

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 13, 2021

MINUTES OF THE MEETING

The Meeting was held by teleconference call.

Members of the Authority present via conference call: Chairman Kevin Quinn, Noreen Giblin representing the Governor's Office; Commissioner Marlene Caride of the Department of Banking and Insurance; State Treasurer Elizabeth Muoio of the Department of Treasury; Roberto Soberanis representing Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development; Elizabeth Dragon representing Commissioner Shawn LaTourette of the Department of Environmental Protection; Public Members: Charles Sarlo, Vice Chairman; Philip Alagia, Virginia Bauer, Fred Dumont, Aisha Glover, Marcia Marley, Robert Shimko, First Alternate Public Member; and Rosemari Hicks, Second Alternate Public Member.

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

Members of the Authority absent: Public Member Massiel Medina Ferrara.

Mr. Quinn 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.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the September 22, 2021 meeting minutes. A motion was made to approve the minutes by Commissioner Caride, seconded by Ms. Bauer, and was approved by the 14 voting members present.

The next item of business was the approval of the September 29, 2021 special meeting minutes. A motion was made to approve the minutes by Ms. Dragon, seconded by Commissioner Caride, and was approved by the 14 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.

INNOVATION

ITEM: Investment in HAX LLC

REQUEST: To approve an investment into a limited liability company, HAX LLC, newly formed by SOSV Investments, LLC, to stand up a hard-technology accelerator in Newark, New Jersey utilizing funds appropriated to the Economic Relief Fund (ERF) to undertake development of or invest in strategic innovation centers and granting delegated authority to the CEO to sign all documents associated with the investment into HAX LLC.

MOTION TO APPROVE: Mr. Sarlo **SECOND:** Ms. Marley **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

AUTHORITY MATTERS

ITEM: Matching Funds for Four Applicant Coalitions for Phase 1 of Build Back Better Regional Challenge

REQUEST: To approve the use of matching funds as part of the Authority's participation in four applicant coalitions to the US Economic Development Administration (US EDA) Build Back Better Regional Challenge (BBBRC).

MOTION TO APPROVE: Ms. Dragon **SECOND:** Ms. Bauer **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

ITEM: Revisions to Traditional Lending Programs

REQUEST: To approve eliminating Access as a standalone pilot program and consolidate its functionality into the Authority's Traditional Loan Programs, and approval to reduce the Authority's interest rate floor from the greater of the applicable US Treasury index or 2% to the greater of the applicable US treasury index or 1% for the Authority's Traditional Loan Programs.

MOTION TO APPROVE: Mr. Shimko **SECOND:** Mr. Alagia **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: Brownfields Impact Fund (US EPA Brownfields Revolving Loan Fund Grant)

REQUEST: To approve the creation of the Brownfields Impact Fund, a pilot program, that will provide loans to private developers and loans and/or subgrants to public sector and non-profit entities to carry out cleanup activities at brownfield sites; approval of utilization of funding from the Authority's General Operating Budget and/or in-kind contributions to meet the US EPA's cost share requirement for the program; delegation of authority to staff to approve individual applications in accordance with the program memo and specifications; delegated authority to decline application that do not meet eligibility requirements; delegated authority to appoint a hearing officer(s) to prepare final administrative decisions; delegation of authority to accept additional funding up to \$5 million over a 15-year period for this program from the US EPA, and to impose additional requirements that may be required consistent with program parameters; and delegation of authority to waive the application fee for subgrant applicants upon demonstration by the applicant that the imposition of the fee would impose undue financial hardship.

MOTION TO APPROVE: Ms. Dragon **SECOND:** Ms. Glover **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

ECONOMIC GROWTH

NEW JERSEY WIND PORT

ITEM: NJ Wind Port – Request for Moffatt & Nichol Contract Increase for Confined Disposal Facility (CDF) Improvement Design

REQUEST: To approve an increase to the Authority's contract with Moffatt & Nichol (M&N) for design and engineering services in relation to the New Jersey Wind Port. Funding will be used for the design of confined disposal facility (CDF) improvements in anticipation of the Port's future dredge placement needs.

MOTION TO APPROVE: Ms. Bauer **SECOND:** Ms. Hicks **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Ms. Dragon abstained due to pending permit reviews before the NJDEP.

