. Shimko      **SECOND:** Ms. Marley      **AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**ITEM: Matching Funds for One Applicant for U.S. EDA “Tech Hubs” Grant REQUEST:**

To approve: (1) matching funds to support Rutgers’ advanced pharmaceutical manufacturing application to the U.S. EDA’s Regional Technology and Innovation Hub Program for a Strategy Development Grant; and (2) An MOU between NJEDA and Rutgers, The State University of New Jersey, addressing the mutual understanding of each party’s support for the application.

**MOTION TO APPROVE:** Mr. Shimko      **SECOND:** Ms. Marley      **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**WIND INSTITUTE**

**ITEM: Cost Share Funds for U.S. DOE “Centers of Excellence” Application**

**REQUEST:** To approve: (1) cost share funding to support Rutgers’ EMPOWER application to US DOE to create an offshore wind Center of Excellence, utilizing funding from the February 24, 2023, grant agreement between NJEDA and NJ Department of Treasury for NJEDA’s Wind Institute for Innovation and Training efforts; (2) An MOU between NJEDA and Rutgers, The State University of New Jersey, addressing the mutual understanding of each party’s support for the application.

**MOTION TO APPROVE:** Ms. Marley      **SECOND:** Mr. Sarlo      **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**INCENTIVES**

**ASPIRE**

**ITEM: Aspire Program- Product #303941 - 720 8<sup>th</sup> Street Union City LP (“Applicant”) and Life Management, Inc. (“Co-applicant”)**

**REQUEST:** To approve the application of a residential project located in Union, New Jersey, Union County for the issuance of tax credits for the Aspire Program.

**MOTION TO APPROVE:** Mr. Shimko      **SECOND:** Mr. Alagia      **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

**ITEM: Aspire Program- Product #306305 Terrell Redevelopment Partners Urban Renewal, LP, (“Applicant”) and Chapel Street Aspire, LLC, (“Co-Applicant”)**

**REQUEST:** To approve the application of a residential project located in Newark, New Jersey, Essex County for the issuance of tax credits for the Aspire Program.

**MOTION TO APPROVE:** Ms. Glover      **SECOND:** Mr. Alagia      **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

**FILM TAX CREDIT PROGRAM**

**Viacom International, Inc. – Diarra from Detroit PROD-00310670**

**MAX AMOUNT OF TAX CREDITS:** \$18,147,229

**MOTION TO APPROVE:** Ms. Dragon      **SECOND:** Ms. Marley      **AYES:** 11

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

Mr. O’Toole recused himself because his family owns stock in Paramount, the parent company of Viacom International, Inc.

## **DIGITAL MEDIA TAX CREDIT PROGRAM**

**Audible, Inc. PROD-00310227**

**MAX AMOUNT OF TAX CREDITS: \$9,538,138**

**MOTION TO APPROVE: Ms. Dragon SECOND: Mr. Sarlo AYES: 11**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

Ms. Glover recused herself because Audible, Inc. is her employer.

## **GROW NJ**

**ITEM: Singer NY, LLC. (“Singer”) – Modification, Grow New Jersey Assistance Program (“Grow NJ”)**

**REQUEST:** 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.

**MOTION TO APPROVE: Mr. Sarlo SECOND: Ms. Dragon AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

## **NJ WIND PORT**

**ITEM: New Jersey Wind Port – Request to Approve NJEDA Entering into a Construction Services Agreement with Atlantic City Electric (ACE)**

**REQUEST:** To approve entering into a Construction Services Agreement with Atlantic City Electric (ACE) for the construction of a transmission line to the New Jersey Port (NJWP) as well as delegated authority to the CEO to negotiate a revenue credit as appropriate.

**MOTION TO APPROVE: Ms. Marley SECOND: Mr. Shimko AYES: 11**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

Ms. Dragon abstained due to the potential for DEP permitting.

**ITEM: New Jersey Wind Port – Grant of a temporary access license to NJDOT for dredging-related activities on Parcel B**

**REQUEST:** To approve the granting of a Temporary Access License to the New Jersey Department of Transportation (NJDOT) to support dredging activities that NJDOT is undertaking that will benefit the New Jersey Wind Port project.

**MOTION TO APPROVE: Ms. Marley SECOND: Mr. Sarlo AYES: 11**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

Ms. Dragon abstained due to the potential for DEP permitting.

**ITEM: New Jersey Wind Port – Request to approve entering into a Development Agreement and Sublease Agreement with Orsted North America LLC**

**REQUEST:** To approve NJEDA entering into a Development Agreement and Sublease Agreement at the New Jersey Wind Port.

**MOTION TO APPROVE: Ms. Marley SECOND: Mr. White AYES: 12**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

## **BOARD MEMORANDA**

- Credit Underwriting Projects Approved Under Delegated Authority, June 2023
- Legal and Administrative Affairs Division – Memoranda of Understanding Approved under Delegated Authority (June 2022 – June 2023)
- Legal Affairs - Delegated Authority Report 2022-2023
- NJERA Implementation Report

There being no further business, on a motion by Ms. Marley, and seconded by Mr. Shimko, the meeting was adjourned at 12:00 pm.

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:** September 12, 2023  
**Re:** September 2023 Board Meeting – CEO Report

Since we last met, the State of New Jersey has two faithful public servants – individuals that helped make New Jersey a stronger and fairer state. In August, we lost Lieutenant Governor Sheila Y. Oliver and just last week, we lost New Jersey Board of Public Utilities (NJBPU) President Joe Fiordaliso. To me, and many of us here at the New Jersey Economic Development Authority (NJEDA), the Lieutenant Governor and NJBPU President were mentors, partners in public service, and most of all, friends.

Lieutenant Governor Oliver was a role model who led with compassion, grit, and wisdom. From her time in Newark and East Orange to her tenure as Assembly Speaker and Lieutenant Governor, Oliver served as a steadfast voice for the voiceless, fearlessly and fiercely advocating for those often left out or left behind. She was a champion for those struggling to get ahead and a champion for families and communities who fell victim to decades of institutional racism. While it is impossible to quantify the impact Lieutenant Governor Oliver had on our state and our communities, it is uncontested that New Jersey is a better place to live, work, and raise a family today because of her leadership and dedication.

In my early days at the NJEDA, President Joe Fiordaliso took me under his wing. He was unfailingly good to me and a source of counsel, advice, wisdom, a good laugh, and better stories. For those who work on offshore wind and clean energy, we know that Joe was a fierce partner and ally in the fight to build a clean energy economy. When he talked about the importance of the work he did, which was for the world he hoped to leave to his grandchildren, it gave new purpose and meaning to our efforts. His steadfast commitment to a cleaner, greener state will continue to drive our efforts here at the NJEDA.

Lieutenant Governor Oliver and NJBPU President Fiordaliso personified the best of who New Jersey is and what we can become, something those of us who have the privilege of serving in the Murphy-Oliver Administration got to witness every day for the last five years. As Chief Executive Officer of the NJEDA, I am proud that much of our work focuses on many of the issues that were so close to both Sheila and Joe's hearts. Through our work of implementing programs and initiatives that promote racial equity, improve quality of life, create a cleaner environment for future generations, and enhance economic vitality, we can, and will, continue their legacies.

A more equitable New Jersey economy begins with building strong, healthy communities, especially within neighborhoods that have been traditionally underserved. Through our Aspire Program, the NJEDA has approved projects that will create over 1,000 housing units, 80 percent of which will be affordable. Expanding affordable housing options in communities like Trenton, Morristown, Newark, Union City, and Camden is imperative in creating stronger families and neighborhoods today and for years to come.

Throughout August, we recognized Black Business Month, and in just a few days, we'll kick off Hispanic Heritage Month. Across the state, Hispanic-owned and Black-owned businesses are vital to the economies



and culture of local communities. The NJEDA supports countless minority-owned businesses all over New Jersey and understand that when Hispanic- and Black-owned businesses succeed, entire communities thrive.

Last month, the NJEDA announced the remarkable milestone of supporting the purchase and distribution of more than five million meals through its Sustain & Serve NJ program. The \$57 million program enabled 36 organizations to purchase meals from 450 restaurants and distribute those meals at no cost to individuals facing food insecurity. This program was critical to helping small businesses and nonprofits stay afloat during the pandemic and while feeding hungry New Jerseyans.

Also in August, we also announced over \$400,000 in Asset Activation Planning Grants. Phase I of the program was able to provide grants to communities and organization across the state to assist in early-stage planning work focused on redevelopment and revitalization of underutilized public assets. We also announced that applications for Phase II of the program have opened and will be accepted until November 13<sup>th</sup>.

The NJEDA is continuing to grow New Jersey's innovation economy. Today, our Board will be asked to approve nearly three dozen applications for our Net Operating Loss Program, which aims to boost early-stage technology and life sciences businesses. And with the additional \$20 million in the state budget for the Manufacturing Voucher Program (MVP), we will be able to fulfill applications that were submitted after the program was oversubscribed and launch Phase II of the program in the coming months.

Lastly, yesterday, the New Jersey Motion Picture & Television Commission officially joined the NJEDA. I am excited to welcome the Commission's staff to the NJEDA family. As one entity, the Commission and NJEDA will be able to capitalize on the momentum of the film and television industry. I look forward to working collaboratively with the Commission to continue growing the industry's presence in New Jersey, while investing in communities and bolstering the state's economy.

During the final months of 2023, the NJEDA will continue supporting small businesses and empowering communities – and we'll do so in accordance with the legacies of Lt. Gov. Oliver and President Fiordaliso to better the lives of all New Jerseyans. I thank the Board and the entire NJEDA staff for their hard work every single day to make New Jersey a stronger, fairer place for every resident and family.

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

Tim Sullivan, CEO



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Terry O'Toole  
Chairman

**DATE:** September 12, 2023

**RE:** Annual Organizational Meeting

### **Summary**

The New Jersey Economic Development Authority's By-Laws provide that an annual reorganization meeting be held in September of each year.

The Members are asked to consider the following recommendations associated with the annual reorganization meeting:

### **Officers**

Charles Sarlo has been serving in the role of Vice Chairman, and it is recommended that the Members approve Charles Sarlo to continue to serve in the position of Vice Chairman.

Traditionally, the position of the Board Treasurer has been held by the New Jersey State Treasurer, who serves on the EDA Board in an ex-officio capacity. To remain consistent with that practice, it is recommended that the Members approve the position of Board Treasurer to be held by State Treasurer Elizabeth Maher Muoio.

As per the By-Laws, Tim Sullivan, in his role of CEO, will serve as Board Secretary. The By-Laws also authorize the appointment of Assistant Secretaries to the Board to act in place of the Secretary in the Secretary's absence or at the request of the Secretary. It is recommended that the Members approve Christine Baker, Bruce Ciallella, Fred Cole, Lori Matheus, Richard LoCascio and Danielle Esser to serve as Assistant Secretaries.

### **Committees**

Per the By-Laws, the Authority has five committees that meet throughout the year. Additionally, in the wake of the COVID-19 pandemic, the Board authorized the creation of an ad hoc committee known as the COVID-19 Response Committee. I am requesting that the Members approve the following Members to participate in the following committees, with the appointment of individual Members to Chair each committee as indicated:

## **NJEDA COMMITTEES - SEPTEMBER 2023**

### **AUDIT COMMITTEE**

**Chair:** Terry O'Toole  
Charles Sarlo  
State Treasurer Elizabeth Maher Muoio (or designee)  
Virginia Bauer

**Charge:** The Audit Committee monitors the financial operations of the Authority including the review of the annual operating budget and those responsibilities outlined in the committee Charter. The committee will meet quarterly and at such other times as determined by the Chair.

### **DIRECTOR'S LOAN REVIEW COMMITTEE**

**Chair:** Marcia Marley  
Marlene Caride (or designee), Commissioner of the Department of Banking and Insurance  
Robert Asaro-Angelo (or designee), Commissioner of the Department of Labor and Workforce Development  
State Treasurer Elizabeth Maher Muoio (or designee)  
Fred Dumont

**Charge:** The DLRC will meet monthly to review all non-real estate development Authority exposure requests, including, but not limited to, direct and loan guarantee requests.

### **REAL ESTATE COMMITTEE**

**Chair:** Charles Sarlo  
Fred Dumont  
Shawn LaTourette (or designee), Commissioner of the Department of Environmental Protection  
State Treasurer Elizabeth Maher Muoio (or designee)  
Robert Shimko  
Jewell Antoine-Johnson

**Charge:** The Real Estate Committee reviews all monthly real estate matters with Authority exposure prior to the Board meeting.

## **POLICY COMMITTEE**

**Chair:** Terry O'Toole  
Charles Sarlo  
State Treasurer Elizabeth Maher Muoio (or designee)  
Virginia Bauer  
Aisha Glover  
Marcia Marley

**Charge:** The Policy Committee provides advice on policy matters, the formulation of the Authority's annual strategic business plan and marketing strategy. The committee will meet monthly and at such other times as determined by the Chief Executive Officer (CEO) in consultation with the Chair.

## **INCENTIVES COMMITTEE**

**Chair:** Virginia Bauer  
Terry O'Toole  
State Treasurer Elizabeth Maher Muoio (or designee)  
Robert Asaro-Angelo (or designee), Commissioner of the Department of Labor and  
Workforce Development  
Philip Alagia

**Charge:** The Incentives Committee will meet monthly to review all significant non-direct exposure incentive requests, including but not limited to tax credits.

## **COVID-19 RESPONSE AD HOC COMMITTEE**

**Chair:** Aisha Glover  
Terry O'Toole  
State Treasurer Elizabeth Maher Muoio (or designee)  
Robert Asaro-Angelo (or designee), Commissioner of the Department of Labor and  
Workforce Development  
Marcia Marley

**Charge:** The COVID-19 Response Committee will meet as needed to review COVID-19 related Authority programs and related board actions to ensure thorough and timely program development and response to support the needs of New Jersey's business community.

### **Staff Appointments**

The Members are requested to reaffirm the appointment of Marcus Saldutti as the Authority's Records Custodian and to appoint a new Assistant Records Custodian, Shamira Alvarez.

The Members are also requested to reaffirm the appointment of Fred Cole as the Authority's Ethics Liaison Officer.

### **Board Schedule**

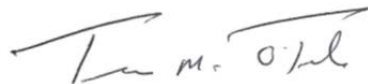
The Members are requested to approve the attached Calendar of Board Meetings through September 2024.

### **Recommendation:**

By resolution, the Board will be adopting the attached schedule of Board Meeting dates from October 2023 through September 2024.

The Members' approval is requested for the following actions:

- 1) Election of a Vice Chair and Treasurer;
- 2) Appointment of Assistant Secretaries;
- 3) Committee appointments as noted herein;
- 4) Reaffirmation of the Authority's Records Custodian, appointment of a new Assistant Records Custodian and reaffirmation of the Authority's Ethics Liaison Officer; and
- 5) Adoption of the Calendar of Meetings through September 2024.



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Terry O'Toole

Attachment

Prepared by: Hector Serrano



**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**BOARD MEETING DATES 2023 - 2024**

**Thursday, October 12, 2023**

**Thursday, November 16 2023**

**Thursday, December 14, 2023**

**Wednesday, February 14, 2024**

**Wednesday, March 13, 2024**

**Wednesday, April 10, 2024**

**Wednesday, May 8, 2024**

**Wednesday, June 12, 2024**

**Wednesday, July 17, 2024**

**Wednesday, September 11, 2024 (Annual Meeting)**

**All meetings begin at 10:00 AM and are held both in person and virtually  
until further notice.**

**SCHEDULE IS SUBJECT TO CHANGE**



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** New Jersey Innovation Evergreen Fund: September 2023 Qualified Venture Firm Approvals

### **SUMMARY**

The Members are asked to approve the venture firms presented today 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. Any Qualified Investments, for which the application opened on May 23, 2023, will be presented to the Members for consideration under separate cover following eligibility review conducted by NJEDA staff. Applications are reviewed by Staff on a rolling basis and presented to the Board by the order in which completed applications are received. This month, Authority staff seeks Board approval to designate three applicant venture capital firms as Qualified Venture Firms.

### **BACKGROUND**

The New Jersey Innovation Evergreen Act (“Act”) (N.J.S.A 34:1B-288 to 302) was signed into law by Governor Murphy as part of the Economic Recovery Act of 2020 (N.J.S.A. 34:1B-269 *et seq.*). In April 2022, the Board of the Authority approved specially adopted and concurrently proposed New Jersey Innovation Evergreen Fund regulations (N.J.A.C. 19:31-25 *et seq.*), which were approved for submission to the Office of Administrative Law for publication in the New Jersey Register as final adopted rules in March 2023. The Act established both the New Jersey Innovation Evergreen Fund (“NIEF”, or “Evergreen Fund”) and the New Jersey Innovation Evergreen Program (“Program”), which supports the private sector’s investment in high growth New Jersey-based companies. The Program will increase venture capital funding available to the State’s innovation ecosystem and create the conditions necessary for entrepreneurs to succeed.

The Act authorizes the NJEDA to sell up to \$300 million of Corporation Business Tax (CBT) credits through a series of competitive auctions, proceeds of which are to be deposited in the Evergreen Fund to be used for Program investments. The Board approved the sale of \$50 million in tax credits through the inaugural Program auction in December 2022. Based on the outcome of the inaugural auction, participants were approved to purchase the \$50 million of tax credits for an aggregate amount of \$41.1 million. The proceeds of the auction are added to the \$5 million of

Program funds received through a FY2023 State budget appropriation to fund initial Evergreen Fund investments and expenses. As of August 1, 2023, \$46,105,986 of unallocated capital remains available for program investments and expenses.

To invest the Evergreen Fund monies, the Program establishes an application process through which venture firms first may apply for designation as a Qualified Venture Firm. Venture firms, which do not need to be located in the State, may apply for designations on a rolling basis, and applications are reviewed in order of submission. To access Program co-investment capital, Qualified Venture Firms may then apply for Qualified Investments on a rolling basis. The Program application for Qualified Investments opened on May 23, 2023.

Qualified Venture Firms may apply to the Authority to access capital in the Evergreen Fund to make up to two initial Qualified Investments per year into eligible New Jersey-based high-growth businesses. Each request for a Qualified Investment may be for up to the Program investment limit of \$5 million, or up to \$6.25 million for businesses that meet any of the following criteria: i) certified by the State as a “minority business” or “women’s business” pursuant to P.L. 1986, c. 195 (N.J.S.A. 52:27H-21.17 et seq.), ii) considered a NJ university spin-off business, or iii) utilizes intellectual property that is core to its business model and was developed at a NJ-based college or university. All Qualified Investments from the Fund must be a co-investment that is matched by the Qualified Venture Firm at least 1:1. The Authority will reserve Fund capital for follow-on investments in Qualified Businesses in an amount based on the same ratio used by the Qualified Venture Firm, up to the Program investment limits noted above in any twelve-month period. The terms of each eligible Qualified Investment will be presented to the Board of the Authority, along with the recommendation for approval of each Qualified Investment.

The application for designation as a Qualified Venture Firm opened on December 16, 2022. Applications are made on a rolling basis, and applications are reviewed in the order in which they are received. Since December 16, 2022, the NJEDA has received seventeen applications; seven Qualified Venture Firms have been approved by the Members to-date, seven applications are in-process, and three completed applicant submissions are presented to the Members this month for approval. Please refer to **Appendix A** for a summary of previously approved Qualified Venture Firms.

## **QUALIFIED VENTURE FIRM CERTIFICATION REQUIREMENTS**

Venture firm applicants can apply for designation either before identifying a potential Qualified Investment, or in conjunction with an application for a Qualified Investment. Venture firm applicants that meet all Program eligibility requirements (detailed in N.J.A.C. 19:31-25.7) and that have submitted all required documentation will be scored based on the Program’s weighted criteria evaluation model for venture firms. The primary eligibility requirements, which are detailed below, must be met both at the time of application for initial certification and at the time of application for investment.

- 1) Number of Investors Employed by the Firm: Qualified Venture Firms must have least two full-time persons employed to direct investment capital with at least five years of professional money management experience (each) at the time of application.

2) Minimum Assets Under Management: Qualified Venture Firms must demonstrate at least \$10,000,000 in assets under management at the time of application, which will be measured as the sum of a firm's net assets of the funds managed by the qualified venture firm, equity capitalization of the funds managed by the qualified venture firm, and written commitments of cash or cash equivalents committed by investors.

Applications that meet all Program eligibility requirements must also meet or exceed the minimum acceptable score through an objective weighted criteria scoring model, which is made publicly available on the Program's website. Only venture firm applicants that meet or exceed the minimum acceptable score, which was approved by the Board in April 2022, may be considered for a Qualified Venture Firm designation.

The evaluation methodology places a material emphasis on venture firm applicants' diversity, equity, and inclusion policies and implementation thereof. Diversity, equity, and inclusion are foundational elements of building a stronger and fairer State economy. Based on the 2023 Program's weighted criteria scoring model, venture firm applicants must demonstrate robust diversity, equity, and inclusion policies to meet the Program minimum acceptable score. For firms with policies that have been in place for at least a year, the weighted criteria scoring model also places material emphasis on each firm's track record of progress against that firm's diversity, equity, and inclusion policy goals. Applicant responses to diversity, equity, and inclusion policy categories are evaluated independently by the Authority's Diversity, Equity, and Inclusion Department using an objective policy demonstration framework tool made publicly available on the Program website to test applicant policies' conformity with industry best practices.

Please refer to **Appendix B** for an overview of specific 2023 Program weighted criteria evaluation model and minimum acceptable score.

### **QUALIFIED VENTURE FIRM COMPLIANCE REQUIREMENTS**

Qualified Venture Firms must submit an annual report to the Authority demonstrating they remain in compliance with program requirements. For example, firms must continue to maintain \$10,000,000 in assets under management and employ two full-time investors employed to direct investment capital with at least five years of professional money management experience. Firms that fall out of compliance with program requirements risk decertification. The annual reports will also include documentation demonstrating Qualified Venture Firm's efforts to identify New Jersey-based investment opportunities.



Additionally, Qualified Venture Firms that receive points through the Program's weighted criteria evaluation model for maintaining robust diversity, equity, and inclusion or New Jersey Incentive Area investment policies must demonstrate best efforts to comply with their policy goals. Firms that fail to do so will be rescored through the weighted criteria evaluation model and risk decertification should their score fall below the minimum acceptable score. For the purposes of the Program, New Jersey Incentive areas are defined as areas in the State designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan), or that has been designated as a qualified Opportunity Zone pursuant to 26 U.S.C. s.1400Z-1



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Tim Sullivan, CEO

Prepared by:

Alexander Pachman – Manager, Venture Programs

Grace Warner – Product Officer, Venture Programs

Attachment:

Appendix A – Summary of Previously Approved Qualified Venture Firms

Appendix B – Qualified Venture Firm Weighted Criteria Evaluation Model

## **Appendix A – Summary of Previously Approved Qualified Venture Firms**

Table 1: Previously Approved Qualified Venture Firms

<b>Qualified Venture Firm</b>	<b>Headquarters</b>	<b>Assets Under Management*</b>	<b>Strategy</b>
Covenant Venture Capital LLC	NY	\$54M	Late-stage AI technology and early-stage technology and life sciences companies.
Edison Partners Management LLC	NJ	\$1.8B	Growth equity software and tech-enabled companies.
Fin Venture Capital Management LLC	CA	\$1.1B	Late-stage and early-stage enterprise financial technology software companies.
Newark Venture Accelerator LLC	NJ	\$152M	Early-stage enterprise software as a service companies.
RV3 Management, LLC	PA	\$34M	Revenue generating healthcare and technology companies.
Signet Healthcare Management LLC	NY	\$328M	Commercial-stage healthcare companies.
Tech Council Ventures LLC	NJ	\$56M	Early-stage technology, clean energy, healthcare, and advanced materials companies.

Note: Assets Under Management calculated as the sum of a firm's net assets of the funds managed by the Qualified Venture Firm, equity capitalization of the funds managed by the Qualified Venture Firm, and written commitments of cash or cash equivalents.

## **Appendix B – Qualified Venture Firm Weighted Criteria Evaluation Model**

The New Jersey Innovation Evergreen Fund venture firm weighted criteria evaluation model and scoring methodology was approved by the Board of the Authority in April 2022 and is publicly available on the program website.

Qualified Venture Firms must meet all program eligibility requirements and meet or exceed the Program minimum acceptable score on the weighted criteria evaluation model. Section 28 of the NJIEF statute, P.L. 2020, c. 156 (amended by P.L. 2021, c. 160) outlines the required categories to be included (further clarified in N.J.A.C. 19:31-25.7 of the Program's regulations). The scoring criteria and weights will be evaluated on a continual basis by Authority staff for potential annual adjustments, to be approved by the Members.

