MEMORANDUM

TO: Members of the Authority
FROM: Timothy Sullivan
       Chief Executive Officer
DATE: November 16, 2022
SUBJECT: Agenda for Board Meeting of the Authority November 16, 2022

Notice of Public Meeting

Roll Call

Approval of Previous Month’s Minutes

CEO’s Report to the Board

Community Development

Economic Transformation

Incentives

Loans/Grants/Guarantees

Board Memoranda

Public Comment

Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 12, 2022

MINUTES OF THE MEETING

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

Members of the Authority present in person: Chairman Kevin Quinn; Noreen Giblin, Executive Representative; Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development; Public Members: Charles Sarlo, Vice Chairman; and Robert Shimko, First Alternate Public Member.

Members of the Authority present via conference call: State Treasurer Elizabeth Muoio of the Department of Treasury; Commissioner Marlene Caride of the Department of Banking and Insurance; Elizabeth Dragon representing Commissioner Shawn LaTourette of the Department of Environmental Protection; Public Members: Fred Dumont, Aisha Glover, and Marcia Marley.

Also present: 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: Public Members: Philip Alagia, Virginia Bauer, Massiel Medina Ferrara, and Rosemari Hicks, Second Alternate Public Member.

Mr. Quinn called the meeting to order at 10:03 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.

Mr. Sullivan also announced that Pursuant to the Internal Revenue Code of 1986, as amended, today’s meeting is a public hearing and comments are invited on any private activity bond projects presented today.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the September 14, 2022 meeting minutes. A motion was made to approve the minutes by Commissioner Angelo, and seconded by Mr. Dumont, 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.
AUTHORITY MATTERS

MOUs

ITEM: Wind Institute for Innovation and Training Memorandum of Understanding (MOU) – New Jersey Economic Development Authority (NJEDA) and New Jersey Board of Public Utilities (NJBPU)
REQUEST: To approve the MOU between the NJEDA and the NJBPU that enables the NJBPU to provide funding to NJEDA to establish programs to prepare New Jersey’s workforce and further research and innovation in the offshore wind industry.
MOTION TO APPROVE: Ms. Dragon  SECOND: Commissioner Angelo  AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: Third Round Clean Energy Memorandum of Understandings (MOUs) - New Jersey Economic Development Authority (NJEDA) and New Jersey Board of Public Utilities (NJBPU) and the New Jersey Economic Development Authority (NJEDA) and New Jersey Commission on Science, Innovation and Technology (NJCSIT)
REQUEST: To approve to enter into two MOUs: (1) An MOU between the NJEDA and the NJBPU to provide additional funding for support of the Clean Tech Seed Grant Program, Clean Tech Research and Development (R&D) Voucher Program and launch a new Clean Tech Pilot Demonstration Program (“Clean Tech Programs”) and (2) An MOU between the NJEDA and the NJCSIT to allocate funding to NJCSIT to deploy a third and expanded phase of the Clean Tech Programs.
MOTION TO APPROVE: Mr. Shimko  SECOND: Ms. Giblin  AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

COMMUNITY DEVELOPMENT

ITEM: Use of Coronavirus State and Local Fiscal Recovery Funds Appropriation and Creation of the Activation, Revitalization, and Transformation (ART) Program
REQUEST: To approve: (I) Grant authority to the CEO to enter into an MOU with the New Jersey Department of Community Affairs (DCA) whereby the NJEDA CEO will accept funds from the American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and agree to comply with federal requirements for the use of those funds; (II) Utilize SLFRF funding provided to NJEDA by DCA to establish the ART program, a one-time grant opportunity that will assist economic recovery in urban areas with mass transit that have faced economic harms from the reduction of commuters due to the COVID-19 pandemic. (III) Approve the MOU with the New Jersey Casino Reinvestment Development Authority (CRDA) whereby the NJEDA will accept funds from the Coronavirus SLFRF and agree to comply with federal requirements for the use of SLFRF funds to expand the ART Program to Atlantic City; and (IV) Grant the NJEDA CEO delegated authority for related program administration.
MOTION TO APPROVE: Commissioner Angelo  SECOND: Ms. Dragon  AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
ECONOMIC TRANSFORMATION