ITEM: New Jersey Wind Port – Award of Port Operations Advisory Services Contract

REQUEST: To approve the Authority entering into a contract to provide port operations advisory services in relation to the New Jersey Wind Port project, to include both pre-procurement and procurement phase advisory support, with an initial 3-year contract term with two 1-year extension options. Members are also asked to approve a budget for operations advisory services.

MOTION TO APPROVE: Ms. Bauer **SECOND:** Commissioner Caride **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Ms. Dragon abstained due to pending permit reviews before the NJDEP.

Ms. Hicks abstained due to not being prepared to vote in favor.

INCENTIVES

TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM

ITEM: Technology Business Tax Certificate Transfer Program: 2021 Program Approvals

REQUEST: Approval is recommended for the program applicants, as listed in Attachment A to the memo, that have been evaluated according to the criteria established by the program legislation, and disapproval is recommended for the applicant on Attachment C due to a lack of evidence to support the required eligibility criteria for approval.

MOTION TO APPROVE: Ms. Dragon **SECOND:** Mr. Alagia **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

FILM & DIGITAL MEDIA TAX CREDIT

Universal Television, LLC

PROD-00192239

MAX AMOUNT OF TAX CREDITS: \$2,047,561.17

THIS ITEM WAS WITHHELD FROM CONSIDERATION.

BOND PROJECT

ITEM: NJEDA State Lease Revenue Bonds (State Government Buildings – Health Department, Taxation Division Office, and Juvenile Justice Commission Facilities Projects), 2018 Series and 2018 Series C, Amendment to Subleases - PROD-00152563

REQUEST: To approve amendments to the insurance clause sections of the subleases for the State Government Buildings and the Juvenile Justice Commission projects to align the sublease insurance requirements with the State's insurance program.

MOTION TO APPROVE: Ms. Hicks **SECOND:** Commissioner Caride **AYES: 14**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

OFFICE OF RECOVERY **ENERGY RESILIENCE BANK**

ITEM: Energy Resilience Bank – Barnabas Health, Inc. d/b/a RWJBH Corporate Services, Inc. – Jersey City Medical Center CHP Project Funding Modification Recommendation

REQUEST: To approve a modification to the June 13, 2017 NJEDA board action for the Barnabas Health, Inc. d/b/a/RWJBH Corporate Service, Inc. – Jersey City Medical Center CHP Project under the Energy Resilience Bank (ERB) program by changing the reservation of ERB funding for the project and extend the Mandatory Project Completion Date to the new funding deadline established by US HUD of March 31, 2023.

MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Alagia **AYES: 14**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

LOANS, GRANTS, GUARANTEES

Petroleum Underground Storage Tank (PUST)

ITEM: Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program project approved by the Department of Environmental Protection.

MOTION TO APPROVE: Ms. Dragon **SECOND:** Treasurer Muoio **AYES: 14**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Residential:

PROJECT: Jorge Medina

PROD. #00288605

LOCATION: Pennsauken Township, Camden County

PROCEEDS FOR: Remediation, Upgrade and Closure

FINANCING: \$133,976.00

PROJECT: Jason Mohren and Justin Mohren

PROD. #00258519

LOCATION: Montclair Township, Essex County

PROCEEDS FOR: Remediation

FINANCING: \$193,784.06

PROJECT: Michael Schimmel

PROD. #00288791

LOCATION: Vineland City, Cumberland County

PROCEEDS FOR: Remediation, Upgrade and Closure

FINANCING: \$116,070.75

Commercial:

PROJECT: Steven Bognar
LOCATION: Kearny Town, Hudson County
PROCEEDS FOR: Remediation
FINANCING: \$31,488.39

PROD. #00258516

Hazardous Discharge Site Remediation Fund (HDSRF)

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

MOTION TO APPROVE: Ms. Dragon **SECOND:** Ms. Bauer **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: City of Perth Amboy (Second Street Park)
LOCATION: Perth Amboy City, Middlesex County
PROCEEDS FOR: Remedial Action
FINANCING: \$88,288.60

PROD. #00288708

BOARD MEMORANDA

FYI ONLY: Credit Underwriting Projects Approved Under Delegated Authority, September 2021

FYI ONLY: Real Estate Division Delegated Authority for lease and Right of Entry (ROE)/ Licenses, 3rd Quarter, 2021

PUBLIC COMMENT

Mr. Charles Kratovil, Editor, New Brunswick Today, and New Brunswick resident, addressed the Board regarding his concerns pertaining to the New Brunswick Development Corporation (DEVCO).