### *Dynamic Scoring*

The weighted criteria model uses dynamic scoring to increase the total possible points and total acceptable score by 7 points for firms that have had a diversity, equity, and inclusion policy in place for at least one year. These firms will be required to demonstrate a track record of making progress towards achieving their policy goals to receive the additional 7 points. Firms unable to do so will be able to earn 5 points if they are able to demonstrate a track record of best efforts towards achieving their policy goals. Venture firm applicants with a newly created diversity, equity, inclusion policy will not be penalized for a failure to demonstrate a track record of achieving policy goals. For those firms, criteria #3a and #3b are removed from the scoring model, reducing the maximum achievable score and the minimum acceptable score by 7 points. This dynamic approach to the Program's total possible score and minimum acceptable score will enable the NJIEF to serve as a catalyst within the venture capital ecosystem, requiring firms that lack diversity, equity, and inclusion policies to establish such policies, while also requiring firms with preexisting policies to demonstrate progress made towards achieving policy goals.

### *Minimum Acceptable Scores*

Venture firm applicants with diversity, equity, and inclusion policies that have been in place for at least one year must receive a score of at least 24 out of a possible 37 points on the Program's weighted criteria scoring model to be certified as a qualified venture firm. Firms with a newly created diversity, equity, and inclusion policy, including firms that may be creating a policy in conjunction with their Program application, must receive a score of at least 17 points out of a possible 30 points. In both cases, it will not be possible for firms to achieve the minimum acceptable score without robust diversity, equity, and inclusion policies.

Table 2: Venture Firm Weighted Criteria

Criteria Number	Scoring Criteria	Score Weight
1	Does the firm have a clearly articulated <u>internal</u> policy promoting diversity, equity, and inclusion within the venture firm/management company, specifying relevant evaluation metrics when applicable?	8.5
2	Does the firm have a clearly articulated <u>investment</u> policy promoting diversity, equity, and inclusion within their portfolios, specifying relevant evaluation metrics when applicable?	5.0
	<i>Have any of the firm's diversity, equity, and inclusion policies been in place for at least one year?</i>	
3a	Does the firm have a demonstrable track record of making <u>progress</u> against its diversity, equity, and inclusion policy goals?	7.0/0.0
3b	If not, does the firm have a demonstrable track record of making <u>best efforts</u> towards achieving its diversity, equity, and inclusion policy goals?	5.0/0.0
4	Has the NJEDA been an investor in a current or prior fund with the firm?	0.5
5	Has the firm worked with other NJEDA programs or participated in NJEDA organized functions to support targeted industries and the innovation ecosystem?	0.5
6	Does the firm have a New Jersey office?	0.5
7	Has the firm made at least two investments into NJ startups from funds raised in the past five years?	0.5
8	Does at least one member of the firm's senior management team have at least 2 years of relevant experience working for a business in a targeted industry?	1.0
9	Does at least one member of the firm's senior management team have at least 5 years of relevant experience working for a business in a targeted industry?	1.0
10	Does the senior management team have at least 2 years of experience working together?	1.0
11	Does the senior management team have at least 5 years of experience working together?	1.0
12	Does the firm control sufficient assets under management such that a \$5M investment would represent less than 15% of the firm's total assets under management?	1.0
13	Does the firm control sufficient assets under management such that a \$10M investment would represent less than 15% of the firm's total assets under management?	1.0
14	Has the firm formally raised capital for the fund that will co-invest alongside the NJIEF in the coming year?	1.0
15	Regarding the fund that would co-invest alongside the NJIEF in the coming year, does the fund have an annual management fee less than or equal to 2.5% of capital committed by investors?	1.0
16	Regarding the fund that would co-invest alongside the NJIEF in the coming year, is the fund's incentive compensation rate (commonly referred to as carried interest rate) at or below 20% of investment profits?	1.0
17	Has the firm previously raised and invested an institutional fund?	1.0
18	Does the firm have a regional investment policy, directing at least 25% of invested capital to New Jersey or surrounding geographic areas, not to encompass more than the Mid-Atlantic region?	0.5

19	Does the firm have at least one fund, raised within the past 10 years, that has performed better than the median relative to its peer group of investors with the same strategy for the same vintage year?	1.0
20	Have all the firm's funds, raised within the past 10 years, performed better than the median relative to peer group investors with the same strategy for the same vintage years?	1.0
21	Have any of the firm's institutional funds distributed more capital back to its investors than they have invested, including fees.	1.0
22	Does the firm have an office in an incentive area in New Jersey?	0.5
23	Does the firm's senior management team agree to create policy certifying that the firm will dedicate a greater portion of Evergreen funding into businesses located in New Jersey incentive areas?	0.5
	<b>Total Possible Points</b>	<b>37.0/30.0</b>
	<b>Minimum Acceptable Score</b>	<b>24.0/17.0</b>

Applicant responses to diversity equity and inclusion policy categories will be evaluated by the Authority's Diversity, Equity, and Inclusion Department using a policy demonstration framework tool made publicly available on the Program's website, to test conformity with industry best practices. Only firms that demonstrate internal or investment diversity, equity, and inclusion policies sufficiently robust such that they meet the requirements of at least 4 out of the 10 categories included in the policy demonstration framework tool presented in Tables 3 and 4 will be rewarded the related criteria points for categories #1 and #2 outlined in Table 2. If needed, applicants may strengthen their diversity, equity, & inclusion policies and submit additional supporting documentation throughout the application process, which enables the Program to catalyze increased focus on diversity, equity, and inclusion in the innovation ecosystem.

Table 3: Venture Firm Internal DE&I Policy Demonstration Framework Tool

<b>Criteria Number</b>	<b>Scoring Criteria</b>	<b>Score Weight</b>
1	Does the firm track diversity metrics for the Firm/Management Company, including Ownership, Investment Committee and Professionals?	1.0
2	Does the firm have a diversity, equity, and inclusion policy that addresses recruitment and retention?	1.0
3	Does the firm have Code of Conduct/Code of Ethics, that covers harassment, discrimination, or workplace violence?	1.0
4	Does the firm have an equitable pay policy?	1.0
5	Does the firm track diversity metrics for carried interest distributions across the firm?	1.0
6	Does the firm have a formal employee engagement policy, to further the retention and advancement programs for diverse staff?	1.0
7	Does the firm have a performance appraisal policy that incorporates individuals' contributions to advancing DE&I?	1.0
8	Are the firms internal DE&I policies codified in a formal policy document available to be shared with the Limited Partners?	1.0
9	Is a member of the firm's senior management team responsible for the firm's internal DE&I policy?	1.0
10	Were the firm's internal DE&I policies in place prior to the events of June 2020?	1.0

	<b>Total Possible Points</b>	<b>10.0</b>
	<b>Minimum Acceptable Score</b>	<b>4.0</b>

Note: Applicants that demonstrate supporting documentation to satisfy 4 of the 10 categories in the internal DE&I policy demonstration framework tool will receive 8.5 points on the weighted criteria scoring awarded model through category #1 in Table 2.

**Table 4: Venture Firm Investment DE&I Policy Demonstration Framework Tool**

<b>Criteria Number</b>	<b>Scoring Criteria</b>	<b>Score Weight</b>
1	Does the firm track diversity metrics of portfolio company Senior Management?	1.0
2	Does the firm track diversity metrics of its investment pipeline?	1.0
3	Does the firm have an investment target to invest in underrepresented founders?	1.0
4	Does the firm track diversity metrics of portfolio company Board of Directors?	1.0
5	Does the firm have a DE&I target in place to improve the diversity of the Board of Directors of portfolio companies?	1.0
6	Does the firm have a policy in place to encourage portfolio companies to implement DE&I hiring and/or retention within portfolio companies?	1.0
7	Does the firm have a policy in place to encourage portfolio companies to implement DE&I policies, programs, or processes among suppliers?	1.0
8	Are the firm's investment DE&I policies codified in a formal policy document available to be shared with the Limited Partners?	1.0
9	Is a member of the firm's senior management team responsible for the firm's investment DE&I policy?	1.0
10	Were the firm's investment DE&I policies in place prior to the events of June 2020?	1.0
	<b>Total Possible Points</b>	<b>10.0</b>
	<b>Minimum Acceptable Score</b>	<b>4.0</b>

Note: Applicants that demonstrate supporting documentation to satisfy 4 of the 10 categories in the investment DE&I policy demonstration framework tool will receive 5 points on the weighted criteria scoring model awarded through category #2 in Table 2.



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** New Jersey Innovation Evergreen Fund: September 2023 Qualified Venture Firm Approval – Creative Ventures Management LLC

### **SUMMARY**

The Members are asked to approve Creative Ventures Management LLC, as a Qualified Venture Firm under the New Jersey Innovation Evergreen Program. Staff finds the applicant meets all program eligibility requirements, including achieving the minimum acceptable score outlined in the cover memorandum and detailed below. The designation will allow Creative Ventures Management LLC to apply for program Qualified Investment co-investment capital to invest in eligible high-growth New Jersey-based companies. Any Qualified Investments, for which the application opened on May 23, 2023, will be presented to the Members for consideration under separate cover following eligibility review conducted by NJEDA staff.

### **CREATIVE VENTURES MANAGEMENT LLC**

#### **Overview**

Creative Ventures Management LLC (“Creative Ventures”) is a minority-owned, California-based early-stage Deep Technology (“Deep Tech”) venture capital firm. The firm invests in early-stage companies addressing one of three global secular trends: 1) labor shortages, 2) rising healthcare costs, and 3) climate change. The firm’s experienced investment team members have technical backgrounds and relevant operating experience, with several senior investment team members founding startups in the firm’s target sectors. Creative Ventures was founded in 2015 and maintains over \$98M in assets under management across its first and second funds. The firm is currently fundraising for a third fund, with a target fund size of \$250M.

#### **Strategy**

Creative Ventures invests in early-stage Deep Tech companies that enable the firm to leverage its investment team’s technical backgrounds to garner market insights. The firm’s team represents over 40 years of investment experience and have earned masters and PhD degrees in artificial intelligence, materials science, and synthetic biology. The firm invests throughout the life cycle of portfolio companies, beginning with companies’ Seed rounds and investing through their pre-

initial public offering rounds of financing. The firm believes that diverse problems require diverse solutions, and 43% of current portfolio companies are led by underrepresented founders, with 33% of portfolio companies founded by female founders.

Creative Ventures invests in companies primarily based in North America addressing secular trends in the industrial, healthcare, agrifood, and energy sectors. Roughly 50% of the firm's investment capital is expected to be deployed into \$3-5M initial checks in Series Seed through A rounds, with the balance of the fund deployed into follow-on rounds.

#### Investment and Management Team

Creative Ventures is led by an experienced management team with technical backgrounds, which includes General Partners, Alex Luce, James Wang, and Champ Suthipongchai. The firm's General Partners are joined by a large team of full-time investment and operating professionals who identify investments and add value to portfolio companies.

Dr. Luce is a General Partner of Creative Ventures and leads the firm's investment operations effort, including leading much of the firm's network building, deal sourcing, and portfolio support programs in the United States. He leads the firm's energy and agrifood sector investment practices, focusing on sustainability-related investments. He also leads the firm's ESG practices, including the firm's DE&I policies. Dr. Luce joined the firm in 2017 as a principal and was promoted to General Partner in 2019.

Prior to joining Creative Ventures, Dr. Luce served as a Program Manager for the California Clean Energy Fund. He also co-founded Strider Solar, a startup with a novel approach to improve solar panel efficiency, and was a research assistant in the Electronic Materials Program at the Lawrence Berkley National Lab. Dr. Luce earned his PhD and Masters of Science and Engineering degrees from the University of California Berkley.

Mr. Wang has served as a General Partner of Creative Ventures since joining the firm in 2016 and leads the firm's investment thesis development, where he oversees the firm's investment research effort. He leads the firm's healthcare and software-related technologies practices, which include artificial intelligence and quantum computing. Prior to joining Creative Ventures, Mr. Wang worked as a Product Marketing Manager at Google and co-founded SmartBod, a women's health startup. Mr. Wang also worked as an investor at Bridgewater Associates, a hedge fund with over \$150B in assets under management. Mr. Wang earned a Masters of Science in Computer Science, specializing in machine learning and artificial intelligence from the Gorgia Institute of Technology.

Mr. Suthipongchai has served as a General Partner of Creative Ventures since joining the firm in 2016 and oversees operation management and resource allocation within the firm as well as portfolio planning and capital allocation. He leads the firm's industrial sector practice. Prior to joining Creative Ventures, Mr. Suthipongchai served as Chief Strategy Officer and associate manager of digital transformation for Sharp TCE, a sharp home appliance independent distributor manufacturer. He held additional operating roles at Johnson and Johnson and 99 Designs, a graphic design platform. Mr. Suthipongchai earned a Masters of Science in Industrial Operations Engineering from the University of Michigan and a Masters in Business Administration from the University of California, Berkley.

#### New Jersey Investment History



The firm has not yet invested in New Jersey-based businesses through funds raised in the past five years.

**RECOMMENDATION:**

Based on the evaluation conducted by Authority staff, according to the criteria established by the legislation, and clarified through Program regulations and the April 2022 Program Board memorandum, designation as a Qualified Venture Firm is recommended for Creative Ventures Management LLC, conditioned on execution of Qualified Venture Firm Agreement.

Table 1: Creative Ventures Management LLC Summary Information

<b>Firm Name</b>	<b>Assets Under Management</b>	<b>HQ Location</b>	<b>Score</b>	<b>Minimum Acceptable Score</b>
Creative Ventures Management LLC	\$98.2M	CA	22.5	17.0



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Tim Sullivan, CEO

Prepared by:  
Alexander Pachman – Manager, Venture Programs  
Grace Warner– Product Officer, Venture Programs

Attachments:

Appendix A – Confidential Detailed Scoring



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** New Jersey Innovation Evergreen Fund: September 2023 Qualified Venture Firm Approval – EMERGING Fund Management LLC

### **SUMMARY**

The Members are asked to approve EMERGING Fund Management LLC, as a Qualified Venture Firm under the New Jersey Innovation Evergreen Program. Staff finds the applicant meets all program eligibility requirements, including achieving the minimum acceptable score outlined in the cover memorandum and detailed below. The designation will allow EMERGING Fund Management LLC to apply for program Qualified Investment co-investment capital to invest in eligible high-growth New Jersey-based companies. Any Qualified Investments, for which the application opened on May 23, 2023, will be presented to the Members for consideration under separate cover following eligibility review conducted by NJEDA staff. EMERGING Fund Management LLC recently applied for a Qualified Investment, which is currently under review by Authority staff.

### **EMERGING FUND MANAGEMENT LLC**

#### **Overview**

EMERGING Fund Management LLC (“EMERGING Fund”) is one of the first growth equity funds to focus on the intersection between technology and the restaurant space (“ResTech”) and restaurant and entertainment concepts. Emerging Fund provides capital, strategic support, and industry expertise to innovative companies within the sector. The Chicago-based firm aims to transform the restaurant sector by investing in ventures that reimagine the guest experience, enhance operational efficiency of the industry, and promote sustainability. The firm’s team brings deep sector-specific operating and investing expertise. Emerging Fund is currently raising its first fund with a \$100M fund size target. The fund completed its first close in early 2023 and currently maintains \$14.2M in assets under management, with another \$50M of fund commitments expected to close in 2023.

## Strategy

EMERGING Fund invests in revenue-generating ResTech and restaurant social entertainment concepts companies in early-stage through Series C rounds. The firm writes \$500,000 to \$5M initial investment checks, with follow-on rounds up to approximately \$10M per investment. Portfolio investments are envisioned to be evenly split across the ResTech and restaurant and entertainment concept verticals. The firm primarily invests in ResTech businesses with at least \$100,000 in annually recurring revenue and restaurant and restaurant and entertainment concepts with one to ten open units. The firm maintains 10 current investments, including a recent investment into Newark, New Jersey-based 1Huddle.

The EMERGING Fund is part of the EMERGING umbrella organization, which has provided insights and expertise to restaurant groups and restaurant and entertainment concept businesses since its inception in 2016. The firm leverages its deal sourcing network and due diligence expertise across its general partners and venture partners, who bring deep experience in the ResTech and restaurant and entertainment concept verticals. The firm adds operational value to its portfolio companies through mentorship and leveraging sales channels to make customer introductions.

## Investment and Management Team

EMERGING Fund is led by an experienced management team, which includes General Partners, Mathew Focht, John Davie, Matt Mena, and Chief Investment Officer, David Bagley. The firm's Managing and General Partners are joined by a large team of seasoned investment and operating professionals who identify investments and add value to portfolio companies.

Mr. Focht is a founder and General Partner of the EMERGING Fund. Throughout his career, he has served hundreds of restaurants, entertainment owners and developers of lifestyle and mixed-use centers. Mr. Focht founded several companies in the ResTech and restaurant and entertainment concept spaces, including EMERGING, Consolidated Concepts, Acutely, and Tipzyy. Collectively these companies have worked with over 65,000 restaurants in their respective areas. Previously, Mr. Focht also served as a Principal of Sierra Advisors and Vice President of RKF Retail Property Advisors, providing comprehensive leasing, marketing, and consulting services to owners and developers of malls, lifestyle centers, and mixed-use projects. Prior to RKF, he also held roles at Pyramid Companies and Steiner & Associates where he was responsible for restaurant leasing and developing the firm's superior-regional malls and mixed-use lifestyle projects.

Mr. Bagley has over 30 years of experience in corporate finance, operations management, profit improvement consulting, and financial advisory services specializing in franchise and restaurant & hospitality industries, including serving as Chief Investment Officer of the Emerging Fund since 2022. He has managed and advised a variety of multi-unit companies throughout his career, including Popeyes, Santa Fe Cattle Company, The Clubhouse, Restaurants America, Bar Louie, Granite City Food & Brewery, Sonic Drive-In, Lee's Famous Recipe Chicken, and Giordano's. He has served as CFO, COO, and CEO in both public and private board level appointments.

Mr. Davie is a part-time General Partner of the EMERGING Fund and a Founder and CEO of the Buyers Edge Platform family of companies. Buyers Edge Platform (BEP) is a unified cloud platform that provides data, insights, and technology into the food service industry. BEP has serviced over 100,000 restaurants clients with over \$20 billion of purchase volume and has provided democratizing connectivity between operators, distributors, and manufacturers to improve outcomes through its data systems and over 700 employees.

Mr. Menna is a part-time General Partner of the EMERGING Fund and a Principal at Sterling Bay and Managing Principal of Four Corners Tavern Group, which operates or invests in over 20 restaurants, bars, and hospitality ventures. Sterling Bay has a track record of over \$1.2B assets sold over the past 12 years. Sterling Bay buildings are home to restaurateurs such as the Tao Group, Hogsalt Hospitality, and Boka Restaurant Group. Sterling Bay's hospitality portfolio also features partnerships with boutique hotel operators, including Ace Hotel and Joie de Vivre. Mr. Menna also oversees the philanthropic arm of Four Corners, donating to over 50 charitable entities each year. Prior to joining Sterling Bay in 2012, he spent 17 years at William Blair, where he managed assets valued at \$600 million for high-net worth clients.

#### New Jersey Investment History

The firm has invested in one New Jersey-based businesses through funds raised in the past five years: 1Huddle, Inc. (2023), Newark.

#### **RECOMMENDATION:**

Based on the evaluation conducted by Authority staff, according to the criteria established by the legislation, and clarified through Program regulations and the April 2022 Program Board memorandum, designation as a Qualified Venture Firm is recommended for EMERGING Fund Management LLC, conditioned on execution of Qualified Venture Firm Agreement.

Table 1: EMERGING Fund Management LLC Summary Information

<b>Firm Name</b>	<b>Assets Under Management</b>	<b>HQ Location</b>	<b>Score</b>	<b>Minimum Acceptable Score</b>
EMERGING Fund Management LLC	\$14.2M	IL	18.5	17.0



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Tim Sullivan, CEO

Prepared by:  
Alexander Pachman – Manager, Venture Programs  
Grace Warner – Product Officer, Venture Programs

Attachments:

Appendix A – Confidential Detailed Scoring



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** New Jersey Innovation Evergreen Fund: September 2023 Qualified Venture Firm Approval – VamosVentures Management Company, LLC

### **SUMMARY**

The Members are asked to approve VamosVentures Management Company, LLC as a Qualified Venture Firm under the New Jersey Innovation Evergreen Program. Staff finds the applicant meets all program eligibility requirements, including achieving the minimum acceptable score outlined in the cover memorandum and detailed below. The designation will allow VamosVentures Management Company, LLC to apply for program Qualified Investment co-investment capital to invest in eligible high-growth New Jersey-based companies. Any Qualified Investments, for which the application opened on May 23, 2023, will be presented to the Members for consideration under separate cover following eligibility review conducted by NJEDA staff.

### **VamosVentures Management Company, LLC**

#### **Overview**

VamosVentures Management Company, LLC (“VamosVentures”) is a minority-owned early-stage venture capital firm that invests primarily in companies led by Latinx founders. The firm targets investments in Health & Wellness, Financial Technology (“FinTech”), Sustainability, and Future of Work sectors. The California-based firm targets market returns while making a positive societal impact through promoting wealth creation, social mobility, and tech driven solutions. The firm raised a \$50M Fund I in 2020 and has deployed over \$20M into 28 portfolio companies, including into two New Jersey companies. VamosVentures is currently raising its second fund with a \$100M fund size target.

#### **Strategy**

VamosVentures invests in early-stage startups across its four target sectors with typical investment sizes between \$500,000 to \$2.5M. All of the 28 portfolio companies in the firm’s first fund are diverse-led, 86% are Latinx-led, and 39% are female-led. Less than 2% of venture capital investment dollars go towards Latinx-led startups, which the firm feels creates an opportunity for strong financial returns and societal impact. Roughly 80% of the firm’s investments are made into

Pre-seed, Seed, and Series A rounds, with the balance of capital going towards later-stage opportunities.

### Investment and Management Team

VamosVentures is led by an experienced management team, which includes Managing Partner, Marcos Gonzalez, Principal Ashley Aydin, and Chief Operating Officer Andres Morin. The firm's senior team are joined by additional full-time junior and mid-level investors, and a part-time Venture Partner.

Mr. Gonzalez is the Managing Partner of VamosVentures and a senior executive with over 20 years of expertise in strategy, private equity, startup, and venture investing in early-stage technology companies. He began his career with IBM, then joined the Boston Consulting Group, leading projects in the USA, Mexico, and Argentina. Mr. Gonzalez joined the private equity industry as an associate, and later investment officer and finally a principal, at Darby Private Equity. In this role, he participated in the making of, and eventually led transactions in, various industries including transport, media, consumer goods, industrial products, telecom and energy. Between private equity funds, Mr. Gonzalez joined two partners and started an e-commerce company based in Boston that allowed heavy equipment users to request quotes from suppliers in an efficient manner. Mr. Gonzalez and his partners built the company, generated revenues, and grew the business to 40 professionals before selling it to the strategic investor.

Ms. Aydin is a Principal on the VamosVentures investment team and has been an investor, operator, strategist, and community builder for over 10 years. She began her career in Capital Markets at Morgan Stanley, specializing in the Consumer and Technology spaces. She was voted the 2015 Best Sector Specialist based on her coverage of equity investment strategies. After Morgan Stanley, Ms. Aydin moved over to the operating side and joined Y Combinator ecommerce startup Shoptiques.com (now Material Retail), where she led sales and business development, onboarding, retaining, and growing customers all while helping the founding team with investor strategy. Ms. Aydin also severed in digital and online strategy roles at Saks Fifth Avenue and Estee Lauder, buying and building technologies for consumers to better their omnichannel experiences. In this role, she helped to launch features like Buy Online / Pickup In-Store, Virtual Try-On, and Personalized Shopping. Ms. Aydin has spent the last several years in venture capital, working at several funds before joining VamosVentures in 2021, where she leads the firms Health & Wellness category. Her prior venture capital experience includes roles at Brand Foundry Ventures, Founders Factory, and the Dorm Room Fund.

Mr. Morin is the Chief Operating Officer of VamosVentures and an accomplished senior executive with 20 years of experience in startups, finance, FinTech, payments, and strategy. He oversees all aspects of fund operations, including HR, compliance, insurance, regulatory matters, fund administration, tax, banking operations, and treasury management. Additionally, he spearheads investments in the FinTech sector and helped develop the fund's investment processes. Mr. Morin works part-time on Fund 1 but will be transitioning to a full-time role during Fund II.

Throughout his career, Mr. Morin has been integrated in the startup ecosystem, assuming pivotal leadership roles in FinTech startups. He was an early employee at NetSpend, a pioneering financial services company, where he made significant contributions to its growth and eventual IPO. During his tenure, Mr. Morin held various strategic and financial positions within the leadership team. Subsequently, he served as the CFO of Rev Worldwide, a startup focused on multi-currency wallets with global operations across five continents. More recently, he led the finance and HR

teams at Billd, a construction-tech startup that revolutionized the commercial construction space through innovative financing & lending solutions. As an investor, Mr. Morin served as a Partner at MPOWER Ventures, a hybrid venture capital and family office investment firm.

#### New Jersey Investment History

The firm has invested in two New Jersey-based businesses through funds raised in the past five years: HandSpring Health (2022), Newark and Culina Health (2023), Hoboken.

#### **RECOMMENDATION:**

Based on the evaluation conducted by Authority staff, according to the criteria established by the legislation, and clarified through Program regulations and the April 2022 Program Board memorandum, designation as a Qualified Venture Firm is recommended for VamosVentures Management Company, LLC, conditioned on execution of Qualified Venture Firm Agreement.

Table 1: VamosVentures Management Company, LLC

<b>Firm Name</b>	<b>Assets Under Management</b>	<b>HQ Location</b>	<b>Score</b>	<b>Minimum Acceptable Score*</b>
VamosVentures Management Company, LLC	\$44.4M	CA	28.0	24.0

\*The minimum acceptable score and total possible points increases by 7 points for applicants with a DE&I policy in place for at least one year. This approach helps ensure applicants with longstanding policies made demonstrable progress towards their policy goals.



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Tim Sullivan, CEO

Prepared by:

Alexander Pachman – Manager, Venture Programs

Grace Warner – Product Officer, Venture Programs

Attachments:

Appendix A – Confidential Detailed Scoring



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** Technology Business Tax Certificate Transfer Program:  
2023 Program Approvals

## **BACKGROUND**

The Technology Business Tax Certificate Transfer (NOL) Program allows technology and biotechnology companies with fewer than 225 employees in the U.S. and with a certain minimum number of full-time employees in the State to sell their net operating losses and/or research and development tax credits to profitable corporate entities. Proceeds from those sales are required to be re-invested in the seller's business.

## **2023 PROGRAM CYCLE**

This year marks the 24th anniversary of the Technology Business Tax Certificate Transfer (NOL) Program. Since the inception of the NOL Program, more than 580 companies have been awarded a total benefit amount of more than \$1.95 billion. As of 2021, the annual pool of tax benefit available for distribution in the program year is \$75 million. Of this, \$15 million is reserved exclusively for eligible companies operating within the boundaries of the State's three Innovation Zones (Camden, Newark and the Greater New Brunswick Area), companies operating in opportunity zones, as well as companies certified by the State of New Jersey as woman or minority owned at the time of program application. Additionally, the lifetime cap for companies is \$20 million.

For the 2023 Program Year, the Authority received applications from 39 companies requesting a total benefit amount of \$166,082,548.



Program highlights for this year include:

- The number of application submissions increased by 39% (2023=39 compared to 2022=28)
- There were 12 technology (30%) and 27 biotechnology companies (70%)
- There were 16 publicly traded companies (40%) and 23 privately held companies (60%)
- There were 5 companies located in an Innovation and or Opportunity Zones.
- There were 2 companies that were certified as MBE/WBE enterprises
- 21 applicants included DE&I self-disclosed information evidencing applicants' diversity
- There were 23 returning prior year applicants and 16 companies new to the program.

Attachment A provides information on the 34 applicants that are recommended for approval in September for the 2023 Program. These applicants requested \$158,070,338 in total benefits, which includes adjustment for companies whose requested amounts were higher than the program's lifetime award cap of \$20 million. Since the program caps the annual pool of tax benefit at \$75 million, the allocation of tax benefit to each approved applicant will be apportioned in accordance with the program rules Section 19:31-12.7 Allocation of tax benefits. In 2023, the 34 companies recommended for approval are estimated to receive \$75,000,000 (the program ceiling for 2023).

The final award amounts are subject to final verification by New Jersey Division of Taxation. The threshold eligibility items for an application are specified in Attachment B. In 2023, 3 applications were recommended for declination due to a lack of evidence to meet the legislative requirements. However, 2 companies elected to withdraw their applications from the program during the due diligence process.

### **RECOMMENDATION:**

Based on evaluations by Authority staff, approval is recommended for the listed applicants on Attachment A, which have been evaluated according to the criteria established by the legislation. Disapproval is recommended for the applicant on Attachment C due to a lack of evidence to support the required eligibility criteria for approval.



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Tim Sullivan, CEO

Prepared by:  
Christopher Shyers  
Senior Innovation Product Officer  
Innovation Programs

### Attachment A: Recommended Approvals

	<b>Business</b>	<b>Business Description</b>	<b>NJ HQ / Base of Operations</b>
1	Acuitive Technologies, Inc.	Acuitive focuses on pursuing material technologies to improve medical device performance and patient outcomes	Allendale
2	AIM ImmunoTech, Inc	AIM ImmunoTech focuses on research and development of therapeutics to treat multiple types of cancers, various viruses and immune-deficiency disorders.  AIM Immunotech is located in an IZ/OZ	New Brunswick
3	Apprentice FS, Inc.	Apprentice helps life science manufacturers get therapeutics to patients faster by providing a manufacturing cloud-based software platform (turns molecules into medicine)  Apprentice FS is new to the NOL program	Jersey City
4	ArrePath, Inc	ArrePath focuses on the discovery and development of new classes of anti-infective with novel mechanism action  ArrePath is new to the NOL program	Princeton
5	Avertix Medical Inc.	Avertix has developed the first and only FDA-approve heart attack system	Eatontown
6	Brilliant Light Power, Inc.	Brilliant Light Power is a technology company creating a nonpolluting, new primary source of energy from the conversion of hydrogen into a prior undiscovered, more stable form of hydrogen called	Cranbury

		<p>“Hydrino” that releases two hundred times more energy than burning hydrogen.</p> <p>Brilliant Light Power is located in an IZ/OZ</p>	
7	Citius Pharmaceuticals, Inc.	Citius Pharmaceuticals, Inc. is a biopharmaceutical company dedicated to development and commercialization of first-in-class critical care products, with a focus on oncology, anti-infectives in adjunct cancer care, unique prescription products, and stem cell therapies.	Cranford
8	CorMedix Inc.	CorMedix focuses on developing and commercializing therapeutic products for the prevention and treatment of life-threatening diseases and conditions	Berkely Heights
9	Curio Digital Therapeutics, Inc	<p>Curtio Digital focuses on developing digital therapeutics solutions and interventions across the behavioral health continuum for women throughout the cycle of life.</p> <p>Curio Digital Therapeutics is a NJ W/MBE certified business Curio Digital Therapeutics is new to the NOL program</p>	Princeton
10	Cytosorbents Medical, Inc.	Cytosorbents Medical focuses on immunotherapy using blood purification to treat deadly inflammation in hospitalized patients around the world, with the goal of preventing or treating multiple organ failure in life-threatening illnesses and cardiac surgery.	East Princeton
11	Dandelion Science, Corp	Dandelion Science is a neurotechnology company developing an advanced neurcoding and dynamics platform	Hoboken

		Dandelion Science is new to the NOL program	
12	ElectroCore, Inc.	ElectroCore is a biotech company that Developed gammaCore, a patient administered, handheld treatment for migraine and cluster headaches.	Rockaway
13	Elucida Oncology, Inc.	Elucida produces an advanced ultra-small silica-based nanoparticle used for cancer treatment  Elucida Oncology is new to the NOL program	Monmouth Junction
14	Enalare Therapeutics, Inc	Enalare focuses on developing novel therapies for patients suffering from acute respiratory conditions  Enalare Therapeutics is new to the NOL program	Princeton
15	Hepion Pharmaceuticals, Inc.	Hepion Pharmaceuticals is a biotech company focused on the development of targeted therapies for liver disease arising from non-alcoholic steatohepatitis (NASH) and chronic hepatitis virus infection (HBV, HCV, HDV).	Edison
16	iCreditWorks, Inc.	iCreditWorks is a mobile application consumer lending platform  iCreditworks is new to the NOL program	Iselin
17	Imunon, Inc	Imunon focuses on advancing a portfolio of innovative treatments including DNA-based immunotherapies, next generation vaccines and directed chemotherapies through clinical trials and eventual commercialization.	Lawrenceville

18	IoTech Corp	IoTech is a technology company that is a developer of a hardware, software and cloud integrated platform designed for the Electric Vehicle smart charging infrastructure.	Cranbury
19	IVIEW Therapeutics, Inc.	IVIEW focuses on innovative ophthalmic therapeutics  IVIEW Therapeutics is new to the NOL program	Cranbury
20	Lisata Therapeutics, Inc.	Lisata focuses on innovative therapies for the treatment of solid tumors and other major diseases	Berkely Heights
21	Matinas BioPharma Holdings Inc	Matinas BioPharma focuses on advancing a lipid nano-crystal (LNC) drug delivery platform to solve complex challenges relating to the delivery of small molecules, gene therapies, vaccines, proteins, and peptides.	Bedminster
22	Milestone Scientific Inc.	Milestone focuses on redefining the intracellular delivery of nucleic acids and small molecules through lipid nanocrystal delivery platform technology	Roseland
23	Modern Meadow Inc.	Modern Meadow develops synthetic proteins to produce fermentation-based human-like collagen to sell to cosmetic companies  Modern Meadow is new to the NOL program	Nutley
24	NAKI Therapeutics Inc.	NAKI aims to kill cancer cells by reengineering natural killer (NK) cells that belong to the human innate immune system  NAKI Therapeutics is new to the NOL program	Summit
25	Ocean Power Technologies, Inc	Ocean Power Tech provides ocean data collection and reporting, offshore	Monroe Township

		communications, marine power, Maritime Domain Awareness ("MDA") and consulting products and services.	
26	Onkos Surgical, Inc	Onkos Surgical delivers high quality implants and instruments that meet the unique needs of musculoskeletal tumor patients	Parsippany
27	PDS Biotechnology Corporation	PDS Biotechnology Corporation focuses on developing a new generation of multi- functional cancer immunotherapies.	Florham Park
28	PMV Pharmaceuticals, Inc.	PMV conducts biotechnological and pharmaceutical research and development  PMV Pharmaceuticals is new to the NOL program	Princeton
29	Princeton Identity, Inc.	Princeton Identity focuses on streamlining security, increase throughput, optimize operations, and control costs.	Hamilton
30	Princeton Nuenergy Inc.	Princeton Nuenergy focuses on the direct recycling of lithium-ion batteries (LIBs) from electric vehicles (EVs) and consumer electronics.  Princeton Nuenergy is new to the NOL program  Princeton Nuenergy is a NJ W/MBE certified business	Bordentown
31	Rafael Holdings, Inc.	Rafael Holdings, Inc. focuses on funding and developing novel cancer therapies through investments in companies with goal of building a cancer metabolism therapeutics company.  Rafael Holdings is located in an IZ/OZ	Newark

32	Signum Biosciences, Inc. & Subs	Signum develops small molecule therapeutics derived from their phosphatase platform to modulate signal transduction imbalances	Princeton
33	Soligenix, Inc.	Soligenix focuses on developing and commercializing products to treat rare diseases where there is an unmet medical need	Princeton
34	Sonnet BioTherapeutics Holdings & Subs	<p>Sonnet develops biologic drugs to be used principally in the field of oncology</p> <p>Sonnet BioTherapeutics is new to the NOL program</p>	East Windsor

## **Attachment B -** **NOL Threshold Eligibility Requirements**

Each applicant must meet each of the legislative requirements below.

1. "Biotechnology business"
  - a. "headquarters or base of operations located in New Jersey".
  - b. "that owns, has filed for, or has a license to use protected, proprietary intellectual property and whose primary business is the research, development, production, or provision of biotechnology for the purpose of developing or providing products or processes for specific commercial or public purposes, including, but not limited to, medical, pharmaceutical, nutritional, and other health-related purposes, agricultural purposes, and environmental purposes."
2. "Emerging technology business"
  - a. "headquarters or base of operations located in New Jersey".
  - b. "that owns, has filed for, or has a license to use protected, proprietary intellectual property whose primary business is the provision of a scientific process, product, or service and that employs some combination of the following: highly educated and/or trained managers and workers employed in New Jersey who use sophisticated scientific research, service or production equipment, processes or knowledge to discover, develop, test, transfer or manufacture a product or service."
3. "New or expanding" - "On June 30 of the year in which the company files an application for surrender of unused but otherwise allowable tax benefits under P.L.1997, c.334 (C.34:1B-7.42a et al.) and on the date of the exchange of the corporation business tax benefit certificate," a company must have
  - a. fewer than 225 employees in the United States of America; (In calculating the number of employees under this definition, employees of all affiliates and subsidiaries as shown on its consolidated financial statements, employees of any company that owns or controls at least 50 percent of the applicant, as well as the employees of any consolidated group of affiliated corporations as filed for Federal income tax purposes shall be included.)
  - b. at least one full-time employee working in this State if the company has been incorporated for less than three years
  - c. at least five full-time employees working in this State if the company has been incorporated for more than three years but less than five years
  - d. at least 10 full-time employees working in this State if the company has been incorporated for more than five years



4. "Full-time employee" means a person employed by a new or expanding emerging technology or biotechnology company on
  - a. on a permanent or indefinite basis
  - b. for consideration for at least 35 hours a week
  - c. whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq
  - d. "or who is a partner of a new or expanding emerging technology or biotechnology company who works for the partnership for at least 35 hours a week... and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq"
  - e. A "Full-time employee" must also be considered a "Full-time employee working in this State" which means a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey. For out of state employees (excluding Pennsylvania residents due to the tax agreement) verification of New Jersey office utilization is required.
  - f. It shall not include any person who works as an independent contractor or on a consulting basis for the new or expanding emerging technology or biotechnology business; or any person who works as an intern, as a temporary employee, or in a temporary position.
  - g. To qualify as a "full-time employee," an employee shall also receive from the new or expanding emerging technology or biotechnology company health benefits under a group health plan as defined under section 14 of P.L. 1997, c. 146 (N.J.S.A. 17B:27-54), a health benefits plan as defined under section 1 of P.L. 1992, c. 162 (N.J.S.A. 17B:27A-17), or a policy or contract of health insurance covering more than one person issued pursuant to Article 2 of chapter 27 of Title 17B of the New Jersey Statutes.
5. "Financial statements"
  - a. Application must include a Draft or Final prepared Financial Statement.
  - b. Applicant cannot be approved if it "Has demonstrated positive net operating income in any of the two previous full years of ongoing operations as determined on its financial statements".
  - c. Must meet the definition of a "Financial Statement" which is defined as "a statement prepared by an independent Certified Public Accountant (CPA), which shall include an opinion letter indicating the scope of the services performed (compilation, review, or audit) in accordance with Generally Accepted Accounting Principles (GAAP) as determined by the Financial Standards Accounting Board (FASB) and shall include a balance sheet, statement of income and expenses, cash flow statement, other statements as determined by the independent CPA, and footnotes where applicable".

- d. If an applicant submits a draft Financial Statement, the Final Financial Statement must be received no later than September 31<sup>st</sup> of the program year.
  - e. If an applicant submits a draft Financial Statement, the Final Financial Statement must include no material changes from the Draft submitted at application.
  - f. If an applicant “Is directly or indirectly at least 50 percent owned or controlled by another corporation” then the controller must also follow steps A-E.
6. “Protected Proprietary Intellectual Property” –means intellectual property that is
- a. the technology of the applicant's primary business as a technology or biotechnology business
  - b. protected via a patent pending,
  - c. protected via a patent awaiting approval,
  - d. protected via an approved patent,
  - e. or protected via a registered copyright
7. Applicant must provide all applicable documentation to the NJEDA and any additional supplemental information as required by the NJEDA to confirm program eligibility.

## **Attachment C**

### **Disapprovals:**

#### **Cornerstone Pharmaceuticals Inc**

**Recommendation** – Due to a lack of evidence to show the applicant meets NOL threshold eligibility requirements: #3(d) and 4(e)

Eligibility Requirement #3(d) – at least 10 full-time employees working in this State if the company has been incorporated for more than five years.

Eligibility Requirement #4(e) – A "Full-time employee" must also be considered a "Full-time employee working in this State" which means a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey. For out of state employees (excluding Pennsylvania residents due to the tax agreement) verification of New Jersey office utilization is required.

The applicant was formed in 2002 and therefore is subject to the requirement of 10 employees in NJ. The applicant indicated that they had exactly 10 employees working full-time in NJ; however, they were unable to document this satisfactorily. The tenth employee is their CEO, Mr. Sanjeev Luther, who resides in Delaware and commutes to the Cornerstone office in NJ for work on a regular, but not exclusive basis. Staff requested additional information from Mr. Luther to establish whether he does indeed spend 80% or more of his work time in NJ. The company provided Mr. Luther's EZ-Pass toll records from the 90 days preceding the date of NOL application, as is our typical practice to examine, to document the days on which he commuted to work in the NJ office. Staff analysis of these records established that Mr. Luther commuted to work in NJ an average of 1-2 days per week, falling short of the 80% threshold needed to count as a NJ employee for eligibility purposes. Therefore, Cornerstone only has nine employees working in NJ and does not meet this requirement.

## **Oredible Inc**

**Recommendation** – Due to a lack of evidence to show the applicant meets NOL threshold eligibility requirements: #3(c) and 4(e)

Eligibility Requirement #3(c) – at least five full-time employees working in this State if the company has been incorporated for more than three but less than five years.

Eligibility Requirement #4(e) – A "Full-time employee" must also be considered a "Full-time employee working in this State" which means a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey. For out of state employees (excluding Pennsylvania residents due to the tax agreement) verification of New Jersey office utilization is required.

The applicant was formed in 2019 and therefore is subject to the requirement of five employees in NJ. The applicant indicated that they had six employees working full-time in NJ; however, they were unable to document this satisfactorily. Their NJ payroll documents indicated only four employees during the corresponding periods, and their internal payroll reports indicated that at least one employee was part-time (working only 55-60 hours per month). Staff has repeatedly reached out to the applicant to request documentation to establish that they do in fact have five full-time NJ employees, but they have to date not been able to satisfactorily reconcile these discrepancies.

### **Thinkster Learning, Inc.**

**Recommendation** – Due to the prohibition in N.J.S.A. 52:18-52 that a State entity shall not award an “economic development subsidy” valued at greater than \$25,000 if the applicant is in default on a previously awarded loan or loan guarantee; the immediate default upon execution of the program agreements; and a lack of evidence to show the applicant meets NOL threshold eligibility requirements: #7

Eligibility Requirement #7 – Applicant must provide all applicable documentation to the NJEDA and any additional supplemental information as required by the NJEDA to confirm program eligibility.

Thinkster Learning, under its prior name Prazas Learning, entered into a five-year term Edison Loan agreement (PROD 00150356) in 2016. In accordance with a prior loan modification arrangement with the NJEDA, the applicant was required to make lump sum payments in 2022. These were not completed. Currently, the entire loan balance is due, but no payment has been made which is an event of default under the terms of the loan agreement. The applicant is not eligible for any NJEDA products or services valued at greater than \$25,000 while in default to NJEDA for a loan. Additionally, the program agreements contain a cross default that makes a default in the Edison Loan also a default in the NOL program agreements, and, thus, the applicant would be immediately in default.

Finally, in its application, the applicant indicated that it was not in default with the CEO certifying that the business is not in default with any loan or loan guarantee administered by the State of New Jersey and/or any authority of the State of New Jersey. Nonetheless, the applicant submitted financial statements indicated the debt owed to the NJEDA. After NJEDA review of the application, the applicant acknowledged its default status. The application states “Failure to disclose relevant matters may render the Applicant ineligible for the financial benefits sought.” This omission from the application is serious enough to warrant ineligibility.



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** NJ MVP, New Jersey Manufacturing Voucher Program Phase 2

### **Request:**

The Members are asked to approve:

1. The New Jersey Manufacturing Voucher Program Phase 2 (NJ MVP), extending this pilot initiative that offers grants in the form of reimbursement to New Jersey manufacturers. This program aims to facilitate access to essential equipment, enhancing efficiency, productivity, and overall profitability in New Jersey manufacturing.
2. The utilization of \$20,000,000 from the Fiscal Year 2024 (FY2024) budget to capitalize the NJ MVP, New Jersey Manufacturing Voucher Program Phase 2. The utilization of up to \$4,000,000 of funding to be used for eligible waitlisted applicants from Phase 1 and \$1,000,000 of funding is to be used by the Authority to cover administrative costs that are needed to administer the NJ MVP Phase 2, New Jersey Manufacturing Voucher Program.
3. Amending NJMVP specifications so that eligible applicants with fifty (50) or less full time employees ( FTE) qualify for a funding bonus. The Authority will also streamline applications, eliminating the pre-qualification process developed for Phase 1. All other Phase 1 program specifications remain unchanged.
4. Delegation of authority to the Chief Executive Officer to approve certain individual applications for the NJ MVP, New Jersey Manufacturing Voucher Program Phase 2, within the parameters set forth in this memo and the attached program specifications.
5. Delegation to the Chief Executive Officer to accept additional funds from any available governmental funding source (Federal, State or County/Municipal) to further fund the second phase of this pilot program, and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.

### **Background:**

On October 12, 2022, the Members approved the creation of the New Jersey Manufacturing Voucher Program, which included the utilization of \$20 million of the available \$35 million from the Fiscal Year 2023 (FY2023) Manufacturing Industry Initiative budget appropriation to stimulate private sector investments to modernize New Jersey's manufacturing industry.

Because the demand exceeded the \$20 million, on July 12, 2023, the members of the Board approved the use of an additional \$13.75 million from the same \$35 million Manufacturing Industry Initiative increasing total funding utilized for NJMVP from \$20 million to a total of \$33.75 million.

On June 30, 2023, Governor Phil Murphy allocated \$20 million from the Fiscal Year 2024 budget to continue to boost the New Jersey Economic Development Authority's (NJEDA) New Jersey Manufacturing Voucher Program (MVP). The MVP, developed in 2022 as a pilot program, provides manufacturers vouchers to purchase equipment they need to improve their operations and upgrade their businesses.

### **Description of Program:**

The New Jersey Manufacturing Voucher Program (NJ MVP) Phase 2 will provide a reimbursement of equipment costs 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 priority sectors and manufacturers 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 for eligible applicants that are New Jersey certified woman, minority, or veteran owned businesses (WMVB), that are located in opportunity zone eligible census tracts, that are purchasing manufacturing equipment manufactured or assembled in New Jersey, have a collective bargaining agreement in place, and for manufacturers with fifty (50) or less FTE's. NJ MVP is also committed to supporting small businesses by awarding manufacturers with 100 or less Full Time Equivalent employees (FTE) higher award percentages. Companies with 100 FTEs or less are capped at 50% of the award. Companies with employees over 100 FTE are capped at 40% of the award. Maximum award amount of \$250,000.

Complete applications will be accepted on a rolling basis and remain open until such point that the program is deemed oversubscribed based on funds availability.

### **Eligibility:**

- Applicant company must be either a manufacturer in a Targeted Industry or the equipment to be purchased by the applicant company must meet the Advanced Manufacturing definition. See Targeted Industry List and definitions ([Appendix B](#))
- Applicant company must provide a NJ Tax Clearance Certificate by the time of approval.
- Provide a purchase quote, order proforma, equipment listing, or other third-party cost validation.
- Projects for which a contract has been executed, a purchase order has been initiated, or a pre-payment has been rendered prior to the submission of an MVP application and an application fee submitted, **will not** be eligible for funding consideration.
- For-profit and not-for-profit companies are eligible.
- Applicants must operate their businesses in a commercial or industrial zone in New Jersey. Home-based businesses are not eligible for this program.
- Equipment must be used in the manufacturing process and provide a narrative on exactly how the requested equipment will be used to use the in their manufacturing process.
- Have a total aggregated project cost (equipment + installation) of at least \$25,000.00.
- Grantee must order/purchase the specified equipment within thirty (30) days of the effective date of the Closing Agreement.
- Following approval, the grantee will have 12 months from the effective date of the Closing Agreement to deliver and install the equipment. Grant recipients may apply for up to two 6-month extensions due to unforeseen delays.
- Equipment must be located and used in the manufacturing process in a New Jersey location.

- Applicant is not engaged in prohibited activities.
- Signer of the application must be an authorized signer (an owner, officer or otherwise have the legal authority to bind the business) of the business

In addition to the eligibility parameters already stated above, the applicant must also be in substantial good standing with the New Jersey Department of Labor and Workforce Development (LWD) and NJ Department of Environmental Protection (DEP) at the time of approval to be eligible for NJ MVP – New Jersey Manufacturing Voucher Program. A current tax clearance will also need to be provided prior to approval and maintained through the closing/grant agreement process to demonstrate the applicant is properly registered to do business in New Jersey and in substantial good standing with the NJ Division of Taxation.

All construction contracts equal or greater to \$2,000 where equipment installation requires construction; for example, if any contracts are issued for Plumbing, Electricians, or Carpenters or any other construction trades for the installation of equipment(s) are subject to the Authority’s affirmative action requirements, N.J.S.A. 34:1B-5.4, and prevailing wage requirements, N.J.S.A. 34:1B-5.1.

### **Targeted Industries:**

The Board on July 14, 2021, approved the use of the Emerge Program list definitions and of Targeted Industries to help guide uses of Economic Recovery Fund (ERF) monies as required by the Economic Recovery Act of 2020 (ERA). The ERA provides a consistent definition of “Targeted Industry” for various programs and authorizes the Authority to amend the list from time to time. As part of the approval of the Emerge Program on May 12, 2021, the Board approved a policy with definitions for each of the Targeted Industries included in the statute, including providing examples of what activities and sub-sectors were included and excluded from each industry definition. Those definitions are attached to this memorandum.

These definitions are applicable as the appropriated monies for NJ MVP – New Jersey Manufacturing Voucher Program will be deposited into Economic Recovery Fund (ERF), as explained further below.