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss the construction budget on real property where disclosure could adversely impact the public interest.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Commissioner Caride **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Ms. Dragon left the meeting at this time to abstain from the discussion related to the NJ Wind Port item being discussed in Executive Session due to pending permit reviews before the NJDEP.

The Board returned to Public Session.

NEW JERSEY WIND PORT

ITEM: NEW JERSEY WIND PORT – Request to Issue Notice to Proceed for Construction Services and Request for Construction Funding

REQUEST: To approve the issuance of a Notice to Proceed for construction services for the New Jersey Wind Port and to approve funding for the first construction package.

MOTION TO APPROVE: Mr. Sarlo **SECOND:** Commissioner Caride **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

There being no further business, on a motion by Mr. Quinn, and seconded by Commissioner Caride, the meeting was adjourned at 11:44 am.

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

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 13, 2021

EXECUTIVE SESSION MINUTES

The Meeting was held by teleconference call.

Members of the Authority present via conference call: Chairman Kevin Quinn, Noreen Giblin representing the Governor's Office; Commissioner Marlene Caride of the Department of Banking and Insurance; State Treasurer Elizabeth Muoio of the Department of Treasury; Roberto Soberanis representing Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development;; Public Members: Charles Sarlo, Vice Chairman; Philip Alagia, Virginia Bauer, Fred Dumont, Aisha Glover, Marcia Marley, Robert Shimko, First Alternate Public Member; and Rosemari Hicks, Second Alternate Public Member.

Also present via conference call: Timothy Sullivan, Chief Executive Officer of the Authority; Assistant Attorney General Gabriel Chacon; Jamera Sirmans, Governor's Authorities Unit; and staff.

Members of the Authority absent: Elizabeth Dragon representing Commissioner Shawn LaTourette of the Department of Environmental Protection, and Public Member Massiel Medina Ferrara.

NEW JERSEY WIND PORT – REQUEST TO ISSUE NOTICE TO PROCEED FOR CONSTRUCTION SERVICES, AND REQUEST FOR CONSTRUCTION FUNDING

Chairman Quinn asked Mr. Kennedy to summarize the item before the Board. Mr. Kennedy stated that the Members are asked to approve the issuance of a Notice to Proceed to Tishman Construction Company of New Jersey for construction services for the New Jersey Wind Port. Members are also asked to approve expenditures of up to \$123 million for the first construction package.

In addition, Staff are seeking approval of up to \$615,000 in order to meet the Authority's obligations under PL 2009, Chapters 313 and 335, which requires that state agencies pay one-half of one percent of the total cost of public works construction contracts that are equal to or greater than \$1 million to the Department of Labor and Workforce Development.

The requested construction expenditure amount is based on a given scope of work and an initial estimate provided by AECOM Tishman, subsequently reviewed by the Authority's designer-of-record Moffatt & Nichol and technical advisor WSP USA. Works will be undertaken on a cost of work plus fee basis without a Guaranteed Maximum Price.

AECOM Tishman will be required to subcontract and competitively bid all construction, and to submit bids for the Authority's review and approval prior to award. AECOM Tishman's fee is set at 1.65 percent of the cost of work.

The Authority has secured \$213.2 million in project funding to-date, comprising state appropriations and a New Jersey Board of Public Utilities funding contribution. In addition, the New Jersey Department of Transport has committed \$44 million to cover Phase one dredging, which it will undertake directly. After accounting for \$123.6 million in initial construction expenditure (and NJDOL obligations) and approximately \$30 million in project costs that staff anticipate the Authority will incur through calendar 2021, approximately \$60 million in project funding remains unallocated.

Staff are working to secure additional project funding and anticipate funding being in place prior to subsequent construction expenditure requests being submitted to the Board.

Ms. Marley inquired about construction cost escalation further to COVID. Mr. Kennedy advised that while pricing remains to be determined with subcontractor bidding yet to commence, early indicators suggest sharp price inflation over the past 12-18 months both for labor and materials – with this trend evident across construction not specific to marine work.

Citing the difficulty in accurately forecasting costs given current cost escalation, Mr. Dumont recommended that Staff build-in sufficient contingency, and avoid overly-precise forecasts.

Mr. Dumont also suggested that there be a tour of the facility for Board Members.

In conclusion, there being no further business, Chairman Quinn asked for a motion to close the Executive Session and return to Public Session.

On a motion by Mr. Quinn, seconded by Mr. Dumont, the Board adjourned the Executive Session and re-opened the Public Meeting.

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