### **Diversity, Equity, and Inclusion Bonuses:**

As a commitment and in support of the Authority’s Diversity, Equity, and Inclusion efforts, the NJ MVP – New Jersey Manufacturing Voucher Program supports projects that are in distressed areas and under-represented ownership groups. New to NJMVP Phase 2, manufacturers with fifty or fewer FTEs will also be eligible for a bonus. In particular, the NJ MVP will award bonuses to those applicants for each of the following areas:

#### **Stackable 5% Bonuses Available for each of the following**

- Opportunity Zone Eligible Census Tract (equipment located)
- Certified Woman, Minority, and Veteran Owned Businesses (WMVB)
- At least one Collective Bargaining Agreement in place
- Manufacturers with fifty (50) or less FTE’s

#### **Stackable 10% Bonuses Available for the following**

- Purchase equipment from a New Jersey Manufacturer. (Equipment must be manufactured and/or assembled in NJ)



### *Eligible Funding Uses:*

Funding can only be used for the purchase and installation of (new and/or used) equipment used in the manufacturing process. The equipment must be located and installed at a New Jersey location. Eligible capital assets shall include any form of manufacturing equipment, technologically advanced equipment or production/operating systems, including but not limited to robotics, additive manufacturing, hardware or software for digital twinning, advanced sensor or control systems, IIoT (interconnected sensors, instruments, and other devices networked together with computers' industrial applications) systems and related security. In addition, for profit and not-for-profit companies are eligible but home-based businesses are not eligible. The acquisition of eligible equipment as it relates to NJ MVP must be executed at arm's length.

### *Application Process:*

Complete applications will be accepted on a rolling basis and remain open until such point that the program is deemed oversubscribed based on funds availability. Applicants will have 14 calendar days after their application is reviewed to provide missing or incomplete documents. In NJMVP Phase 2, the pre-qualification process developed for Phase 1 will be eliminated in order to make applying more efficient.

### *Delegated Authority:*

Delegation of authority to the Chief Executive Officer to approve individual applications for the NJ MVP for applicants that fit the specific examples outlined in the approved targeted industry definitions, including examples in Advanced Manufacturing. Any other applicant that staff considers eligible must go to the Board for approval.

As a pilot program, decisions based on non-discretionary reasons are subject to the existing delegated authority. Accordingly, CEO will delegate to the appropriate staff on all decisions and appeal decisions for non-discretionary reasons.

## **Program Funding**

Per the Fiscal Year 2024 (FY2024) State Budget, the EDA will receive \$20,000,000 in funding for the use of Phase 2 of the New Jersey Manufacturer Voucher Program (NJ MVP) and deposited into the Economic Recovery Fund. Of that allocation \$1,000,000 will be used to cover administrative costs and up to \$4,000,000 can be used to provide funding to MVP Phase 1 waitlist applicants of this program. The assignment of the funds to the Economic Recovery Fund will allow the Authority to authorize a grant as listed under N.J.S.A § 34:1B-7.13(a)(12), which provides ERF Funds can be utilized “to provide grants or competition prizes to funds initiative based activities which stimulate growth in targeted industries as defined by the authority’s board or supports increasing diversity and inclusion within the State’s entrepreneurial economy. The NJMVP, as a grant program stimulating growth in Advanced Manufacturing, or manufacturing activities in any of the other targeted industries reflected in appendix b, is an eligible use of ERF funding.

## **Fees:**

As required by N.J.A.C. § 19:30-6.1, a non-refundable fee of \$1,000 shall accompany every application.

## **Reimbursement Disbursement:**

One single award disbursement will be issued when proof of equipment delivery and installation of all equipment in a New Jersey facility, is provided. If an applicant is eligible for multiple pieces of equipment, they must have all equipment delivered and installed before they submit for reimbursement. An applicant does not have to move forward with the acquisition of all eligible pieces of equipment in their approval letter and may submit for reimbursement just for what they decided to move forward with.

- **Changes to equipment:** The program prohibits changes to equipment that were not listed in the original application. However, changes to equipment of the same nature as that originally requested are permissible. For example, if the applicant applied for an Aaron Mixer 1.0 and want to purchase a White Mountain Mixer 2.0, that would be acceptable. However, if the applicant applied for a Mixer and now requests to purchase a Printer, that would not be acceptable.
- **Changes to vendors:** The program allows applicants to change the purchase vendor. However, this might affect the loss of a bonus for buying from a New Jersey manufacturer.
- **Changes to award amount:** The award amount will not be increased for any changes or prices increases. However, it may be adjusted downward based on the final amount paid.

## **Recapture Provision:**

If, in any tax period within the first 3 years of executed grant agreement, the company decides to leave the state or move the approved equipment out of the state, the authority will impose a scaled recapture of the award based on the scale below:

<b>Moves out of State within</b>	<b>Recapture Percentage of the Face Value</b>
<b>1 year of executed grant agreement</b>	<b>100%</b>
<b>2 years of executed grant agreement</b>	<b>60%</b>
<b>3 years of executed grant agreement</b>	<b>30%</b>

## **Recommendation:**

The Members are asked to approve:

1. The New Jersey Manufacturing Voucher Program Phase 2 (NJ MVP), extending this pilot initiative that offers grants in the form of reimbursement to New Jersey manufacturers. This program aims to facilitate access to essential equipment, enhancing efficiency, productivity, and overall profitability in New Jersey manufacturing.
2. The utilization of \$20,000,000 from the Fiscal Year 2024 (FY2024) budget to capitalize the NJ MVP, New Jersey Manufacturing Voucher Program Phase 2. The utilization of up to \$4,000,000 of funding to be used for eligible waitlisted applicants from Phase 1 and \$1,000,000 of funding is to be used by the Authority to cover administrative costs that are needed to administer the NJ MVP Phase 2, New Jersey Manufacturing Voucher Program.
3. Amending NJMVP specifications so that eligible applicants with fifty (50) or less full time employees ( FTE) qualify for a funding bonus. The Authority will also streamline applications, eliminating the pre-qualification process developed for Phase 1. All other Phase 1 program specifications remain unchanged.
4. Delegation of authority to the Chief Executive Officer to approve certain individual applications for the NJ MVP, New Jersey Manufacturing Voucher Program Phase 2, within the parameters set forth in this memo and the attached program specifications.
5. Delegation to the Chief Executive Officer to accept additional funds from any available governmental funding source (Federal, State or County/Municipal) to further fund the second phase of this pilot program, and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.



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Tim Sullivan, CEO

Prepared by: Ivan Mendez

Attachments:

**Appendix A** - Proposed Product Specifications: NJ MVP, New Jersey Manufacturing Voucher Program

**Appendix B** – Targeted Industries

## APPENDIX A:

<b>Proposed Program Specifications</b> <b>October 12, 2022</b>	
<b>Funding Source</b>	\$20,000,000 from the Fiscal Year 2024 (FY2024) State Budget to capitalize the NJ MVP, New Jersey Manufacturing Voucher Program Phase 2
<b>Program Purpose</b>	NJ MVP will provide New Jersey Manufacturers a grant to access equipment they need to become more efficient, productive, and profitable.
<b>Eligible Applicants</b>	Manufacturers located in a commercial or industrial zone in New Jersey with a NJ Tax Clearance Certificate.
<b>Eligible Uses</b>	<p>Applicant company must be in a targeted industry.</p> <p>Funding can only be used for the purchase and installation of (new and/or used) equipment used in the manufacturing process. The equipment must be located and installed at a New Jersey location. Eligible capital assets shall include any form of manufacturing equipment, technologically advanced equipment or production/operating systems, including but not limited to robotics, additive manufacturing, hardware or software for digital twinning, advanced sensor or control systems, IIoT (interconnected sensors, instruments, and other devices networked together with computers' industrial applications) systems and related security. In addition, for profit and not-for-profit companies are eligible but home-based businesses are not eligible. The acquisition of eligible equipment as it relates to NJ MVP must be executed at arm's length.</p>
<b>Grant Amounts</b>	30% - 50% of eligible project cost with a minimum of \$7,500 and capped at \$250,000.
<b>Fees</b>	As listed in N.J.A.C. § 19:30-6.1, a non-refundable fee of \$1,000 shall accompany every application.

## APPENDIX B

### “TARGETED INDUSTRIES” DEFINITIONS

The proposed definition of “Targeted industry” is the following:

“Targeted industry” means any industry identified from time to time by the Authority which shall initially include advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, information and high technology, finance and insurance, professional services, film and digital media, non-retail food and beverage businesses including food innovation, and other innovative industries that disrupt current technologies or business models. A project shall be considered to be in a targeted industry if the activity undertaken by the full-time employees will be in a targeted industry, or if the business is in a targeted industry. An eligible business shall be considered to be in a targeted industry, if the project is for full-time employees of a division or subsidiary that falls within the definition of a targeted industry. A division or affiliate of an eligible business that is in a targeted industry shall be considered to be in a targeted industry, even if the project is for full-time employees that do not work directly in the targeted industry. The Authority may consider whether a business fits into another innovative industry that disrupts current technologies or business models, by assessing factors such as, whether businesses in the industry are offering products or services that significantly improve current market offerings on the basis of price or other performance levels, whether the new industry creates opportunities for new firms to enter and redefine the supply chain or value chain of an industry, or whether the industry utilizes new technology or business processes that allow New Jersey-based firms to collect a share of revenues that were traditionally only available to companies in other geographies.

The Authority developed definitions and policy interpretations for each of the listed industries within the definition of “Targeted industry” as included in the Emerge program regulations and statute.

**Advanced transportation and logistics industry** includes, but is not limited to, the research, development, commercialization, and implementation of technology and innovative methodologies to move goods, services, and people, including by rail, road, air, sea, cable, space and the processing, storage, supply chain management, handling and packaging of goods and services.

**Advanced transportation** includes, but is not limited to, the areas of infrastructure, vehicles, and operations. Examples of advanced transportation technologies may include advanced transportation, sensor development, electrification of vehicles and infrastructure, new transport vehicle development, smart infrastructure and smart cities technologies.

**Advanced logistics** includes, but is not limited to, the research, development, commercialization, and implementation of innovative planning, storage, supply chain management, handling, and packaging of goods and services.

Examples of advanced logistics technologies may include real-time dynamic tracking or pricing, automated processing and handling, the use of blockchain and artificial intelligence, and the use of advanced telecommunication technologies in logistics.

Excluded from this industry are conventional warehousing and distribution facilities, operations and conventional transportation businesses, such as trucking.

**Advanced manufacturing industry** includes, but is not limited to, activities that integrate advanced or innovative technologies, processes and materials to improve the manufacturing of products. Such activities include research, development, commercialization, and implementation of new manufacturing methods and processes that utilize technology or other innovative methodologies including both physical equipment and software supporting advanced production.

Examples of advanced manufacturing technologies include additive manufacturing technologies, computer-aided manufacturing, utilization of advanced sensors and robotics to improve production, development of advanced materials to support production, and digital twin development and utilization. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

Excluded from this industry are conventional manufacturing firms that do not sufficiently develop or utilize technologies such as those listed above.

**Aviation industry** includes, but is not limited to, commercial businesses that are directly involved with air transportation, which utilizes an aircraft, such as airplanes, helicopters and drones.

The aviation industry also includes aircraft manufacturing, aviation component manufacturing, aviation research, air safety, involvement with military aviation and the design, production or use of drones. The aviation industry also includes research, development, and commercialization of aviation-specific software, processes, guidance systems, technologies, and other industry-specific innovative methodologies. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

Excluded from this industry are the operations of regularly scheduled commercial or private flights.

**Autonomous vehicle research or development industry** includes, but is not limited to, the research, development and implementation of technologies that support the advancement of vehicles that operate independently, increasingly without human involvement, and the related infrastructure for such vehicles.

Examples of autonomous vehicle and infrastructure technologies include sensors, radars, cameras, actuators, complex algorithms, machine learning systems, and software processors that support autonomous vehicle operations and maintenance. Excluded from this industry are research, development, and implementation of technologies that do not advance towards fully automated vehicular operations or the related infrastructure.

This industry also includes firms that manufacture either finished or interim advanced technologies or components.

**Zero-emission vehicle research or development industry** includes, but is not limited to, the research, development and implementation of technologies that advance the production of electric and other zero emission vehicles that reduce greenhouse gas emissions or improve air quality and the related infrastructure. This industry also includes firms that are undertaking specific projects to implement these technologies.

Examples of zero-emission vehicle technologies include plug-in-hybrid electric vehicles, battery-powered electric vehicles, hydrogen fuel cell-powered vehicles, vehicle charging infrastructure, electricity grid infrastructure improvements, and software to support these technologies.

Excluded from this industry are research, development, and implementation of technologies that do not reduce greenhouse gas emissions or improve air quality.

This industry also includes firms that manufacture either finished or interim advanced technologies or components.

**Clean energy industry** includes, but is not limited to, the research, development, commercialization, manufacturing of products and services, and implementation of technologies that support renewable energy generation and distributed energy resources, grid modernization, energy efficiency and zero-carbon building development, and transport system electrification.

Examples of clean energy technologies include solar power, onshore and offshore wind, electric battery storage, fuel-cell-based storage, carbon capture technologies, non-combustion waste-to-energy technologies, wave energy, water use minimization technologies, carbon-reducing materials, nuclear energy, heat pumps and geothermal, run of river hydroelectric, and other innovative recycling technologies and processes. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

Excluded from this industry are distribution or transmission utilities, conventional landfill operations, combustion-based waste-to-energy projects, and natural gas projects.

**Life sciences industry** includes, but is not limited to, the research, development, commercialization, manufacturing, and implementation of innovative treatments, diagnostic tools, healthcare related software, medical devices, services, and equipment that supports the study, protection and improvement of plant, animal and human life.

Examples of life science industry practices include specialization in biomedicine, biochemistry, pharmaceuticals, biophysics, neuroscience, cell biology, biotechnology, medical devices, nutraceuticals, health-technology, botany and advanced agricultural development, cosmeceuticals, and life systems technologies. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

Exclusions from this industry include direct provision of health care services in hospitals, outpatient facilities, dentist offices, nursing homes, or within a home setting.

**Hemp processing industry** refers to activities in compliance with the federal Agriculture Improvement Act of 2018 (also known as the 2018 Farm Bill) and any applicable regulations regarding hemp processing promulgated by the New Jersey Department of Agriculture, United States Department of Agriculture, or the United States Food and Drug Administration, including but not limited to, the research, development, commercialization, processing and manufacturing of commercial and industrial hemp products derived from hemp seeds, oil, fibers and shives for commercial use, including in the automotive, construction, food and beverage, personal care, and textile industries.

The term also includes research and development activities that advance hemp processing equipment and technologies for production, testing, and manufacturing operations, provided that such activities comply with the above-referenced laws and regulations. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

The hemp processing industry excludes hemp grown for personal use or with a tetrahydrocannabinol (THC) concentration of 0.3% or greater.

**Information technology industry** includes, but is not limited to, the research, development, and commercialization of advanced software products and information technology services.



Information technology industry includes specialization in application and software development, advanced data analytics, artificial intelligence, blockchain related development, eSports, cybersecurity, cloud computing, provision of web services or servers, telecommunications, mobile communications services, provision of software as a service and other computing technologies.

Information technology industry does not include retail IT service providers, software implementation services that utilize customized product implementations, third party technology implementation to utilizes off-the-shelf solutions, website design services, social media or marketing services, and businesses from other industries that generally utilize technology to support their business operations.

**High technology industry** includes, but is not limited to, the research, development, commercialization, and manufacturing of technology hardware, technology processes, electronics, and technology-based components.

High technology industry also includes specialization in microelectronics, telecommunications, electronics equipment and components, advanced computing hardware, data storage hardware, advanced optical products and equipment, advanced sensor and instrumentation development, digital imaging, electromagnetics, mobile communication devices and infrastructure, semiconductors and semiconductor equipment.

This industry also includes firms that manufacture either finished or interim advanced technologies or components.



**Non-retail Food and Beverages industry** includes, but is not limited to, the growing, processing, packaging, preservation and distribution of raw agricultural goods into consumer food products, including fresh prepared foods, packaged foods, and alcoholic and nonalcoholic beverages, aquaculture and fisheries.

The industry includes the regional or global headquarters for food-based businesses, breweries, wineries and major wholesale food distribution facilities. Research and development activities that advance food innovation technologies, commercialization, production, food distribution models and manufacturing operations are also included in the non-retail food and beverage industry.

Excluded from this industry include distribution businesses serving retail food customers, including grocery stores, farmers markets, community supported agriculture organizations, bodegas, or convenience stores, and establishments that serve food and beverages, including restaurants, cafeterias, cafés, fast-food, pubs, delis, and catering businesses.



To: Members of the Authority

From: Tim Sullivan  
Chief Executive Officer

Date: September 12, 2023

RE: Aspire Program- Product #303074  
**81-93 Orange Street Urban Renewal LLC (“Applicant”)**

### **Request**

Issuance of tax credits from the Aspire program (“the Program”) for a residential project located in Newark, New Jersey, Essex County up to 60% of the total project cost (“eligible costs”), not to exceed \$90,000,000.

### **Aspire Program Background**

The New Jersey Economic Recovery Act of 2020, N.J.S.A. 34:1B-322, et seq., 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. As authorized by recently enacted revisions, P.L. 2023, c. 98 (“Chapter 98”), this application is proceeding under the act and rules in effect immediately prior to Chapter 98 (respectively, “Former Act” and “Former Rules,” although the Former Rules remain the currently published rules until the Authority promulgates new rules to implement Chapter 98). However, Chapter 98 also allows for projects to proceed under the Former Act and Former Rules while benefitting from increases to project award caps contained in these revisions. Such projects would also be reviewed using the Chapter 98 definition of “reasonable and appropriate return on investment,” which requires both a deferred developer fee and a cash flow internal return on investment analysis for residential projects with Low-Income Housing Tax Credits and returns on equity other than federal or local grants. To do so, an applicant would need to provide a complete application to the Authority, a statement in writing electing to proceed under this option, and obtain all applicable approvals under the Municipal Land Use Law prior to November 4th, 2023. This Applicant has provided a complete application and received Final Site Plan Approval from the City of Newark on December 20, 2021.

Accordingly, this application was evaluated to determine eligibility in accordance with the Former Act and the Former Rules with the exception of the new project award cap and “reasonable and appropriate return on investment” definition. 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 will be a mixed-use, new construction development located at 81-93 Orange Street, Newark New Jersey, Essex County; the current site of a commercial surface parking lot. The parking lot is situated across the street from Broad Street Station in Downtown Newark. The Project will have a gross building area of 400,000 square feet within a 14-story high rise complex with 350 residential units, including one-, two-, and three-bedroom apartment units. It will also include 8,500 square feet of retail space, and commercial parking garage. 81-93 Orange Street received both Preliminary and Final Site Plan Approval from the City of Newark on December 20, 2021.

### **Project Ownership**

The Applicant, 81-93 Orange Street Urban Renewal LLC, is a wholly owned subsidiary of 81-93 Orange Street Investments LLC, which is a pass-through entity owning 100% of the Applicant entity. MAP Newark Member LLC (50%), Portnow Newark Member LLC (20%) and Orange Street BD Member LLC (30%) represent the ownership of 81-93 Orange Street Investments LLC with Orange Street BD Member LLC being the managing member.

MAP Newark Member LLC is a wholly owned subsidiary of MAP Enterprises Inc. which is the current owner of the property and operator of the surface parking lot at the site. As evidenced by 81-93 Orange Street Investments LLC operating agreement, MAP Enterprises Inc. will contribute the property to the partnership at time of financial closing for a corresponding interest in the Project. Anne Portnow wholly owns Portnow Newark Member LLC and MAP Enterprises Inc.

Orange Street BD Member LLC is a wholly owned pass-through entity of Urban Atlantic Commercial LLC, which is wholly owned by Bolton Development LLC.

### **Lead Development Entity:**

Bolton Development LLC, a Delaware based LLC, was established in 2019 as a for-profit developer specializing in mixed-use urban development through public and private partnerships.

Key staff from Bolton Development involved in the Project include Woody Bolton - Founder and Principal; Raymond Hubbard – Principal and Director of Construction; and Gabrielle Kornely – Senior Vice President of Development; each having more than 30 years of experience in real estate development.

Bolton Development principals and key staff have lead several projects including 1] The Quincy – New Brunswick, New Jersey a \$110 million multifamily development, also received Urban Hub Tax Credits from the State of New Jersey; 2] The Van Dorn – Alexandria, Virginia a \$30 million multifamily development; 3] 14W, Washington, DC a \$85 million mixed-use development; 4] Reston Town Center – Reston, Virginia a \$1.3 billion mixed-use development; 5] Watergate Village – Annapolis, Maryland a \$133 million apartment complex.

### **Architect:**

Design for the Project has been undertaken by BKV Group Architects, a full-service design firm providing architecture, master planning, urban design, interior architecture, construction administration, planning and predevelopment, electrical engineering, structural engineering, and mechanical engineering services. The firm, formally known as Boarman Architects, was founded in 1978 by Jack Boarman.

BKV Group has with a wide range of completed work including 1] 1500 Nicollet – Minneapolis, Minnesota

a mixed-use building; affordable units, and commercial; 2] Artspace Silver Spring Arts Campus – Silver Spring, Maryland a mixed-use; affordable live and work housing development; 3] The Standard at New Brunswick – New Brunswick, New Jersey a high rise, off campus housing complex servicing Rutgers University students; 4] Beckert’s Park – Washington, DC a mixed-use; apartment and retail development.

#### **General Contractors:**

The general contractor for the Project is ARC Building Partners, a full-service general contracting company specializing in the areas of virtual design and construction, health and safety, and lean construction. ARC was founded in 2017 by Frank Ciminelli II – President and CEO.

#### **Construction Timeline:**

Construction is expected to commence in December of 2023 and the project will take 24 months to construct.

#### **Project Details**

As noted previously, the 400,000 gross square foot mixed-use project will consist of 350 residential units, 8,500 square feet of retail space, and a structured parking garage.

The residential unit mix includes 280 market rate units and 70 affordable units, making the development 20% affordable. Market rate units include 77 studios measuring 460 square feet; 104 one-bedroom units measuring 644 square feet; and 99 two-bedroom units measuring 912 square feet. Affordable rate units include 14 one-bedroom units measuring 603 square feet; 42 two-bedroom units measuring 633 square feet; and 14 three-bedroom units measuring 830 square feet.

Tenants will have access to over 15,000 square feet of amenity space, including a pool, health club, spa, work from home space, the latest building information technology for high-speed connectivity, and electric vehicle charging stations. The market-rate units' target markets are the employees and students of both Audible and Rutgers University Newark Campus who are working directly across Orange Street to the south in the 1 Washington Square building. Additionally, Newark residents who ride the NJ Transit line into New York City are the other likely resident demographic, as the Broad Street Station (NJ Transit, Newark Light Rail, Newark Bus) are directly across from University Avenue.

The Project's garage will start off with at least 6 EV charging stations but will be programmed to give all parking spaces access to charging services.

#### **Project Uses and Sources**

The Applicant proposes the following uses for the Project:

	<b>Total Development Costs</b>	<b>Project Costs</b>
Hard construction costs	\$119,652,134	\$119,652,134
Professional services	\$7,204,081	\$7,204,081
Financing and other soft costs	\$24,321,204	\$23,170,197
Developer Fee (Non-Deferred Total)	\$4,358,190	\$0
<b>Total</b>	<b>\$155,535,609</b>	<b>\$150,027,832</b>

The total project cost is the cost included in total development costs that is used for sizing the tax credit. The total project cost excludes developer fee(s) as well as various reserves to fund interest and operating expenses during lease-up.

The Applicant proposes the following Sources for the Project:

<b>Sources</b>	<b>Type</b>	<b>Amount</b>
Construction Loan	Senior Construction Loan	\$95,000,000
Aspire Proceeds	Bridge Loan	\$51,322,000
Sponsor Preferred Equity	Equity	\$6,213,609
Cash	Equity	\$3,000,000
	<b>Total</b>	<b>\$155,535,609</b>

### **Developer Contributed Equity**

Based on the equity requirement of 20% of total development costs for a residential project not in a government-restricted municipality, the required equity in this Project equates to \$31,107,122. Equity consists of land valued at \$26,250,000 based upon an Appraisal dated February 11, 2022 and pledged to the applicant by MAP Enterprises, sponsor preferred equity of \$6,213,609, and \$3,000,000 in cash that has been contributed to the project to fund pre-development expenses.

### **Statutory Aspire Award Cap**

As amended and effective immediately pursuant to Chapter 98, this project is located in a qualified incentive tract and, thus, eligible for an Aspire tax credit equal to the lesser of 60 percent of the total project costs or \$90 million. The total project cost is estimated to be \$150,027,832. As such, the Project is eligible for an Aspire tax credit not to exceed \$90,000,000 which is the lesser of \$90 million and 60 percent of the total project cost.

### **Financing Gap Analysis**

NJEDA staff has reviewed the application to determine if there is a financing gap pertaining to the return on the investment for the developer and ability to attract the required investment. Staff analyzed the pro forma and projections and compared the returns with and without the Aspire award over 13 years. The investment analysis assumes that the Applicant will utilize a 36-month timeframe to build and stabilize the Project. It also assumes a 10-year cash flow with an exit through the sale of the Project in year 14.

<b>IRR without Aspire tax credit</b>	2.0%
<b>IRR with Aspire tax credit</b>	13.8%

Without the benefit of the Aspire tax credit, the Equity IRR is 2.0%, which is below the Hurdle Rate contained in the hurdle rate model provided by EDA's contracted consultant Jones Lang LaSalle ("JLL") for comparable multi-family residential developments in Newark, NJ of 20.55%. As indicated in the chart above, a developer would not generally complete the Project without the benefit of the Aspire tax credit. Additionally, the Equity IRR with the Aspire tax credit award is below the Hurdle Rate contained in the hurdle rate model provided by EDA's contracted consultant Jones Lang LaSalle ("JLL"). Applicant has elected to move forward with the Project even though the IRR with the award is still below the market hurdle rate.

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

For projects that represent the new construction of residential units the consideration for the sale or assignment of the Aspire tax credits can be no less than 75 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 credits sales, and when accounting for these loan proceeds received during construction, it represents a discount rate of 6.5% from the 90 percent consideration of the transferred credit amount. The sources identified above in the Sources table as “Aspire Proceeds” reflect the value of this bridge loan. 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:**

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. In the Former Act, 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. 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:**

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.

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

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. 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.

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

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. However, 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. This project does not have a State proprietary interest and therefore is not subject to this requirement.

**Prevailing Wage Obligations:**

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. 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:**

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 \$2,599,215,407 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 81-93 Orange Street Urban Renewal LLC and finds that it satisfies the eligibility requirements of the Former Act and Former 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 North Jersey award authority.

This approval is conditioned upon the Applicant providing a current appraisal acceptable to the Authority for purposes of determining the Applicant's equity contribution to the Project within six months of this approval date.

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 Former 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 Former Rules within six months after approval.

The recommendation is approval of an award of up to 60% of the total project cost, not to exceed \$90,000,000 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.

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Tim Sullivan, CEO



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** Update to Grow NJ Rules- Addition of Qualified CPA Report Requirements

### **Request:**

Approve to amend agency rules for the Grow New Jersey Assistance Act, N.J.S.A. 34:1B-242 to 250 (N.J.A.C. 19:31-18.1 to 18.9) (“Grow NJ”) to require that annual employment reporting include a certification of a qualified independent Certified Public Accountant made pursuant to Agreed Upon Procedures in a format acceptable to the Authority with certain exceptions.

### **Background:**

The Grow NJ program was enacted in 2011 to incent the creation and the retention of jobs in the State. There are currently 194 active projects in the State reporting approximately 50,000 to 60,000 jobs annually.

The program has rigorous annual reporting obligations that require companies to verify the existence and eligibility of new or retained full-time jobs at the Qualified Business Facility (“QBF”) each month, which includes confirmation that the employees are full-time, working at the QBF the requisite time, and are offered healthcare. Demonstration of various geographic, industry-related, salary, remote policy and withholding information may also be required annually. These reports are certified by the Grow company Chief Financial Officer.

To effectively validate company submissions, the Authority routinely engages in an iterative exchange with the Grow businesses, requesting detailed explanations or documentary support from Grow businesses during the review process. In addition, EDA currently has a Memorandum of Understanding with the New Jersey Department of Labor and Workforce Development to obtain information that can be used as a cross-reference against company submissions to corroborate specific job information. Each job is verified month by month to determine whether it can be incented pursuant to program requirements.

While these current processes have bolstered the Authority’s confidence in the certification of tax credits, there is also recognition that this process is extremely time-consuming for both the Authority and the Grow businesses, and often causes significant delays in the issuance of tax credits.

### **CPA review to be included in Annual report Submission**

To establish a more streamlined process that would maintain the current level of heightened verification and improve issuance timelines going forward, staff recommended that language be incorporated into the rules of new Economic Recovery Act products to require a certification of a qualified independent Certified Public Accountant made pursuant to Agreed Upon Procedures.

These rules require certifying companies to have their job and related bonus information first reviewed by a Qualified Independent CPA, who follow published Agreed Upon Procedures to validate the information and draft a certified report. The CPA report states the verified information and notes any exceptions found on company submissions. The CPA report is included in the Company's annual report to the Authority.

Given the volume of annual reports being submitted and reviewed for the Grow NJ program each year, and the desire to improve efficiencies across Authority compliance processes, staff recommends that similar language now be added to the Grow NJ regulations to bring consistency across the program processes.

### **CPA Qualification**

The Authority anticipates offering a webinar to interested CPAs to educate on Grow program requirements, the job and job-related bonus review process, as well as the Agreed Upon Procedures in the coming months. Once evidence of webinar completion is received, and the CPAs are qualified by Authority staff, staff will periodically publish qualified CPA firm names to a list to be housed on the Authority's website.

### **Implementation**

Staff anticipates mandatory use of a Qualified CPA report beginning for annual reports relating to the 2024 tax year. However, use of a qualified CPA report would be optional and encouraged for annual reports relating to the 2023 tax year. An exception will be available for businesses that demonstrate an extenuating circumstance prohibiting the business from retaining a qualified independent certified public accountant. Costs for engagement of a CPA will be borne by the award recipient.

### **Recommendation:**

Approve to amend agency rules for the Grow New Jersey Assistance Act, N.J.S.A. 34:1B-242 to 250 (N.J.A.C. 19:31-18.1 to 18.9) ("Grow NJ") to require that annual employment reporting include a certification of a qualified independent Certified Public Accountant made pursuant to Agreed Upon Procedures in a format acceptable to the Authority with certain exceptions.



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Tim Sullivan, CEO



## **MEMORANDUM**

TO: Members of the Authority

FROM: Tim Sullivan  
Chief Executive Officer

DATE: September 12, 2023

RE: Property Assemblage Fund

### **Request**

I request the Members approve the following:

1. Creation of the Property Assemblage Fund which will permit the Authority to acquire property for real estate development projects which will grow the state's economy, support high-quality job creation, catalyze investment, and foster vibrant, healthy, inclusive community development.
2. Authorizing the Chief Executive Officer (CEO) to enter a Memorandum of Understanding (MOU) with the New Jersey Department of Community Affairs (DCA) to accept \$30 million of American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) for the Property Assemblage Fund and will agree to comply with the federal requirements for the use of those funds.

### **Background**

#### **A. Funding**

The ARP is a \$1.9 trillion federal economic stimulus program designed to rebuild and restart the American economy in the wake of the Coronavirus (COVID-19) public health emergency by investing in families, communities, and small businesses. Through the SLFRF, the ARP delivered \$350 billion to state, local, and tribal governments to support their response to and recovery from COVID-19.

The 2022-23 state budget act, P.L. 2022 c.133, included \$30 million allocated to the Authority for "Real Estate Projects Fund – Property Assemblage." Staff proposes the Property Assemblage Fund (Fund). The Fund will permit the Authority to purchase real estate and create projects which grow the state's economy, support high-quality job creation, catalyze investment, and foster vibrant, healthy, inclusive community development.

The Authority will enter into a MOU with the DCA for the \$30 million appropriation.

## B. Fund Purpose and Strategy

The Fund will be used to facilitate development in communities, and in projects and industries to stimulate economic growth, create jobs and foster healthy, inclusive community development through the Authority's acquisition of real property for a "project" as permitted by the Authority's enabling act at *N.J.S.A 34:1B-3*, "Project" includes but is not limited to the following: (1) (a) acquisition, construction, reconstruction, repair, alteration, improvement and extension of any building, structure, facility, including water transmission facilities or other improvement, whether or not in existence or under construction, (b) purchase and installation of equipment and machinery, (c) acquisition and improvement of real estate and the extension or provision of utilities, access roads and other appurtenant facilities.....which are to be used or occupied by any person in any enterprise promoting employment."

The Authority will use the \$30 million to pursue projects in the following categories:

### 1. Promote Community Economic Development

The acquisition of real estate for the development of projects that advance community and economic development. Projects will be considered if they meet all four of the following criteria:

- Parcels that are vacant, underutilized, or abandoned to be acquired for redevelopment.
- Future development of a commercial or mixed-use real estate project.
- Demonstrates that the project's timeline meets the requirements currently set forth by SLFRF (SLFRF Fund Guidelines currently state that the funds must be obligated by December 31, 2024, and expended by December 31, 2026).
- That absent the Authority's assistance, the property is unlikely to be developed due to its complexity, costs, or development timeline.

### 2. Addressing Food Insecurity

The acquisition of property for projects which meet with the Authority's previously approved guidelines for Food Deserts as outlined below:

- Promotes the development of a retail grocery store no smaller than 16,000 square feet.
- Must be in one of New Jersey's identified Food Deserts.
- Demonstrates the project can be completed within the timeframe required by the SLFRF Regulations (SLFRF currently requires funds to be obligated by December 31, 2024, and expended by December 31, 2026).
- Demonstrates it is financially viable and likely to be completed as planned.
- Demonstrates that absent the Authority's assistance, the property would not be developed by the traditional markets due to costs, complexity, or long development timeline.

## C. Fund Activities and Eligible Expenses

The Fund will be used to acquire property and develop projects consistent with section B. Fund Purpose and Strategy outlined above. Additionally, funds may be used for the following activities related to property acquisition:

- Title reports and insurance.
- Appraisals related to property acquisition and improvements.

- Market, feasibility, and other studies to support the property's acquisition and development.
- Environmental studies, remediation, approval, and related fees.
- Legal fees associated with the acquisition of the property, property development, leasing and sale.
- Purchase of real property (e.g., vacant land and/or buildings)
- Required site planning, related approvals, and fees.
- Site and/or building improvements.
- Other costs typically associated with real estate acquisition and development.

#### D. Property Acquisition\*

To maximize impact the Authority will use these guidelines for property acquisitions and development:

- Minimum: \$1million inclusive of eligible expenses outlined in section C above and site preparation costs.
- Maximum: \$10 million inclusive of eligible expenses outlined in section C above and site preparation costs.

\* Authority staff may bring project proposals to the Members for consideration which fall outside of these guidelines. This may occur because a specific project meets a significant need or will have an impact that staff believes meets the mission of the Authority.

#### E. Role of the Authority

1. The Authority staff will identify and evaluate properties for acquisition base upon standard due diligence and a preliminary project development plan as defined by the Authority's enabling act N.J.S.A. 34:1B-3. Staff will then ask Members to assess and vote upon entering a Contract of Sale for the subject property.
2. Post execution of the Contract of Sale, Authority staff will complete all necessary due diligence for the property's acquisition and the project's development, as defined in the Authority's enabling act, N.J.S.A. 34:1B-3. At such time the staff will ask Members to review and vote upon the purchase and development of the project.
3. After the Members approve acquisition of the property, the staff will manage the development of the project.

#### F. Fund Eligibility Guidelines

Authority staff will use the eligibility guidelines outlined below to assess and recommend a property acquisition for a proposed project to the Board for using the following guidelines:

- Demonstrate that funds can be obligated and expended per the SLFRF Regulations.
- Demonstrate that without the Authority's efforts the property/project is unlikely to be developed due to complexities with the site, project costs and/or development timeline.
- For the acquisition of real estate and related costs.
- Projects must demonstrate they will grow the state's economy, support high-quality job creation, catalyze investment, and foster vibrant, healthy, inclusive community development.
- For projects with construction exceeding \$2,000 prevailing wages must be paid.
- The proposed project must demonstrate financial viability with The Authority's assistance.
- Be for the development of commercial real estate or mixed-used project.

- The acquisition shall not exceed 120% of the appraised value.
- The project should meet an established and defined community need.
- Projects must be prudent and reasonable as defined by CRF §200.404.
- Projects should ensure there are no duplication of benefits for a government entity, business, or other entity.
- The Authority will only purchase properties in which relocation of tenants is not required.
- Properties and projects should meet the criteria outlined in section B. Fund Purpose and Strategy outlined above.

Staff will review properties and projects on a rolling basis and make recommendations to the board based on the guidelines above and funds available.

No funds will be granted to third parties including local or state government, private businesses, associations, not-for-profits, or individuals.

#### G. Property Acquisition Selection

Property acquisition opportunities for a project will be identified by the staff during the normal course of business or when brought to the attention of staff by third parties. Staff will review property acquisition opportunities for a project against Fund eligibility guidelines and when staff identifies a viable opportunity that meets with the eligibility guidelines staff will present it to the Members for review and approval.

#### H. Fund Availability

Properties and projects will be reviewed and recommended to the board on a rolling basis until all funds have been depleted.

#### **Recommendation**

I request the Members approve:

1. Creation of the Property Assemblage Fund which will permit the Authority to acquire property and develop projects which will grow the state's economy, support high-quality job creation, catalyze investment, and foster vibrant, healthy, inclusive community development.
2. Authorizing the Chief Executive Officer (CEO) to enter a Memorandum of Understanding (MOU) with the New Jersey Department of Community Affairs (DCA) to accept \$30 million of American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) for the Property Assemblage Fund and will agree to comply with the federal requirements for the use of those funds.




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Tim Sullivan, CEO

Prepared by: Brian Keenan



## **MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 12, 2023

**SUBJECT:** Professional Offshore Wind Energy Certificates Memorandum of Understanding between New Jersey Economic Development Authority and New Jersey Institute of Technology

### **Request**

The Members are requested to approve:

1. A Memorandum of Understanding (MOU) between New Jersey Economic Development Authority (NJEDA) and New Jersey Institute of Technology (NJIT) that will enable NJEDA to provide \$399,000 in funding to NJIT for the Professional Offshore Wind Energy Certificates (POWERCERTS) Program to establish two (2) Graduate Certificates: 1) Wind Power System Operation & Maintenance, and 2) Wind Power Economics and Management.
2. Utilization of \$399,000 in funding for this MOU from the \$10 million allocated via the October 27, 2022 MOU between NJEDA and the New Jersey Board of Public Utilities (NJBPU) for offshore wind initiatives.
3. The proposed MOU has a term of thirty-eight (38) months. Members are also requested to provide delegated authority to the CEO to amend or extend the MOU by up to two (2) twelve (12) month extensions if needed.

The full text of the MOU is attached as Exhibit A of this memorandum.

### **Background**

Governor Murphy's economic development plan, "The State of Innovation: Building a Stronger and Fairer New Jersey Economy," identifies offshore wind as one of the State's strategic sectors for accelerating growth in New Jersey's economy. In addition, the plan asserts a commitment to investing in people in order to empower New Jersey students and workers to take advantage of high-growth, high-wage jobs. Governor Murphy's talent development plan, "JobsNJ: Developing Talent to Grow Business in the Garden State," emphasizes the need to bolster industry recognized credential programs that support career pathways. As part of the State's efforts to support offshore wind, NJEDA has been developing the Wind Institute for Innovation and Training to 1) accelerate the development of a robust and diverse offshore wind workforce and 2) champion research and innovation that unlocks market potential. NJEDA is currently supporting the ongoing efforts of the Wind Institute for Innovation and Training to coordinate and support offshore wind related workforce training. As such, NJEDA has supported the development of several workforce training programs for positions in the offshore wind industry

that both require and do not require university degrees. These efforts are all aligned with Governor Murphy's goal of generating 11,000 MW of offshore wind by 2040.

To address the demands for workforce training for employment that require a university degree, particularly positions in engineering and management, NJIT has proposed the Professional Offshore Wind Energy Certificates (POWERCERTS) program. POWERCERTS consists of two graduate level certificate programs: 1) Wind Power Systems and Operations and 2) Wind Power Economics and Management. POWERCERTS builds off of NJIT's two-day Offshore Wind Bootcamp, offered in June and December 2023, which was funded through the March 9, 2022 MOU between NJEDA and NJIT for University Initiatives to Advance Offshore Wind.

POWERCERTS aims to train a talented workforce in collaboration with the wind industry and the proficient science and engineering departments of NJIT, a premier research university in New Jersey. Through these specialized graduate certificates, participants will have the opportunity to enhance their knowledge base and career and earning potential. Each certificate is 12 credits, consisting of three core classes and one elective class. It is anticipated that it will take students 1-2 years to complete a certificate, depending on if a student is enrolled full- or part-time. Classes will be offered online and hybrid remote/in-person. POWERCERTS will offer twenty-four (24) scholarships (each \$3,000) and 24 assistantships (each \$4,000). NJIT will market the scholarships to students (and/or alumni) of NJIT's Educational Opportunity Program and Ronald E. McNair Post-Baccalaureate Achievement programs to encourage students and alumni who come from communities that are underrepresented in S.T.E.M. careers to participate in this offshore wind workforce training. POWERCERTS will begin as a three-year program, including time to refine the curriculum with input from an external advisory board comprised of industry and government representatives, and a phased implementation approach, beginning with the Wind Power Systems and Operations. Following the three years, NJIT will seek private funding to support the program. Ultimately, NJIT intends to build off the initial two certificate programs to develop a master's program in offshore wind, which if pursued, would be subject to approval by the NJ Office of Licensure.

### **MOU Description**

The MOU with NJIT will allow for the development of the POWERCERTS Program to establish two (2) Graduate Certificates: 1) Wind Power System Operation & Maintenance and 2) Wind Power Economics and Management.

The MOU with NJIT will provide \$399,000 to NJIT to cover the following:

- Curriculum development and program coordination, including funding to support teaching assistants and faculty involvement
- Supplies and materials
- Marketing and promotional materials
- Scholarships and assistantships
- Other program related costs
- Administrative costs capped at 10% of the total budget

The MOU has a term of 38 months. NJIT must submit annual reports, as well as a final report documenting the use of funds within 38 months of the executed date of the MOU. Any unutilized funds must be returned to NJEDA within 38 months of the executed date of the MOU.



## **Recommendation**

It is the recommendation of Authority staff that the Members approve:

1. A Memorandum of Understanding between NJEDA and NJIT that will enable NJEDA to provide \$399,000 in funding to NJIT for the POWERCERTS Program to establish two (2) Graduate Certificates: 1) Wind Power System Operation & Maintenance and 2) Wind Power Economics and Management. This program will aim to train a world-class workforce for the New Jersey offshore wind industry that will enhance the industry's competitiveness.
2. Utilization of \$399,000 in funding for this MOUs from the \$10 million allocated via the October 27, 2022 MOU between NJEDA and the NJBPU for offshore wind initiatives.
3. Delegated authority to the CEO to amend or extend the MOU by up to two (2) twelve (12) month extensions if needed.



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Tim Sullivan, CEO

Prepared by: Cathy Yuhas

## **Attachments**

Exhibit A – Memorandum of Understanding Between New Jersey Economic Development Authority and New Jersey Institute of Technology

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU"), made effective as of the date of the last signature hereto (the "Effective Date"), is between the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY ("NJEDA") and NEW JERSEY INSTITUTE OF TECHNOLOGY ("NJIT"), (collectively the "Parties").

WHEREAS, the NJEDA, established pursuant to N.J.S.A. 34:1B-1 et seq., is an independent State authority, in but not of the New Jersey Department of the Treasury, that serves as the State's principal agency for driving economic growth and is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and provide pathways to a stronger and fairer economy; and

WHEREAS, the NJEDA has launched the Office of Economic Transformation to focus on the growth- oriented sectors identified in the Governor's Strategic Plan for Economic Development; and

WHEREAS, offshore wind was identified as one of those growth- oriented sectors in the Governor's Strategic Plan for Economic Development; and

WHEREAS, the Governor's WIND Council recommended the creation of an independent authority to coordinate and advance offshore wind workforce, education, research, and innovation efforts now referred to as the Wind Institute for Innovation and Training (Wind Institute), which is currently part of and within the NJEDA; and

WHEREAS, the NJEDA has a role in supporting the development of the offshore wind industry in the State of New Jersey; and

WHEREAS, the NJEDA is undertaking actions in support of the offshore wind industry until the Wind Institute is established via an act of the Legislature; and

WHEREAS, the NJEDA has determined that specialized training will be required to meet skillset needs to support the growth of the offshore wind sector; and

WHEREAS, it is in the best interest of the Parties to enter into this MOU regarding the provision of NJEDA support of NJIT's Professional Offshore Wind Energy Certificates ("POWERCERTS") Program described in NJIT's Proposal to NJEDA's Offshore Wind Workforce and Skills Development Grant Challenge attached as Appendix A, which includes two (2) graduate certificate programs in: i) Wind Power System Operation and Maintenance and ii) Wind Power Economics and Management; and

WHEREAS, NJIT is a public polytechnic university located in Newark, New Jersey established pursuant to N.J.S.A. 18A:64E-12 et seq., that provides technical education and training, among other programs; and

WHEREAS, N.J.S.A. 52:14-1 et seq. authorizes state agencies to enter agreements to provide assistance to each other.

NOW, THEREFORE, the Parties, in order to effectively and efficiently carry out their respective statutory mandates, agree to the following:

1. NJIT shall undertake the following activities pursuant to the NJIT's Proposal attached as Appendix A:
  - a. Develop and offer (online and in hybrid mode) two graduate certificates through the POWERCERTS program: i) Wind Power System Operation & Maintenance, ii) Wind Power Economics and Management.
    - i. Graduate Certificate in Wind Power System Operation & Maintenance: This 12-credit graduate certificate program will be composed of four courses specialized in wind plant operation and inspection. Students in this certificate program will learn to monitor and maintain the operation of a wind farm with the latest inspection and data analytic technologies to keep wind turbines running smoothly with minimum downtime.
    - ii. Graduate Certificate in Wind Power Economics and Management: This 12-credit graduate certificate program will be composed of four courses specialized in wind plant economics and management. Students in this certificate program will learn to coordinate, plan and direct activities involved in overseeing the operation of a wind plant to meet production goals.
  - b. Over the course of 36 months, provide 24 scholarships at \$3,000 each and 24 assistantships at \$4,000. NJIT will market the scholarships primarily to students (and/or alumni) of NJIT's Educational Opportunity Program and Ronald E. McNair Post-Baccalaureate Achievement programs to encourage and support participation in POWERCERTS programs.
  - c. Form an advisory board comprised of academic, industry and government representatives to inform development and delivery of POWERCERTS. NJIT shall submit a plan to NJEDA on the formation of the advisory board within 45 days of the Effective Date of this MOU.
  - d. Utilize funding to support the specialized training and skills required by the offshore wind industry as detailed in Appendix A. Eligible expenses include curriculum development and program coordination, including but not limited to funding to support teaching assistants and faculty involvement; supplies and materials; marketing and promotional materials; scholarships and assistantships; other program related costs. Administrative costs shall be capped at \$39,900 (10% of total project budget).
  - e. Seek inclusion on the Eligible Training Provider List (ETPL) maintained by the New Jersey Department of Labor and Workforce Development.
  - f. Track and report the use of funding from NJEDA and ensure resources only go toward POWERCERTS program related expenses. An interim report shall be submitted to NJEDA by January 31<sup>st</sup> of 2024, 2025, and 2026. A final report shall be submitted no later than 38 months following the Effective Date of this MOU. Any unutilized funding shall be returned to NJEDA no later than 38 months following the execution of this

MOU. If the MOU is extended, the due date for the final report and return of unutilized funding should be submitted by the end of the extension.

- g. Cooperate with NJEDA POWERCERTS program development and delivery monitoring activities.

2. The NJEDA shall undertake the following activities:

- a. Within 30 days of the Effective Date of this MOU, provide NJIT with \$399,000 in funding to support the development and delivery of POWERCERTS as described in Appendix A.
- b. Monitor POWERCERTS program development and delivery to ensure NJEDA resources are expended appropriately pursuant to the NJIT's Proposal attached as Appendix A.

- 3. The MOU shall not take effect unless executed by the authorized representatives of NJEDA and NJIT. This MOU becomes effective immediately upon the Effective Date and shall remain in effect for thirty-eight (38) months thereafter. This MOU may be extended for up to two (2) 12 month extensions upon mutual written agreement of the Parties.
- 4. The Parties are entering into this MOU to document the mutual understanding and intention of the Parties in carrying out their respective obligations under this MOU.
- 5. This MOU may be amended, modified, and supplemented at any time by mutual agreement and in writing signed by the undersigned or their designees. This MOU may also be terminated by either Party upon 60 days prior written notice to the other Party.
- 6. This MOU shall be assignable upon the mutual written agreement of the Parties, however, the NJEDA may unilaterally assign this MOU at the sole discretion of the NJEDA for activities associated with the establishment and operation of the Wind Institute.
- 7. The Parties acknowledge that they are public entities of the State of New Jersey. Each Party agrees that it will be solely liable for its own conduct.
- 8. This MOU is intended for the sole benefit of the Parties and shall not be construed to create any third-party beneficiary.
- 9. The recitals set forth above are hereby incorporated into and made part of this MOU.
- 10. All notices, demands or communications to any party to this MOU shall be sent to the addresses set forth below or as may be otherwise modified in writing:

NJEDA: Jen Becker, Vice President Offshore Wind  
36 West State Street, PO Box 990  
Trenton, NJ 08625  
[jen.becker@njeda.gov](mailto:jen.becker@njeda.gov)

NJIT: Atam P Dhawan, Ph.D., Senior Vice Provost for Research  
Office of Research  
New Jersey Institute of Technology  
Suite 340, Fenster Hall  
323 Martin Luther King Blvd.  
Newark, NJ 07102-1982  
dhawan@njit.edu

IN WITNESS HEREOF, NJEDA and NJIT have executed this MOU on the dates below. The Parties agree to accept electronic signatures.

For NJIT:

Name: Atam P. Dhawan, Ph.D.

Signature: \_\_\_\_\_

Title: Senior Vice Provost for Research

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

For NJEDA:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

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

Appendix A: Proposal to the New Jersey Economic Development Authority for  
NJIT's Professional Offshore Wind Energy Certificates (POWERCERTS)  
Program incorporated herein by reference



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** New Jersey Indoor (NJ) Amusement Park Grant Program- Product Revision

### **Summary**

The Members are asked to approve:

- 1) A revision to the New Jersey Indoor (NJ) Amusement Park Grant Program to expand eligibility to businesses that are primarily engaged in activities described in Code 713110 or 713120 of the North American Industry Classification System.
- 2) An increase in the maximum award up to \$500,000 for Applicants that are not in an Opportunity Zone eligible census tract and up to \$550,000 for Applicants in an Opportunity Zone eligible census tract.
- 3) Delegation to the CEO to award additional funds to eligible Applicants if available.

### **Background**

At the February 8, 2023, Board meeting, the Members approved the creation of the NJ Indoor Amusement Park Grant, which made the grant funding available for for-profit establishments that operate indoor amusement parks, arcades and entertainment facilities and demonstrate a minimum 50 percent reduction in indoor gross revenue for the 12-month period beginning April 1, 2019.

This funding was specific to NJ businesses engaged in activities under specific North American Industry Classification System (NAICS) codes (code 713110 – Amusement and Theme Parks or 713120 – Amusement Arcades) as of April 1, 2020. Eligible applicants had to provide their federal tax returns starting from year 2019 up to their current tax filing. NJEDA looked to their 2020, 2021, and current filing to ensure the eligibility was met by having the two specific NAICS code identified in the budget language. This ensured consistency in filing and use of NAICS code year over year. If someone has changed their NAICS code in any one of the identified years and it is different from the two identified, then the applicants would be deemed ineligible for this grant.

Grant awards were calculated by the amount of decrease in the applicant's self-declared gross

revenue from April 1, 2019, to March 31, 2020, and April 1, 2020, to March 31, 2021, or \$100,000, whichever is less, unless the applicant is located in an Opportunity Zone eligible census tract. If the applicant was in an Opportunity Zone eligible census tract, the award cap was \$150,000. New Jersey Indoor Amusement Park Program Application launched on Thursday, June 15, 2023, and closed on July 31, 2023. At this time staff has not identified any eligible applicants.

### **Product Revision**

The NAICS code 713100 is for a broad category classification for amusement parks and arcades as per the Bureau of Labor and entities with this code may engage in activities under NAICS code 713110 or 713120. The amusement park NAICS (713-110) and arcade NAICS (713-120) are the only two sub-codes that sit under the broad umbrella NAICS of 713-100 as per US Census revisions from 2012 and 2017. Applicants have applied for the Grant with the NAICS code 713100 which may be eligible given it is the category classification for amusement parks and arcades. These entities are engaging in activities described in NAICS code 713110 or 713120 which would be eligible per the NJ Indoor Amusement Park Grant budget language<sup>1</sup>.

The loss sustained by Indoor Amusement Parks during COVID19 is far greater than the initial grant request previously approved by the board. Therefore, we are seeking approval for the award to be increased from \$100,000 to \$500,000 for applicants that are not in an Opportunity Zone eligible census tract and from \$150,000 to \$550,000 for applicants in an Opportunity Zone eligible census tract. However, if there are more eligible applicants than anticipated with unmet needs greater than the total available funding, the amount provided to each eligible applicant will be reduced such that all applicants receive a share of the funding pool proportional to their eligible unmet need.

### **Recommendation**

The Members are asked to approve:

- 1) A revision to the New Jersey Indoor (NJ) Amusement Park Grant Program to expand eligibility to businesses that are primarily engaged in activities described in Code 713110 or 713120 of the North American Industry Classification System.
- 2) An increase in the maximum award up to \$500,000 for Applicants that are not in an Opportunity Zone eligible census tract and up to \$550,000 for Applicants in an Opportunity Zone eligible census tract.
- 3) Delegation to the CEO to award additional funds to eligible Applicants if available.



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Tim Sullivan, CEO

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<sup>1</sup> Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Recovery Grants to Indoor Amusement Parks shall be used to provide grants to businesses that are engaged in activities described in Code 713110 or 713120 of the North American Industry Classification System, as that code read on April 1, 2020, and that are able to demonstrate a minimum 50 percent reduction in gross revenues from indoor operations for the 12-month period beginning April 1, 2019, pursuant to an application process administered by the New Jersey Economic Development Authority, subject to the approval of the Director of the Division of Budget and Accounting. P.L. 2022, c.49, p. 193.



## **MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 12, 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 312228	Borough of Glassboro (Glassboro Borough Sanitary Landfill)	\$1,241,324.63
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<b>Total HDSRF Funding –September 2023</b>	<b>\$1,241,324.63</b>
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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:** Glassboro Borough

PROD-00312228

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

**PROJECT LOCATION:** Glassboro Sanitary Landfill      Glassboro Borough      Gloucester County

### APPLICANT BACKGROUND:

Between July 2009 and September 2021, the Borough of Glassboro, received an initial grant in the amount of \$69,381 under P27504, and supplemental grants in the amount of \$250,981 under P31021, \$63,337.50 under Product 224176 and \$501,188.44 under Product 258358 for remedial investigation at the project site which has potential environmental areas of concern (AOC). The Borough of Glassboro 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.

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 renewable energy generation.

NJDEP has approved this 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.

### OTHER NJEDA SERVICES:

### APPROVAL REQUEST:

The Borough of Glassboro is requesting supplemental grant funding to perform RA in the amount of \$1,241,324.63 at the former Glassboro Sanitary Landfill project site. Total grant funding including this approval is \$2,126,212.57.

### FINANCING SUMMARY:

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT:** \$1,241,324.63

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

### PROJECT COSTS:

Remedial Action	\$1,241,324.63	EDA Administrative Cost	\$500.00
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<b>TOTAL COSTS:</b>	<b>\$1,241,824.63</b>
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**DATE:** 8/7/2023



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** NJEDA Operating Authority Clarification

### **Request:**

In conjunction with efforts to update and clarify delegations of authority, the Members are asked to memorialize clarifications to operating authority, as originally defined in a July 9, 2003 Board memorandum.

### **Background:**

Over twenty years ago, on July 9, 2003, the Board approved delegations of authority for loan-related approvals, including release, substitution and subordination of collateral. Although the Board was not asked to approve them, the Board memo contained “definitions” for operating approval and delegated authority approvals. It provided:

**Operating Approval** involves routine business transactions entailing little or no risk of loss. As in a bank, the Authority has written operating procedures which cover routine transactions. . . . These procedures enable the staff to service our clients in an efficient manner, without delaying decisions which, even though routine, can be very important to our clients.

**Delegated Authority Approvals** are used for changes to loans which may compromise the Authority’s position, but are limited in terms of transaction size and risk components. These actions, which formerly required Board Approval, were delegated by the Members to the Executive Director and other senior staff in 2001 to improve the Authority’s operating efficiency and responsiveness to the needs of businesses and banks participating in Authority programs.

Delegated Authority Approvals may also be used to approve changes to Preferred Lender transaction as long as they meet the guidelines approved by the Members. Actions approved

under Delegated Authority are underwritten and documented with the same care as actions approved by the Board and are reported to the Members quarterly.

In subsequent years, the Board approved many additional delegations of authority. The Board memoranda sometimes used the phrase “delegated authority” and sometimes used the phrase “operating authority”—blurring the distinction between the two terms.

In 2019, the Authority procured the services of a Board Governance consultant, Funston Advisory Services, LLC (Funston) to improve overall Board functionality and governance, and to make recommendations to improve board practices, efficiency, and functionality. Funston completed a thorough review of the Authority’s board governance processes and practices, and in October 2020 shared its final report with the Authority. That report is available on the NJEDA website.

Among other things, Funston recommended that the NJEDA update its Bylaws and basically overhaul its delegations of authority. It found that members were spending an inordinate amount of time reviewing individual applications and transactions. Funston recommended that we update and clarify delegations of authority to permit the Board to focus most of its time and efforts on policy, strategy, and higher-level decision-making and let staff handle day-to-day operations and transactions under Board-approved thresholds. Based on those recommendations, over the past 2 ½ years, the Board has approved a new Delegation of Authority Policy, amended and restated By-Laws, and nearly 50 new and revised delegations of authority.

As part of these efforts, staff also considered the distinction between a delegation of authority and operating authority. Although the July 9, 2003 Board contained a definition of “operating authority”, that definition has eroded and even morphed over the past 20 years ago. Because completing implementation of the Funston recommendations requires clarifying the difference between a delegation of authority and operating authority, staff recommend the Board revisit and clarify that 20-year-old definition.

By definition, a “delegation” of authority is when one person or entity empowers another to act on his/her/its behalf. (See, e.g., <https://www.merriam-webster.com/dictionary/delegation>.) In essence, there is a transfer of responsibility or power. To that end, the Board has chosen to delegate certain authority to staff over the years. In other words, the Board had the authority but elected to transfer responsibility to the CEO. In contrast, responsibilities, duties and tasks assigned to the CEO by the Authority’s enabling act or Bylaws fall within operating authority. Typically, they involve management of day-to-day operations of the Authority or are administrative actions taken in the regular course of business that are necessary and customary to implement Board-approved projects and other initiatives. Such actions do not alter Board approvals, do not increase funding, do not impact the Authority’s credit exposure or liability, and do not impact Board-approved policy decisions. They are routine in nature and necessary for regular business operations.

When the Board approved amended and restated Bylaws in March of 2022, Article V was revised to more clearly articulate which duties and responsibilities fall within the ambit of the CEO.

Specifically, Article V, Section 1 was substantially revised to make clear that the CEO is responsible for the administration and management of the Authority, including: general supervisory and management responsibility over all activities of the Authority; general active management of the Authority; ensuring that all orders and resolutions of the Authority are carried out; and entering into and executing contracts and other documents in the name of the Authority which are authorized, generally or specifically, by the Board. Section 2 also spells out specific powers and duties assigned to the CEO:

- a. supervise and manage the internal operations and organization of the staff of the Authority;
- b. serve as lead on matters related to policy, legislation, governance, compliance and strategic initiatives;
- c. represent the NJEDA at business meetings, legislative sessions, committee meetings and other appropriate functions; interface with the Executive and Legislative branches of government; and maintain strong relations with state and local government officials, and other State agencies, departments, authorities and other instrumentalities;
- d. represent the Authority and enhance NJEDA's interests with respect to legislative, regulatory, litigation and other legal matters;
- e. assign functions and duties to any member of the staff and modify such assignments as needed;
- f. appoint, promote, remove, suspend, discipline, and supervise employees of the Authority;
- g. oversee the procedures for procurement of all goods, supplies, materials, equipment and professional, technical and other services needed for the efficient and effective operation of the Authority;
- h. execute on behalf of the Authority documents, indentures, bonds and other instruments by original or facsimile signature (or electronic signature where permitted by law and NJEDA policy) in connection with the issuance of bonds by the Authority or with the granting of any loan or guarantee;
- i. prepare and submit a proposed fiscal plan for the Authority for adoption by the Board;
- j. oversee operations to ensure efficiency, quality, service and the cost-effective management of resources;
- k. review all projects involving real estate investment, credit and incentives;
- l. identify new opportunities to improve New Jersey's economy and generate revenue to support the operations of the Authority;
- m. oversee the Authority's real estate holdings and development activities, including owned real estate; and
- n. oversee legal representation of the Authority.

The Board also revised Article V, Section 2 to clarify the CEO's authority to hire, promote, manage, and terminate employees based on their roles and responsibilities and in accordance with NJEDA's employment policies.

These powers and duties are assigned to the CEO in the Bylaws and, as such, are within “operating authority”. Operating authority also includes administrative and ministerial tasks necessary to effectuate either operating authority or delegated authority. For example, if the Board approves a \$500,000 contract, issuing a \$500,000 purchase order, overseeing and approving the work performed under that contract, approving a \$500,000 invoice, and cutting and signing a check for \$500,000 would all be tasks within operating authority. In contrast, responsibilities that are within the purview of the Board and the Board opts to delegate to the CEO are within “delegated authority”.

**Recommendation:**

In conjunction with efforts to update and clarify delegations of authority, the Members are asked to memorialize clarifications to operating authority, as originally defined in a July 9, 2003 Board memorandum.

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

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Tim Sullivan, CEO



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**RE:** Microsoft Software and Services Enterprise Agreement

### **Summary**

The Members are asked to approve the purchase of Microsoft software and services, the cost of the contract is a maximum not to exceed \$4,142,397.89 for a three (3) year term pursuant to the “Microsoft Enterprise Agreement”, in accordance with the New Jersey State Software License and Related Services contract. This agreement will renew in October 2023 and run through the same date October 2026.

### **Background**

In October 2014, the Authority entered into a three (3) year Enterprise Agreement contract, with Dell Marketing, LP, in accordance with their New Jersey State Contract, to procure the Microsoft Office 365 product which transfers Exchange Email, SharePoint, Skype, data storage, and Office Suite licensing to a cloud-based government platform hosted online by Microsoft as opposed to local on premises hosting by the Authority.

The bundled suite of products, as per State Contract guidelines is licensed on a three- (3) year basis, with three annual payments required. Over the term of the agreement, the Authority may make changes to products and user counts, resulting in increases or decreases to the second- and third-year payments.

In 2017, the Authority added new services to the Enterprise Agreement. The first services we added include Office 365 add-on components, SQL Server, desktop licensing, and online CRM, which is the backbone of the in-progress loan and incentives management replacement project. We continue to migrate our infrastructure to the cloud allowing us to retire much of server room hardware that were running on premise applications. Since then, we migrated additional services to the Microsoft platform including Teams that enhanced our conference calls with video and Azure to build out our cloud development platform and bolster our threat protection services. Additionally, we increased our license counts to keep pace with the expanding footprint of EDA services.

Our current agreement began in October 2020 and prior to that these products were all purchased separately, which proved difficult to manage with varying terms and expiration dates. Since then, the EDA has expanded services that resulted in an increased licensing count. We have also added additional layers of security enhancements, services and applications as Microsoft continued to invest in all the cloud platforms including application development allowing us to expand services without expanding infrastructure.

This purchase will be made under the New Jersey State contract, M-0003 Software License and Related Services. At this time, the Authority is required to renew all Microsoft licensing for a three-year term as set forth in the Method of Operation (MOO). In accordance with the MOO, the annual cost is estimated to be approximately \$1,150,666.08 per year, which is based on current usage and headcount. The NJEDA is subject to audit and a “true-up” process every year based on which products are used, headcount, etc. We are allowing for a 20% contingency in the event of higher costs and/or increased activity, up to a maximum not to exceed \$4,142,397.89 over the three (3) year agreement term.

Recommendation

The Members are asked to approve the recommendation that the Authority renew the Microsoft Enterprise Agreement in accordance with the specifications, terms and conditions of the State Contract.

The Operating Budget for the Enterprise Agreement under the three-year term will be a maximum not to exceed \$4,142,397.89.

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

Tim Sullivan, CEO

Prepared by: Nancy Schmaus/Thomas Murphy



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan

**DATE:** September 12, 2023

**SUBJECT:** New Jersey Wind Port – Additional Delegations of Authority  
Necessary or Beneficial to Port Development and Operations

### **REQUEST**

The Members are asked to approve delegations of authority related to the development and operation of the New Jersey Wind Port. Consistent with the Authority's Delegation Policy approved on March 9, 2022, all delegations are to the Chief Executive Officer unless specified otherwise.

### **BACKGROUND**

#### **I. NJEDA Delegation of Authority Policy**

On March 9, 2022, the Members approved the adoption of a Delegation of Authority Policy governing delegations by the Board to the Authority's Chief Executive Officer.<sup>1</sup> The Policy acknowledged that, pursuant to the Authority's by-laws, the CEO is responsible for the supervision over, and the direction of, the affairs of the Authority and has such powers and duties as assigned by the Board in the by-laws and in separate delegations of authority. The Policy provided that the Board will delegate authority to the CEO and permits the CEO to delegate to their subordinates any portion, or all, of that authority, unless the Board has specifically required the CEO to act personally.

#### **II. Development and Operation of New Jersey Wind Port**

The New Jersey Wind Port ("NJWP" or "Port") is currently entering a critical stage both in its ongoing development and preparation for initial operations. As project works continue, and with the approach of the Wind Port's first marshalling tenancy anticipated to begin in May 2024, staff are continuing to prepare for the next phase of the Port's existence as both an active construction project and an operational port facility and USGC-regulated marine terminal.

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<sup>1</sup> Board Memorandum, *Adoption of Amended and Restated By-Laws and Board Policy on Delegation of Authority*, as approved on March 9, 2022.



As such, staff are anticipating an increasing need to seek approvals for items ancillary or necessary to effectuate plans already having been presented to and approved by the Board.

### **III. Existing Delegations**

There are currently two existing Board delegations of authority specific to the NJWP:

- 1) on August 11, 2021, the Board approved delegated authority for the CEO to authorize drawdown of specific parcels<sup>2</sup>; and
- 2) on March 9, 2022, the Board approved an NJWP-specific delegated authority policy authorizing the CEO and their subdelegate(s) to approve expenditures - not including construction contracts - up to certain amounts.

Additionally, on February 8, 2023, the Board approved two procurement-related delegations of authority related to the Authority's real estate development efforts – including those related to the development of the NJWP<sup>3</sup>:

- 1) authorizing the CEO to execute standard professional services contracts (not including construction contracts) for real estate development projects, including architectural/engineering, construction management, appraisal, real estate brokerage, and other services in an amount up to and including \$500,000; and
- 2) authorizing the CEO to approve and execute construction contracts, such as demolition, construction, site work, (excluding at risk construction management services and other construction management services) where the lowest compliant responsible bid is the only consideration so long as the lowest compliant and responsible bid is not greater than 115% of the independent cost estimate obtained prior to bid opening, up to the maximum board approved project budget.

### **PROPOSED NEW DELEGATIONS**

The Authority's Infrastructure team are seeking additional delegations of authority related to the development and operation of the NJWP – specifically, for approvals ancillary or necessary to effectuate plans already having been presented to and approved by the Board. These new delegations are intended to:

- permit the CEO and their subdelegates to enter into agreements necessary to effectuate the project as approved by the Board;
- reduce the need for Board approvals of primarily administrative project tasks, while preserving transparency and accountability for the Board; and
- enable timely decision-making and the avoidance of project schedule or operational delays.

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<sup>2</sup> “Drawdown” refers to the process set forth under the Ground Lease between NJEDA, NDEV, and PSEG Nuclear for parcels becoming part of what is considered leased premises at the NJWP and thereby becoming subject to rent and other requirements.

<sup>3</sup> Additional real estate development delegations were made pursuant to that February 8, 2023 approval which were specifically excepted from applying to the NJWP.

## **1. Execution of License Agreements, Rights of Entry, and Easements (Limited Duration)**

### **Proposed Delegation**

For purposes of facilitating the development, operations and/or maintenance of the NJWP, delegation of authority is requested to enter into temporary license, rights of entry, and easement agreements as follows:

- To grant entry to, or limited (non-exclusive) use of, real estate owned or leased by the Authority to a regulated utility provider, governmental entity, or other third party. Permissions will only be granted by the Authority where the grantee provides indemnification and proof of adequate insurance, unless inapplicable.<sup>4</sup>
- To permit the Authority to enter upon or make use of property owned or controlled by another entity.

Agreements resulting from this delegation must:

1. be necessary to effectuate the NJWP project or shall benefit the NJWP project as approved by the Board without interfering with NJWP operations or development;
2. for consideration not exceeding \$500,000;
3. specify a limited duration to include:
  - If to a regulated utility provider or governmental entity:
    - an initial term of no more than ten (10) years; and
    - up to two (2) extension options, each with a maximum extension of up to five (5) years.
  - If to another other third party:
    - an initial term of no more than three (3) years; and
    - up to two (2) one-year extension options.
4. have no or nominal adverse impact to the Authority's risk/approved costs (except the consideration)/exposure beyond that which has already been approved by the Board.

Final terms of agreement documentation will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

### **Justification**

The purpose of this delegation is to allow the Authority to enter into agreements with entities for whom limited access to or use of the Port premises, or NJEDA access to third party premises, is necessary for purposes of facilitating and/or benefiting the development, operations and/or maintenance of the Port. Often such agreements will arise out of operational necessity, such as the need to permit or obtain permission for the placement of building materials; previous such agreements have been entered into with the United States Army Corps of Engineers (USACE), who hold property adjacent to the NJWP. This delegated authority is similar to delegated authority for licenses previously approved by the Board for other real estate matters.

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<sup>4</sup> There are instances where the Authority must enter into licenses and temporary easements with other State entities, which are either self-insured and/or subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq. and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

Staff anticipate that future such agreements could include entities such as Ground Lease parties NDEV and PSEG Nuclear, utilities providers (separate from utility easements as covered in the delegation below), and additional entities as the case may require.

## **2. Execution of Utility Easements**

### **Proposed Delegation**

For purposes of facilitating the development, operations and/or maintenance of the NJWP, delegation of authority is requested to enter into permanent utility easement agreements as follows:

- Grant use of real estate owned or leased by the Authority for a service or improvement that benefits the Authority or its tenants (e.g., internet, utility, communication or other infrastructure).
- Permit the Authority to make use of property owned or controlled by a third party entities for a utility service or improvement that benefits the Authority or its tenants (e.g., internet, utility, communication or other infrastructure).

Agreements resulting from this delegation must:

1. be necessary to effectuate the NJWP project or shall benefit the NJWP project as approved by the Board without interfering with NJWP operations or development;
2. for consideration not exceeding \$500,000; and
3. have no or nominal adverse impact to the Authority's risk/approved costs (except the consideration)/exposure beyond that which has already been approved by the Board.

Final terms of the document will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

### **Justification**

The purpose of this delegation is to ensure that, within the time constraints necessary in order to avoid schedule delays, staff maintain the flexibility to either grant or obtain easements necessary to ensure that utilities work – otherwise meeting the above criteria – can be completed in a timely manner. Utility easements are generally standard. Additionally, this delegated authority is similar to delegated authority for utility easements previously approved by the Board for other real estate matters.

Approvals for underlying utilities work and those associated costs will, to the extent that additional costs may need to be incurred by NJEDA or additional risks/exposure considered beyond those already having been approved, continue to be presented to the Board for consideration and approval.

## **3. Execution of Certain Agreements with State Entities**

Delegation of authority is requested to enter into agreements with certain governmental entities for purposes of facilitating or otherwise benefiting the development, operations and/or maintenance of the NJWP. Agreements resulting from this delegation shall be standard form agreements and have no or nominal adverse impact to the Authority's

risk/approved costs/exposure beyond that which has already been approved by the Board. Final terms of the document will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

**i. Agreements with the New Jersey Department of Transportation (NJDOT) for Dredging Activities**

NJDOT is the state entity primarily responsible for conducting dredging-related activities on behalf of the State. NJEDA may need enter into various memoranda of understanding with NJDOT for the development and benefit of the NJWP. NJDOT dredging activities would create or ensure continued vessel access to the established access channel and turning basins/berth pockets at the NJWP. Staff are seeking delegated authority to enter into these agreements with NJDOT. Agreements must be in the form of a standard NJDOT agreement(s) used for the purpose of contracting for dredging activities, and not subject to the negotiation of additional terms and conditions. Approvals for the actual use of project funds for purposes outlined in these memoranda will, to the extent not already approved by the Board, be presented for the Board's consideration and approval.

**ii. Agreements with New Jersey Department of the Treasury for the Acceptance of Project Funds**

In anticipation of the potential receipt of future funding streams from the New Jersey Department of the Treasury, staff are seeking delegated authority to enter into agreements for the receipt of funds by the Authority to use for the NJWP project. Funding received pursuant to this delegation would require the use of a standard Treasury agreement(s) not subject to the negotiation of additional terms and conditions. Approvals for the actual spending and use of any received funds will continue to be presented to the Board for consideration and approval.

**RECOMMENDATION**

Members of the Board are asked to approve the above-requested delegations of authority related to the development and operation of the New Jersey Wind Port.



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Tim Sullivan, CEO

Prepared by: John Kuehne, Dan Sommer



**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 12, 2023

**SUBJECT:** Economic Transformation Products  
Delegated Authority Approvals, Declinations, & Other Actions Q2 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 – Q2 2023 Review**

In the second quarter of 2023, the Authority approved 102 ATC investor applications with twenty-one (21) emerging technology businesses benefiting from the ATC program. Of the 21 different companies receiving investments, five (5) of these were new companies to the program (noted below). Additionally, investors in nine (9) companies qualified for an additional 5% bonus, which represents 42% of companies for this quarter.

Specifically, five (5) were state-certified Women or Minority Business Enterprises, and four (4) businesses were located in an Opportunity Zone or New Market Tax Credit census tract.

In total, \$6,124,080 in Angel Investor Tax Credits were awarded which incentivized \$52,798,864 in private sector investments into NJ emerging technology businesses.

Sector	Investment Amount	Tax Credit Amount	Applications	# of Companies	% of Total Invested	% of Total Applications
Life Sciences	\$28,452,818	\$3,570,560	56	6	53.9	54.9
Technology	\$22,465,224	\$2,199,658	31	12	42.5	30.4
Clean Technology	\$1,880,822	\$353,862	15	3	3.6	14.7
<b>Total</b>	<b>\$52,798,864</b>	<b>\$6,124,080</b>	<b>102</b>	<b>21</b>		

The following twenty-one (21) companies were awarded tax credits in the second quarter of 2023:

Ailares, Inc.: Based in Princeton, NJ, Ailares 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 Women and Minority Business Enterprise).

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

Beable Education, Inc.: Based in Lakewood, NJ, Beable Education publishes educational software that identifies and closes the literacy and opportunity gap through the proprietary Beable IQEngine, using machine learning, automation, and data science to customize an individualized learning path for each child (and qualifies for a bonus as a certified Women Business Enterprise).

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

Curio Digital Therapeutics, Inc.: Based in Princeton, NJ, Curio Digital Therapeutics 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.

Enalare Therapeutics: Based in Princeton, NJ, Enalare Therapeutics is a life sciences company developing novel treatments for patients suffering from life-threatening respiratory and critical care conditions. Enalare's first major pharmaceutical compound, ENA-001, is patented and currently performing well in the clinical trial phase. It is a respiratory stimulant that utilizes a unique mechanism of action – the body's own ventilation control pathways – to improve breathing and is intended for use in patients suffering from a variety of medical conditions including post-operative respiratory distress, COPD, drug overdose, and apnea in premature infants (new company in Q2)

Eos Energy Storage, LLC: Based in Edison, NJ, Eos Energy Storage develops novel, low-cost energy storage solutions for the electric utility and transportation industries. Eos' mission is to produce cost effective energy storage solutions that are projected to be not only less expensive than other battery technologies, but less expensive than the most economical alternatives used today to provide the same services.

EV Edison: Based in Kearny, NJ, EV Edison is developing and commercializing software solutions for its proprietary control systems in which it is building mobile IoT solutions and platforms using RFID, sensors & actuators, and wireless technologies. This technology will be implemented for the Energy Management System which controls EV chargers, battery systems and any other clean energy resource all integrated in one platform. EV Edison plans to install high-capacity electric vehicle charging infrastructure known as fleet development, by combining its charging and battery technology. These mobile charging hubs are intended to service critical infrastructure for large-scale fleets awaiting permanent EV charging infrastructure (new company in Q2 and qualifies for a bonus for operations in an Opportunity Zone or New Markets Tax Credit Census Tract).

Halcyon Still Water, LLC: Based in Red Bank, NJ, Halcyon Still Water has developed a platform that leverages unique technology to aggregate a taxpayer's complete financial landscape to prepare tax returns and provide tax expertise by crowdsourcing CPA services

iCreditWorks LLC: Based in Islen, NJ, iCreditWorks LLC is an information technology company that has developed a virtual lending platform to support point-of-care lending between dental patients and providers. The mobile application technology (i) allows consumers to obtain credit via a simple and secure mobile loan application at the "point of care", (ii) introduces a fully integrated proprietary workflow for the engagement of a co-applicant with real-time joint credit decisioning, and (iii) integrates state-of-the-art biometric identity validation including facial recognition, document authentication and voice verification for fraud prevention (new company in Q2).

ImageProVision, Inc.: Based in Franklin Township, NJ, ImageProVision focuses on the automation of microscope image data analysis for the pharmaceutical industry (and qualifies for a bonus as a certified Minority Business Enterprise).

ionic H2O Inc // FKA Ionic Water Technologies LLC: Based in Hamilton, NJ, ionic H2O Inc // FKA Ionic Water Technologies, 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).

Logie Inc.: Based in Union, NJ, Logie is a B2B technology company pioneering the use of artificial intelligence (AI) and machine learning for sales and marketing. Logie specializes in software publishing, data analysis, custom programming services, and system design. Using AI to reverse-engineer the effectiveness of product campaigns, Logie's proprietary systems can analyze and tailor them to improve customer response as well as scale for larger markets. Their model-based predictions and shoppable videos help brands, content creators, and influencers

across sectors to increase engagement, improve conversion rates, create brand loyalty, and boost sales. The Logie toolkit uses integrated AI robots and graphics generators to create product art, tracks and evaluates success via the Logie dashboard, and automates ecommerce payment systems (new company in Q2).

MetasTx: Based in Basking Ridge, NJ, MetasTx is a life sciences company committed to creating novel therapeutics to treat and prevent the growth and spread of cancer without the devastating effects of today's current therapies. MetasTX LLC's therapies are focused on the treatments of solid cancer tumors found in prostate, breast, and skin cancers (new company in Q2).

Neumentum, Inc.: Based in Summit, NJ, Neumentum 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, POM Partners 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).

Princeton Nuenergy, Inc.: Based in Princeton, NJ, Princeton Nuenergy is an innovative clean-tech startup company (spun out from Princeton University in 2019) focused on the direct recycling of lithium-ion batteries from electric vehicles and consumer electronics. PNE has experience handling and recycling aged rechargeable EV batteries, namely those from Tesla vehicles (and qualifies for a bonus as a certified Minority Business Enterprise).

Revenue Engine, LLC, dba "ProfiTank": Based in Oakland, NJ, Revenue Engine, LLC, dba "ProfiTank" 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

SunRay Scientific Inc.: Based in Eatontown, NJ, SunRay Scientific is a global technology company providing novel adhesive conductive solutions for advanced electronic packaging, including semiconductors packaging (and qualifies for a bonus as a certified Women and Minority Business Enterprise).

Vaneltix Pharma Inc. fka Urigen: Based in Bound Brook, NJ, Vaneltix Pharma Inc. fka Urigen Pharmaceuticals, is a New Jersey based biopharmaceutical company that is developing treatments for Urological disorders (and qualifies for an Opportunity Zone or New Markets Tax Credit Census Tract bonus).



Vytalize Health, Inc.: Based in Hoboken, NJ, Vytalize Health 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 second quarter of 2023 in Exhibit A.

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

From program inception in 2013 through Q2 of 2023, the Authority has approved over 2,900 applications for approximately \$100 million in tax credits representing over \$872 million invested in 141 New Jersey-based businesses. The NJEDA has not yet begun to review applications for program year 2023 and anticipates beginning to allocate the \$35 million 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 credits and unallocated balances is provided in Exhibit B.

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### **NJ Ignite Program**

NJ Ignite offers grants to support the rent of early-stage technology and life science companies located in an 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 resulted 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 – Q2 2023 Review**

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. As of the end of Q2 2023, seventeen (17) approved workspaces

remain active. 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. Due to changes in staff, all workspaces will be contacted for review in the third and fourth quarter of 2023.

There were no new Workspace or Tenant approvals for NJ Ignite in Q2 2023, as well as no benefit disbursements made.

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### **NJ Accelerate Program**

On February 11, 2020, the NJEDA Board approved the NJ Accelerate pilot program, with a total program budget of \$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 the fourth quarter of 2020. On November 12, 2020, Morgan Stanley Inclusive Ventures Lab (fka Multicultural Innovation Lab), became the first approved accelerator. The Authority approved Cleantech Open Northeast on April 13, 2021, becoming the second approved accelerator, followed by VentureWell's Aspire program which was approved on May 14, 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, 2021. In the second quarter of 2022, HAX LLC was approved for participation in NJ Accelerate on April 4.

### **NJ Accelerate Program – Q2 2023 Review**

Reviews and discussions with accelerator programs and their company participants continued during the second quarter of 2023, as well as outreach to new accelerators.

In Q2 2023, XRC Ventures was the sixth accelerator to be approved, on June 12. The Program continues to generate interest from best-in-class accelerators.

### **NJ Accelerate Program List of Approved Accelerators**

<b>Accelerator Name</b>	<b>Accelerator Location</b>
Morgan Stanley Inclusive Ventures 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
XRC Ventures	Brooklyn, NY

### **Angel Match Program**

The Angel Match Program was designed to disburse funding from the Small State Business Intuitive (SSBCI), a federal program administered by the US Department of Treasury. 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 in NJ under SSBCI. The total Angel Match Program allocation 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 to 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 – Q2 2023 Review**

Since the Program's launch, discussions were initiated with various groups as well as various NJ companies and the investor community. The Program has also been featured in many public presentations including the recent NJ Founders and Funders event. The Program has received significant interest from companies with the potential to leverage the program, and monitoring for possible application submissions continues.

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

Launched in April 2021, the Phase 1 NJ ZIP pilot established a first-come, first-serve 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 four pilot communities, greater Newark, New Brunswick, greater Camden, and the Greater Shore Area.

### **New Jersey Zero-emission Incentive Program Phase 1 – Q2 2023**

As of May 16, 2023, all remaining Phase 1 applications have been approved.

<b>Name of the 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>Total \$ Voucher</b>
United Parcel Service, Inc	North Jersey Truck Center Inc	Greater Camden	No	No	No	No	15	\$1,500,000

## **New Jersey Zero-emission Incentive Program Phase 2 – Q2 2023**

In July 2022, the Board approved a second phase of the NJ ZIP pilot, with a voucher pool of \$45 million. While the overarching structure of the pilot remained unchanged, the second phase of this pilot included two major eligibility changes from the first phase – to expand eligibility to include heavy-duty vehicle classes and to Purchaser Applicants statewide – and provide updated support structures for pilot participants, including the development of a technical assistance mechanism.

NJ ZIP Phase 2 implemented a phased launch approach for Vendor and Purchaser applications. First, a zero-emission vehicle vendor must apply to become an approved vendor. Vendors applied for Phase 2, October 18, 2022, thru November 22, 2022, the program received 32 vendor applications that were reviewed and approved on a rolling basis. In Q2 2023, the remaining 6 vendor applications were approved, for a total of 32 vendor approved applications.

Applications for purchasers opened April 18, 2023.

## **New Jersey Zero-emission Incentive Program Phase 2- Q2 2023**

### **Vendors:**

<b>Vendor Account Name</b>	<b>Approval Date</b>
Lightning Hybrids, LLC	3/31/2023
First Priority Emergency Vehicles	4/11/2023
Proterra Operating Company, Inc.	4/11/2023
H.A. DeHart & Son, Inc	4/14/2023
Hudson County Motors, Inc.	5/1/2023
APPOLONIA INC	6/22/2023

### **Purchasers:**

<b>Name of the Applicant</b>	<b>Vendor</b>	<b>Purchaser Location</b>	<b>SBE</b>	<b>MBE</b>	<b>WBE</b>	<b>VOB</b>	<b>Driving in EJ community</b>	<b># of Vehicles</b>	<b>Total Voucher \$</b>
Signs By Rama Inc	Envirotech Vehicles, Inc	Freehold	Yes	Yes	No	No	Yes	1	\$90,350.00
Dry Goods Refillery, LLC	Envirotech Vehicles, Inc	Maplewood	No	No	Yes	No	No	1	\$90,350.00
VIGNAGA FOODS LLC	GreenPower Motor Company, Inc	Jersey City	No	No	No	No	No	4	\$361,400.00
Statewide Hispanic Chamber of Commerce of New Jersey, Inc.	GreenPower Motor Company, Inc	Rutherford	No	No	No	No	No	1	\$87,750.00

International Motor Freight	Freightliner	Newark	No	No	No	No	No	2	\$385,000.00
NEW GM EXPRESS INC	Xos Services, Inc	Jersey City	Yes	No	No	No	Yes	2	\$243,000.00
CENTRAL ART & ENGINEERING, INC.	Rivian, LLC	Cream Ridge	No	No	No	No	No	1	\$27,800.00
Healthy Happy Children Medical Services PC	Rivian, LLC	Clifton City	Yes	Yes	Yes	No	Yes	1	\$28,600.00

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### **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 - Q2 2023 Results**

In the second quarter of 2023, there were 7 film applications approved under delegated authority for a total of \$16,063,188.

<b>FILM TAX CREDITS</b>				
	<b>Applicant Name</b>	<b>PROD #</b>	<b>Award Amount</b>	<b>Approval</b>
1	Lucky 8 TV, LLC	PROD-00305570	\$2,257,929	4/13/2023
2	Mallard Films LLC	PROD-00309903	\$694,221	4/13/2023
3	Little Films LLC	PROD-00310388	\$5,666,976	4/24/2023
4	Muriel Is Alive Inc	PROD-00305635	\$838,630	4/26/2023
5	PonyboiFilms LLC	PROD-00310229	\$1,789,700	4/27/2023
6	LAMF Rob Peace Inc	PROD-00308886	\$3,982,289	4/28/2023

7	ONS Movie LLC	PROD-00310255	\$833,443	5/23/2023
		<b>FILM TOTAL</b>	<b>\$16,063,188</b>	

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### **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 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 Equivalent 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) - Q2 2023 Results**

The NJMVP application launched on March 8, 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.

Please find a detailed list of all NJ MVP applications that were approved under delegated authority during the second quarter of 2023 in Exhibit C.

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

On March 26, 2020, the NJEDA Board approved the NJ Startup Entrepreneur Support Program (NJESP) to help 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. 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.

The Program was open from April 22, 2020, until 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 note investments. This represents investments in 13 unique businesses with a total of 85 full-time NJ employees. Additionally, 28 applications were withdrawn, and 22 applications were declined. There was 1 guarantee payment made to 1 investor in 1 company for \$60,000. The guaranteed loan was assigned to the NJEDA and is currently with SLM for collection.

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-19 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 became reluctant to extend financial support to startup businesses. In response, the NJEDA decided to provide additional support 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 new company investors to participate, increasing the total guarantee amount per company to \$400,000 (\$500,000 in total loans), raising the company's maximum number of total employees to fewer than 225 total employees, removing the trailing twelve-month revenue requirement, and updating the eligible company industries to the NJEDA's list of established "targeted industries".

### **NJ Entrepreneur Support Program - Q2 2023 Review**

Following the Program's launch in Q1 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. Staff continued to receive significant inbound interest from companies in Q2 2023. Multiple companies have the potential to leverage the Program and will be monitored for possible application submissions.



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Tim Sullivan, CEO

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

**NJ Ignite Prepared by:**  
Sara Caddedu

**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 Prepared by:**  
Ivan Mendez

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

**NJ Entrepreneur Support Program Prepared by:**  
Monika Athwal

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



## EXHIBIT A

### Q2 2023 Delegated Approvals - Angel Investor Tax Credit

Applicant	Employees in NJ	Company	Investment	Tax Credit
Cheng Xu		Ailares Inc.	\$200,000	\$50,000
1	NJ: 3 Total: 3	Ailares Inc.	\$200,000	\$50,000
Thomas P Kenny		Aspargo Laboratories, Inc.	\$250,000	\$50,000
Thomas P Kenny		Aspargo Laboratories, Inc.	\$400,000	\$80,000
William & Alice Keefe		Aspargo Laboratories, Inc.	\$34,800	\$6,960
David Simpson		Aspargo Laboratories, Inc.	\$100,000	\$20,000
Lisa Giunta		Aspargo Laboratories, Inc.	\$20,000	\$4,000
Kathryn Anne Daniels		Aspargo Laboratories, Inc.	\$10,000	\$2,000
Neel Patel		Aspargo Laboratories, Inc.	\$25,000	\$5,000
DAS 1 Family Trust		Aspargo Laboratories, Inc.	\$34,999	\$7,000
Dominick J Gatto Revocable Trust		Aspargo Laboratories, Inc.	\$100,000	\$20,000
John Moy SEP IRA		Aspargo Laboratories, Inc.	\$25,000	\$5,000
Julian & Jennifer Butler		Aspargo Laboratories, Inc.	\$25,000	\$5,000
11	NJ: 2 Total: 2	Aspargo Laboratories, Inc.	\$1,024,799	\$204,960
GHO Ventures LLC		Beable Education, Inc.	\$13,000,000	\$500,000
1	NJ: 39 Total: 44	Beable Education, Inc.	\$13,000,000	\$500,000
Paradox Investment Network BV		BioAegis Therapeutics, Inc.	\$3,000,000	\$500,000
Michael H. Kritz		BioAegis Therapeutics, Inc.	\$50,000	\$10,000
Craig Favero		BioAegis Therapeutics, Inc.	\$25,000	\$5,000
Bernhard Szondi		BioAegis Therapeutics, Inc.	\$32,700	\$6,540
Xavier De Vil		BioAegis Therapeutics, Inc.	\$24,947	\$4,989
Kim Ruiter		BioAegis Therapeutics, Inc.	\$25,500	\$5,100
Frédérique Dekker		BioAegis Therapeutics, Inc.	\$30,050	\$6,010
John van der Veen		BioAegis Therapeutics, Inc.	\$25,000	\$5,000
Jurgen Van Berleere		BioAegis Therapeutics, Inc.	\$25,000	\$5,000
Ellen van Lierde- Bonte		BioAegis Therapeutics, Inc.	\$40,036	\$8,007
Marius Willem Van Dalen		BioAegis Therapeutics, Inc.	\$14,996	\$2,999

Etienne van den Berghe		BioAegis Therapeutics, Inc.	\$75,000	\$15,000
Steven van den Ham		BioAegis Therapeutics, Inc.	\$25,000	\$5,000
Vincent Biernaux		BioAegis Therapeutics, Inc.	\$25,000	\$5,000
Paradox Investment Network BV		BioAegis Therapeutics, Inc.	\$5,500,000	\$500,000
Paradox Investment Network BV		BioAegis Therapeutics, Inc.	\$10,000,000	\$500,000
Paradox Investment Network BV		BioAegis Therapeutics, Inc.	\$2,500,000	\$500,000
Chr. J. H. Westerhof		BioAegis Therapeutics, Inc.	\$24,975	\$4,995
18	NJ: 11 Total: 12	BioAegis Therapeutics, Inc.	\$21,443,204	\$2,088,640
Thierry Gauchon		Curio Digital Therapeutics Inc.	\$58,015	\$11,603
1	NJ: 3 Total: 4	Curio Digital Therapeutics Inc.	\$58,015	\$11,603
Rory Deutsch		Enalare Therapeutics Inc.	\$12,500	\$2,500
ANDREW BOYER & AMY BOYER TEN/COM		Enalare Therapeutics Inc.	\$200,000	\$40,000
Johan Fredrik Pfeiffer		Enalare Therapeutics Inc.	\$200,000	\$40,000
FRANK V SICA		Enalare Therapeutics Inc.	\$400,000	\$80,000
Shawn O'Rourke		Enalare Therapeutics Inc.	\$75,875	\$15,175
Daniel Motto		Enalare Therapeutics Inc.	\$400,000	\$80,000
Investmed I llc		Enalare Therapeutics Inc.	\$50,000	\$10,000
Robert Raffa		Enalare Therapeutics Inc.	\$217,000	\$43,400
William A. Maher		Enalare Therapeutics Inc.	\$12,500	\$2,500
Samantha R. Jannotta Revocable Trust		Enalare Therapeutics Inc.	\$100,000	\$20,000
Maxwell H. Jannotta Revocable Trust		Enalare Therapeutics Inc.	\$100,000	\$20,000
Naples Anesthesia & Pain Associates, Inc.		Enalare Therapeutics Inc.	\$25,000	\$5,000
Granite Creek Exempt Trust		Enalare Therapeutics Inc.	\$1,200,000	\$240,000
Nema Research Inc.		Enalare Therapeutics Inc.	\$267,000	\$53,400
Alexandra S. Jannotta Revocable Trust		Enalare Therapeutics Inc.	\$100,000	\$20,000
Alexander Sulkhan Sinclair		Enalare Therapeutics Inc.	\$100,000	\$20,000
Christine Ann Mundkur		Enalare Therapeutics Inc.	\$275,000	\$55,000
17	NJ: 4 Total: 5	Enalare Therapeutics Inc.	\$3,734,875	\$746,975

TIMOTHY G. LALONDE		EOS Energy Storage LLC	\$100,000	\$10,000
Steve Hannan		EOS Energy Storage LLC	\$100,000	\$10,000
AltEnergy, LLC		EOS Energy Storage LLC	\$325,000	\$65,000
AltEnergy LLC		EOS Energy Storage LLC	\$150,000	\$15,000
AltEnergy LLC		EOS Energy Storage LLC	\$125,000	\$12,500
Joshua B Cole		EOS Energy Storage LLC	\$25,000	\$5,000
Richard T Weiss 2006 Living Trust		EOS Energy Storage LLC	\$20,000	\$4,000
John M. Desmarais		EOS Energy Storage LLC	\$135,295	\$27,059
AltEnergy, LLC		EOS Energy Storage LLC	\$10,527	\$1,053
Jerry Labowitz		EOS Energy Storage LLC	\$50,000	\$10,000
John M. Desmarais		EOS Energy Storage LLC	\$250,000	\$50,000
Hawthorn II Investment LP		EOS Energy Storage LLC	\$40,000	\$8,000
12	NJ: 60 Total: 60	EOS Energy Storage LLC	\$1,330,822	\$217,612
Richard Yichong Li		EV Edison, INC.	\$500,000	\$125,000
1	NJ: 4 Total: 4	EV Edison, INC.	\$500,000	\$125,000
John Yurish		Halcyon Still Water, LLC	\$100,000	\$20,000
1	NJ: 5 Total: 5	Halcyon Still Water, LLC	\$100,000	\$20,000
JAM ICreditWorks, LP		ICREDITWORKS INC.	\$4,590,000	\$500,000
1	NJ: 25 Total: 25	ICREDITWORKS INC.	\$4,590,000	\$500,000
Devendra K Shukla		ImageProVision, Inc.	\$700,000	\$175,000
1	NJ: 1 Total: 1	ImageProVision, Inc.	\$700,000	\$175,000
First United Partners		Ionic H2O Inc	\$600,000	\$150,000
Eduard Oswald		Ionic H2O Inc	\$100,000	\$25,000
Robert Wieder		Ionic H2O Inc	\$100,000	\$25,000
Ashley Lalonde 2013 Trust		Ionic Water Technologies, LLC	\$25,000	\$5,000
Parker Lalonde 2013 Trust		Ionic Water Technologies, LLC	\$25,000	\$6,250
5	NJ: 5 Total: 5	Ionic Water Technologies, LLC	\$850,000	\$211,250
Menachem Hoffman		Logie Inc.	\$50,000	\$12,500
1	NJ: 3 Total: 3	Logie Inc.	\$50,000	\$12,500
Ratan Agarwal		MetasTX LLC	\$10,000	\$2,000

Shivam Advisors LLC		MetasTX LLC	\$20,000	\$4,000
Wayne Miller & Debbie Mitzner JTWROS		MetasTX LLC	\$25,000	\$5,000
Mark Baum		MetasTX LLC	\$20,000	\$4,000
Mario M Casabona		MetasTX LLC	\$25,000	\$5,000
5	NJ: 1 Total: 1	MetasTX LLC	\$100,000	\$20,000
The Universal Finance Holding Ltd		Neumentum, Inc.	\$350,000	\$70,000
Pearson Family Investments LP		Neumentum, Inc.	\$75,000	\$15,000
MATTHEW DONOVAN		Neumentum, Inc.	\$25,000	\$5,000
Ali El-Mohandes		Neumentum, Inc.	\$100,000	\$20,000
4	NJ: 3 Total: 3	Neumentum, Inc.	\$550,000	\$110,000
Michael D McCarthy		POM Partners, Inc.	\$200,000	\$50,000
1	NJ: 8 Total: 9	POM Partners, Inc.	\$200,000	\$50,000
Wistron Corporation		Princeton NuEnergy Inc.	\$2,000,000	\$500,000
1	NJ: 13 Total: 17	Princeton NuEnergy Inc.	\$2,000,000	\$500,000
Michael Andrew McLachlan		Revenue Engine, LLC dba ProfiTank	\$25,000	\$5,000
1	NJ: 1 Total: 1	Revenue Engine, LLC dba ProfiTank	\$25,000	\$5,000
The Gorman Family Survivor's Trust		SunRay Scientific Inc	\$25,000	\$6,250
Sheryl WuDunn		SunRay Scientific Inc	\$27,250	\$6,813
Alexander Tze Fung Lee		SunRay Scientific Inc	\$25,000	\$6,250
Mark Leslie Baum		SunRay Scientific Inc	\$30,000	\$7,500
Mercedes Riley		SunRay Scientific Inc	\$19,999	\$5,000
EAK Capital Partners LLC		SunRay Scientific Inc	\$19,999	\$5,000
Donald R Samuels		SunRay Scientific Inc	\$25,000	\$6,250
Mario M Casabona		SunRay Scientific Inc	\$50,000	\$12,500
Amala Ventures LLC		SunRay Scientific Inc	\$25,000	\$6,250
Joseph Spivack		SunRay Scientific Inc	\$10,000	\$2,500
Amy Toman		SunRay Scientific Inc	\$100,000	\$25,000
William Hanlon		SunRay Scientific Inc	\$20,000	\$5,000
Kenneth Silbert		SunRay Scientific Inc	\$50,000	\$12,500

Sharon Hensley		SunRay Scientific Inc	\$50,000	\$12,500
Harry Sangree		SunRay Scientific Inc	\$25,000	\$6,250
SRD Capital Management LLC		SunRay Scientific Inc.	\$25,000	\$6,250
Cheryl M Kallem		SunRay Scientific Inc.	\$15,000	\$3,750
17	NJ: 12 Total: 13	SunRay Scientific Inc.	\$542,248	\$135,563
HYLORIS PHARMACEUTICA LS SA		Vaneltix Pharma Inc	\$1,599,940	\$399,985
1	NJ: 2 Total: 2	Vaneltix Pharma Inc	\$1,599,940	\$399,985
Bassam Shakhshir		Vytalize Health Inc.	\$199,961	\$39,992
1	NJ: 6 Total: 7	Vytalize Health Inc.	\$199,961	\$39,992
<b>Grand Total</b>		<b>102</b>	<b>\$52,798,864.00</b>	<b>\$6,124,080.00</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	656	52
2021	22 withdrawn/3 declined	604	59
2022	11 withdrawn	352	23
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	\$21,935,908	\$3,064,092.00	Open
2021	\$35,000,000.00	\$20,195,325	\$14,804,675.00	Open
2022	\$35,000,000.00	\$12,591,852	\$22,408,148.00	Open
2023	\$35,000,000.00	\$0	\$35,000,000.00	Open

## EXHIBIT C

### **Q2 2023 Delegated Approvals – New Jersey Manufacturing Voucher Program**

<b>Applicant</b>	<b>Approval Date</b>	<b>Approval Amount</b>
Route66 International Inc	4/3/2023	\$250,000.00
Biogenesis, Inc.	4/4/2023	\$86,411.50
Esco Products, Inc.	4/4/2023	\$105,000.00
Case Medical, Inc.	4/6/2023	\$90,836.56
Powpack LLC	4/6/2023	\$250,000.00
Zenith Precision Inc.	4/12/2023	\$43,048.50
Holocraft Corporation	4/13/2023	\$250,000.00
VALCOR ENGINEERING CORPORATION	4/13/2023	\$250,000.00
Evergreen Theragnostics, INC.	4/14/2023	\$42,599.70
L&L Kiln Mfg. Inc.	4/14/2023	\$31,638.00
TODD SHELTON LLC	4/14/2023	\$14,707.50
Bakkafrost USA LLC	4/17/2023	\$143,457.00
Bestwork Industries for the Blind, Inc.	4/17/2023	\$24,366.00
Mercer Rubber Company	4/17/2023	\$143,626.63
New Jersey Headwear Corp.	4/17/2023	\$250,000.00
Distek Inc.	4/18/2023	\$20,838.18
KRELL TECHNOLOGIES, INC.	4/18/2023	\$60,661.07
Raw Generation Inc.	4/18/2023	\$250,000.00
Whims Ales, LLC	4/18/2023	\$15,890.00
Kane Brewing Company, LLC	4/19/2023	\$140,872.12
Menshen Packaging USA, INC	4/19/2023	\$163,825.37
Abeles Heymann LLC	4/20/2023	\$250,000.00
Jersey Cape Diagnostic, Training & Opportunity Center, Inc.	4/20/2023	\$97,500.00
Liberty Manufacturing Group LLC	4/20/2023	\$45,300.00
General Pallet Industries, Inc.	4/21/2023	\$9,114.60
Ledoux and Company	4/21/2023	\$58,500.00
PERFECT LIFE NUTRITION INC.	4/21/2023	\$243,117.20
Weiss-Aug Co. Inc.	4/21/2023	\$250,000.00
Worthington Biochemical Corp.	4/21/2023	\$40,551.36
American Machine Specialty LLC	4/24/2023	\$54,594.00
Badger Metal & Machine Fabrication	4/24/2023	\$170,850.00
Empire Technical Fabrication LLC	4/24/2023	\$250,000.00

Harold R Henrich INC	4/24/2023	\$152,626.25
M4 Machine LLC	4/24/2023	\$12,658.50
Medical Indicators, Inc.	4/24/2023	\$217,525.60
Migali Industries, Inc.	4/24/2023	\$250,000.00
Tabatchnick Fine Foods Inc	4/24/2023	\$80,487.56
Twin Elephant Brewing . Limited Liability Company	4/24/2023	\$10,179.30
BAUMGARDNER FINISHINGS COMPANY LLC	4/25/2023	\$178,245.00
GEOGREENS LLC	4/25/2023	\$120,812.40
Bionex Pharmaceuticals LLC	4/27/2023	\$24,151.75
Cape May Brewing Limited Liability Company	4/27/2023	\$250,000.00
Infrared-Air Thermal Systems LLC	4/27/2023	\$9,182.93
ALCOHOLIC ICES LLC	5/1/2023	\$47,372.50
City Theatrical, Inc.	5/1/2023	\$45,517.50
Guthrie Glass & Mirror, Inc.	5/1/2023	\$250,000.00
Holland Manufacturing Company	5/1/2023	\$142,357.50
Mars International, Inc.	5/1/2023	\$43,500.00
Package Kare, Inc.	5/1/2023	\$250,000.00
Vital Health America LLC	5/1/2023	\$34,500.00
Astro Outdoor Advertising Inc	5/2/2023	\$53,998.00
Chiral Photonics, Inc.	5/2/2023	\$149,877.00
Lamart Corp	5/2/2023	\$41,372.00
Marotta Controls, Inc.	5/2/2023	\$250,000.00
Norwalt Design Inc.	5/2/2023	\$72,060.05
TreadStone Technologies, Inc.	5/2/2023	\$148,687.60
Triad Tool & Die Co.	5/2/2023	\$17,400.00
Aii1, LLC	5/3/2023	\$46,672.20
Carl Stahl Sava Industries, Inc.	5/3/2023	\$103,420.50
EASTERN MILLWORK INC	5/3/2023	\$58,929.85
SOUTH JERSEY PAINT AND GLASS CO.	5/3/2023	\$161,850.10
Union Beverage Packers LLC	5/3/2023	\$105,898.10
CLEAR FORMING LLC	5/4/2023	\$103,889.70
SS White Burs, Inc.	5/8/2023	\$204,776.80
VIZOR LLC	5/8/2023	\$77,343.00
Allied Food Products Inc	5/9/2023	\$60,199.80
Crusters LLC	5/9/2023	\$70,230.00
Dr. Praeger's Sensible Foods, LLC	5/9/2023	\$250,000.00



FARMPLAST. LLC	5/9/2023	\$145,800.00
Princetel, Inc.	5/9/2023	\$144,289.25
Werko Machine Co, Inc.	5/9/2023	\$125,896.50
American Products Company, Inc.	5/10/2023	\$148,500.00
GARDEN STATE PRECAST, INC.	5/10/2023	\$69,750.00
Joy Snacks LLC	5/10/2023	\$74,898.00
Magna-Power Electronics, Inc.	5/10/2023	\$178,046.10
Universal Technical Resource Services, Inc.	5/10/2023	\$225,000.00
EZ Repacks LLC	5/11/2023	\$148,500.00
Antonio Mozzarella Factory, Inc	5/12/2023	\$250,000.00
Davion Inc.	5/12/2023	\$250,000.00
Elegant Album	5/12/2023	\$36,750.00
Metal Cutting Corporation	5/12/2023	\$245,075.20
Oishii Farm Corporation	5/12/2023	\$250,000.00
Visual Graphic Systems, Inc.	5/12/2023	\$47,592.00
Access Bio, Inc	5/15/2023	\$204,000.00
CSR PHARMA GROUP, INC.	5/15/2023	\$220,650.74
Grimbilas Enterprises	5/15/2023	\$250,000.00
MetaBrand LLC	5/15/2023	\$129,030.00
Nutra-Med Packaging, Inc.	5/15/2023	\$250,000.00
Orgo-Thermit, Inc.	5/15/2023	\$48,000.00
Precision Forms, Inc	5/15/2023	\$250,000.00
Selco Manufacturing Corp.	5/15/2023	\$90,884.65
Sweet Packaging Company	5/15/2023	\$250,000.00
Jet Precision Metal, Inc.	5/16/2023	\$96,324.00
Permissible Alternative LLC	5/16/2023	\$61,529.14
RC Fine Foods, Inc	5/16/2023	\$64,267.10
UNEX MANUFACTURING INC.	5/16/2023	\$248,787.90
Zago Manufacturing Company, Inc.	5/16/2023	\$84,138.00
3D Biotek LLC	5/17/2023	\$20,067.90
CenMed Enterprises Inc.	5/17/2023	\$75,929.00
General Machine Company of New Jersey Inc.	5/17/2023	\$220,631.12
Inrad Optics, Inc.	5/17/2023	\$205,200.00
L&Z Tool and Engineering, Inc.	5/17/2023	\$135,450.00
The Federal Twist Vineyard, Inc	5/17/2023	\$22,983.00
Tri-Power Design, LLC	5/17/2023	\$124,128.00
Ascendia Pharmaceuticals Inc	5/18/2023	\$250,000.00

Neoventech LLC	5/18/2023	\$34,390.00
PermaGraphics, Inc.	5/18/2023	\$86,461.85
Blue Cork Winery and Vineyard Inc.	5/19/2023	\$61,404.00
Custom Welding Inc	5/19/2023	\$250,000.00
Magnify Brewing, LLC	5/19/2023	\$234,322.40
Suzanne's Specialties, Inc.	5/19/2023	\$58,883.48
BELLA SABATINA PREMIUM TEA LLC	5/22/2023	\$26,311.18
Coriell Institute for Medical Research	5/23/2023	\$183,855.00
Research & MFG. Corp. Of America	5/23/2023	\$250,000.00
Stateam LLC	5/23/2023	\$75,393.85
VISCOT MEDICAL, L.L.C.	5/23/2023	\$240,000.00
CS 9100, Inc.	5/24/2023	\$37,965.00
Paper Plane Coffee Company LLC	5/24/2023	\$24,747.43
Princeton NuEnergy Inc.	5/24/2023	\$250,000.00
Unique Wire Weaving Co., Inc.	5/24/2023	\$220,500.00
SANKAV PHARMACEUTICALS LLC	5/24/2023	\$209,567.75
LAMATEK, INCORPORATED	5/24/2023	\$106,219.20
Fidelity Industries Inc	5/24/2023	\$147,647.50
Fidelity Industries Inc	5/24/2023	\$147,647.50
Glenmar Technology	5/25/2023	\$46,500.00
Griffin & Howe, Inc.	5/25/2023	\$96,016.28
Cellular Tracking Technologies LLC	5/26/2023	\$46,235.70
Ridgefield Kosher Bakery Inc.	5/30/2023	\$43,758.00
Almetek Industries	5/31/2023	\$74,700.30
GIORDANO VINELAND SCRAP MATERIAL LLC	5/31/2023	\$208,250.00
Mac Products, Inc.	5/31/2023	\$123,390.00
Polymer Technologies Inc (PTI)	5/31/2023	\$124,098.21
TELEDYNE DIGITAL IMAGING US, INC.	5/31/2023	\$228,661.90
Metal COmponents Incorporated	6/1/2023	\$47,950.00
Bennett Plastics Inc.	6/1/2023	\$114,180.53
FreshRealm, Inc.	6/2/2023	\$140,098.64
W. W. Manufacturing Co., Inc.	6/2/2023	\$36,750.00
Tomasello Winery	6/2/2023	\$9,479.53
A.P.M. HEXSEAL CORPORATION	6/5/2023	\$250,000.00
Forgotten Boardwalk Brewing, LLC	6/5/2023	\$75,943.35
New York Popular, Inc	6/5/2023	\$24,683.78

Griffys Organics LLC	6/6/2023	\$13,024.14
H. K. Metal Craft Manufacturing Corporation	6/6/2023	\$15,036.00
AZCO Corporation	6/8/2023	\$76,843.46
Custom Controls & Consulting, LLC	6/8/2023	\$69,345.00
Gharana Foods LLC	6/8/2023	\$71,136.90
GONGCOOK LTD LIABILITY CO.	6/8/2023	\$38,365.50
Hilman Incorporated	6/8/2023	\$97,246.50
Showman Fabricators, Inc.	6/8/2023	\$193,756.50
Everest Life Sciences LLC	6/9/2023	\$250,000.00
Patella Construction Corp	6/9/2023	\$63,621.95
Pharm Ops Inc.	6/9/2023	\$250,000.00
Clio LLC	6/9/2023	\$105,000.00
Dream Well of NJ Corporation	6/9/2023	\$234,000.00
Innovaera Pharmaceuticals LLC	6/10/2023	\$48,396.70
Crafters Acrylic Display LLC	6/12/2023	\$66,668.00
G.A.Productions, LLC	6/12/2023	\$186,407.20
Quality Steak Inc.	6/12/2023	\$250,000.00
Martin Corporation	6/12/2023	\$250,000.00
Quali-Pack LLC	6/12/2023	\$229,996.50
The Aeronautical Instrument & Radio Co	6/12/2023	\$35,332.50
United Sates Mineral Company	6/12/2023	\$250,000.00
Vintage Apparel Inc.	6/12/2023	\$71,044.66
Colonna Brothers Inc.	6/12/2023	\$250,000.00
S&P Machine Co. Inc.	6/13/2023	\$64,050.00
Andrew Grossman Upholstery	6/14/2023	\$82,250.00
Schott NYC Corp	6/14/2023	\$75,200.00
Golden Platter Foods, Inc.	6/15/2023	\$71,253.00
Reuther Manufacturing LLC	6/15/2023	\$75,000.00
Sea Breeze Fruit Flavors, Inc.	6/15/2023	\$120,201.00
THE BONACORDA GROUP, INC.	6/15/2023	\$168,800.40
Signs By Rama Inc.	6/15/2023	\$54,748.28
Premio Foods	6/19/2023	\$250,000.00
Zina's Salads Inc	6/19/2023	\$60,000.00
Energy Beams Inc.	6/19/2023	\$35,768.40
Falstrom Company	6/20/2023	\$69,286.77
Morris Graphics Inc.	6/20/2023	\$51,671.09
Stony Hill Gardens	6/20/2023	\$40,442.98

Hammonton Mold Co., Inc.	6/21/2023	\$85,158.00
Ultra Clean Technologies Corp	6/21/2023	\$102,456.66
L-E-M Plastics & Supply Inc	6/21/2023	\$20,256.00
Aerotech Processing solutions, LLC	6/22/2023	\$62,479.41
F & S PRODUCE CO., INC.	6/22/2023	\$245,945.00
MORENG METAL PRODUCTS, INC.	6/22/2023	\$61,665.00
Perry Products Corporation	6/22/2023	\$228,200.00
The Honest Baking Co., Inc.	6/22/2023	\$190,434.00
Architectural Window Manufacturing Corporation	6/23/2023	\$250,000.00
Ronald Mark Associates	6/25/2023	\$250,000.00
Dependable Food Corp.	6/27/2023	\$85,515.60
IJA Acquisition LLC	6/27/2023	\$250,000.00
SunRay Scientific Inc	6/27/2023	\$91,361.60
PLASTOMATIC VALVES INC	6/28/2023	\$208,782.82
Stone Truss Systems, Inc.	6/28/2023	\$29,132.25
Bear Glass New Jersey Inc.	6/30/2023	\$250,000.00
		<b>\$28,987,643.77</b>



## **MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 12, 2023

**SUBJECT:** Credit Underwriting Projects Approved Under Delegated Authority –  
**For Informational Purposes Only**

The following project was approved under Delegated Authority in July and August 2023:

**Premier Lender Program:**

- 1) Allstate Paper Box Co., LLC (PROD-00311275) is located in Newark City, Essex County. Established in 2023, the Company was formed to purchase the business assets of Allstate Paper Box Co. Allstate Paper Box Co. was established in 1966 as a Newark, NJ box manufacturer. Bank of America, N.A. approved a \$10,000,000 bank loan contingent upon a 20% (\$2,000,000) Authority participation. Proceeds will be used to purchase business assets and to pay off an existing mortgage. Currently, the Company has 48 employees and plans to create 113 new full-time jobs at the project site.
- 2) CJL Properties, LLC (PROD-00311387), located in Lawrence Township, Mercer County, is a real estate holding company that was formed in 2000 to purchase the project property. The operating company, Amalfi's Cuisine LLC was formed in 2000 to operate an Italian Restaurant. Fulton Bank approved a \$2,000,000 bank loan contingent upon a 50% Authority participation, not to exceed \$1,000,000. Proceeds will be used to refinance an existing SBA loan. The Company currently has 14 employees.

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

Tim Sullivan, CEO

**Prepared by:** G. Robins



**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 12, 2023

**SUBJECT:** Post Closing Credit Delegated Authority Approvals for 2Q Quarter 2023  
*For Informational Purposes Only*

The following post-closing actions were approved under delegated authority during the second quarter of 2023:

Name	EDA Credit Exposure	Action
Bestwork Industries for the Blind, Inc.	\$589,892 SLPPL	Approve a 6- month short-term maturity extension to match a similar extension from participating lender, TD Bank.

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

Tim Sullivan, CEO

**Prepared by:** Sandra Foresta and Mansi Naik



**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 12, 2023

**SUBJECT:** Post-Closing Delegated Authority Bond Modification Approvals for 2nd Quarter 2023  
*(For Informational Purposes Only)*

The following Post-Closing Bond action was approved under delegated authority in the 2nd quarter ending June 30, 2023:

**Stand Alone and Refunding Bonds - (EDA has no Credit Exposure)**

<b>Applicant</b>	<b>Product Number</b>	<b>Modification Action</b>	<b>Bond Amount</b>
The Gill St. Bernard's School	PROD-00124998	Consent to modify the interest rate index from the adjusted LIBOR to the adjusted SOFR.	\$8,287,086.35
Marcus L. Ward Home	PROD-00179816	Consent to modify the interest rate index from the adjusted LIBOR to the adjusted SOFR.	\$31,285,000.00
Beth Medrash Govoha of Lakewood, Inc., a New	PROD-00165236	Consent to modify the interest rate index from the adjusted LIBOR to the adjusted SOFR.	\$28,000,000.00
Wayne Township Police Athletic League, Inc.	PROD-00119402	Consent to modify the interest rate index from the adjusted LIBOR to the adjusted SOFR.	\$1,600,000.00

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:** September 12, 2023  
**SUBJECT:** Post Closing Incentives Delegated Authority Memo – 2<sup>nd</sup> Quarter 2023

(For Informational Purposes Only)

Since 2001, and most recently in April 2023, the Members have approved delegations to staff for post-closing incentive modifications that are administrative and do not materially change the original approvals of these grants.

Attached is a list of the Incentives Delegated Authority Modifications that were approved in the 2<sup>nd</sup> quarter ending June 30, 2023.

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

Tim Sullivan, CEO

Prepared by: F. Saturne



ACTIONS APPROVED UNDER DELEGATED AUTHORITY

SECOND QUARTER ENDING June 30, 2023

**GROW NEW JERSEY ASSISTANCE PROGRAM**

<b>Applicant</b>	<b>Modification Action</b>	<b>Approved Award</b>
Adare Pharmaceuticals, Inc.	Approve termination of the Incentive Agreement effective 2020 pursuant to COVID-Related Relief provisions of the New Jersey Economic Recovery Act.	\$1,900,000
Advisor Group, Inc.	Approve termination of the Incentive Agreement effective 2020 pursuant to COVID-Related Relief provisions of the New Jersey Economic Recovery Act.	\$4,650,000
Charles Komar & Sons, Inc.	Suspend the reporting obligation for the 2022 tax year and extend the Agreement eligibility period through the 2026 tax year.	\$37,200,000
E-Retail Manager, Inc.	Approve termination of the Incentive Agreement effective 2020 pursuant to COVID-Related Relief provisions of the New Jersey Economic Recovery Act.	\$2,200,000
Forbes Media, LLC	Approve termination of the Incentive Agreement effective 2020 pursuant to COVID-Related Relief provisions of the New Jersey Economic Recovery Act.	\$27,125,000
Frederick Goldman, Inc.	Reduce the number of incented new jobs from 200 to 140 beginning with the 2020 tax year through the end of commitment duration.	\$20,080,000
Jaguar Land Rover North America, LLC	Reduce the number of incented new jobs from 262 to 250 and incented new jobs from 31 to 16 new beginning with the 2020 tax year and through the end of commitment duration.	\$26,605,000
Newell Brands, Inc.	Approve termination of the Incentive Agreement effective 2020 pursuant to COVID-Related Relief provisions of the New Jersey Economic Recovery Act.	\$27,000,000
Princeton Tectonics	Reduce the number of incented jobs from 174 to 112 beginning with the 2020 tax year and through the end of commitment duration.	\$18,315,000

Tory Burch, LLC	Reduce the number of new incented jobs from 139 to 115 beginning with the 2020 tax year through the end of commitment duration.	\$10,772,500
Volunteers Of America Delaware Valley Property Inc.)	Suspend the reporting obligation for the 2022 tax year and extend the Agreement eligibility period through the 2026 tax year.	\$6,175,000

**BUSINESS EMPLOYMENT INCENTIVE GRANT PROGRAM**

<b>Grantee</b>	<b>Modification Action</b>	<b>Approved Award</b>
ACE American Insurance Company	Re-designate of the grantee Ace Indemnity Company to Westchester Fire Insurance Company as a result of a merger and remove INAMAR Insurance Underwriting Agency, Inc. as the entity is no longer an affiliate of the applicant	\$9,706,284
Advanced Health Media. LLC	Consent to remove Advanced Health Media LLC and add IQVIA, Inc. as grantees on the BEIP Agreement to reflect IQVIA, Inc. acquisition and merger with Advanced Health Media, LLC, and to relocate the project site from 420 Mountain Avenue, Providence to 77 Corporate Drive, Bridgewater	\$100,843
Ave Point, Inc.	Consent to re-designate the grantee AvePoint, Inc. to an entity of the same name with an updated tax identification number as a result of reorganization.	\$547,820
The Chubb Corporation	Consent to the removal of various affiliates listed in the BEIP Agreement as a result of being acquired and merged into ACE American Insurance Company.	\$1,569,750

**SALEM/UEZ ENERGY SALES TAX EXEMPTION RENEWALS**

<b>Applicant</b>	<b>Extend to date</b>	<b>Location</b>	<b>#/% of employees</b>	<b>Benefit</b>
Anheuser-Busch, LLC	May 24, 2024	Newark, NJ	255/93%	\$686,323
Ardagh Glass, Inc.	March 13, 2024	Bridgeton, NJ	330/96.9%	\$1,058,142
Durand Glass Manufacturing Company, LLC	May 27, 2024	Millville, NJ	524/92%	\$996,300
F&S Produce Co, Inc.	June 9, 2024	Vineland, NJ	791/74%	\$158,834
Siegfried USA, LLC	March 23, 2024	Pennsville, NJ	155/79%	\$239,419



## **MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** September 12, 2023

**SUBJECT:** Real Estate Division Delegated Authority 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/ENTITY</u></b>	<b><u>LOCATION</u></b>	<b><u>TYPE</u></b>	<b><u>TERM</u></b>	<b><u>Square Footage</u></b>
Neoventech	Bioscience Center Incubator	Incubator - Extend Lease Term	12 months	900
JMS Pharma LLC	Bioscience Center Incubator	Incubator - Extend Lease Term	12 months	1800
Sonder Research X	Bioscience Center Incubator	Incubator - Extend Lease Term	12 months	5445
Couragene	Bioscience Center Incubator	Incubator - Increase Space	5.5 months	1862
Linus Biotechnology Inc.	Bioscience Center Incubator	Occupancy Agreements	12 months	2174
Hopkins Medtech Group	Bioscience Center Incubator	Occupancy Agreements	12 months	1862
Fedelis Pharmaceuticals	Bioscience Center Incubator	Occupancy Agreements	Month to Month	125
Histobridge	Bioscience Center Incubator	Occupancy Agreements	Mont to Month	900

SPES Pharmaceuticals	Bioscience Center Incubator	Occupancy Agreements	Month to Month	1800
OLI Technologies	Bioscience Center Incubator	Occupancy Agreements	12 months	900
Meridian	Step Out Labs	Step-Out Labs - Amend Occupancy Agreement	5 months	3345

The following approvals were made pursuant to Delegated Authority for Procurement, including the issuance of a Task Orders, in April 2023, May 2023 and June 2023:

<b><u>DATE EXECUTED</u></b>	<b><u>ENTITY</u></b>	<b><u>PROJECT</u></b>	<b><u>TYPE</u></b>	<b><u>TERM</u></b>	<b><u>CONSIDERATION</u></b>
3/29/2023	The Innova Group	University Hospital	Procurement (Including Task Orders)	12 months	\$150,000.00
4/6/2023	CME Associates	Meternal & Infant Health	Procurement (Including Task Orders)		\$ 15,492.00
6/12/2023	HR&A Advisory Services	University Hospital	Procurement (Including Task Orders)	36 months	\$239,605.00

The following approvals were made pursuant to Delegated Authority for Rights-of Entry/License Agreements, in April 2023, May 2023 and June 2023:

None to report for second quarter, 2023.




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Tim Sullivan, CEO