ITEM: NJ MVP, New Jersey Manufacturers Voucher Program
REQUEST: To approve: (1) the creation of the NJ MVP – New Jersey Manufacturers Voucher Program, a pilot program to that will provide New Jersey Manufacturers a grant to access equipment they need to become more efficient, productive, and profitable; (2) the utilization of funds from Fiscal Year 2023 Appropriations Act to capitalize the NJ MVP; (3) Delegation of authority to the Chief Executive Officer to approve individual applications for the NJ MVP.
MOTION TO APPROVE: Mr. Dumont SECOND: Ms. Glover AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

INCENTIVES

ITEM: Modification to Hurdle Rate Model
REQUEST: To approve a modification of the Hurdle Rate Model to determine the maximum Internal Rate of Return for projects seeking assistance under for the former Economic Redevelopment and Growth Grant (ERG) program to add functionality in the form of multipliers to accommodate applications under the Historic Property Reinvestment and Brownfields Redevelopment Programs.
MOTION TO APPROVE: Mr. Sarlo SECOND: Ms. Giblin AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Jersey City Loew’s QALICB, LLC (Applicant), Jersey City Economic Development Corporation (Co-Applicant), Loews Jersey Theater Rehabilitation Project, Historic Property Reinvestment Program Application, Recommendation of Award
REQUEST: To approve a proposed Historic Property Reinvestment tax credit award to Jersey City Loew’s QALICB, LLC for the Loews Jersey Theater Rehabilitation Project. This award is contingent the final adoption and publication of the Historic Property Reinvestment tax credit regulations. The recommended tax credit award is also subject to conditions subsequent to receive and maintain the award. Staff is authorized to reduce the award amount to match the actual certified cost of rehabilitation (eligible costs) at the conclusion of each approved Project phase.
MOTION TO APPROVE: Ms. Dragon SECOND: Mr. Shimko AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
RULES

ITEM: Proposed New Rules for the Brownfields Redevelopment Incentive Program (Sections 9 through 19 of P.L. 2020 c.156)
REQUEST: To approve: (1) the special adopted new rules and concurrent proposed new rules for the new Brownfields Redevelopment Incentive Program and to authorize staff to:
(a) submit the special adopted new rules and concurrent proposed program rules for promulgation in the New Jersey Register and (b) submit the proposed program rules as final adopted rules for promulgation in the New Jersey Register if no formal comments are received; subject to final review and approval by the Office of the Attorney General and the Office of Administrative Law;
(2) Delegation of authority to the CEO for associated program administration; (3) The creation of the Brownfields Redevelopment Incentive Program, as initially authorized by the New Jersey Economic Recovery Act of 2020 (Sections 9 through 19 of P.L. 2020, c. 156 and later amended by Sections 5 through 10 of P.L. 2021 c.160), to incentivize developers of redevelopment projects located on brownfield sites for remediation costs by providing tax credits in an amount based on a percentage of the project’s eligible costs, subject to final adopted rules.
MOTION TO APPROVE: Ms. Dragon SECOND: Ms. Marley AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

BOND PROJECTS

Preliminary Approval
APPLICANT: Coriell Institute for Medical Research, Inc.* PROD. #00305557
LOCATION: Camden City, Camden County
PROCEEDS FOR: Stand-Alone Bond
FINANCING: $46,000,000.00
MOTION TO APPROVE: Commissioner Angelo SECOND: Ms. Marley AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: Adoption of Written Post-Issuance Compliance Procedures with Respect to the Authority’s Transportation Project Sublease Revenue Bonds (New Jersey Transit Corporation Projects), 2017 Series A, Transportation Project Sublease Revenue Refunding Bonds (New Jersey Transit Corporation Projects), 2017 Series B and NJ Transit Transportation Project Bonds, 2020 Series A: PROD-00174388 and PROD- 00188174
REQUEST: To approve the adoption of the resolution entitled “Resolution Authorizing Adoption of Written Post-issuance Compliance Procedures, Designation of a Tax Compliance Officer and other matters with respect to the Authority’s Transportation Project Sublease Revenue Bonds (New Jersey Transit Corporation Projects) and NJ Transit Transportation Project Bonds” authorizing, among other things, the adoption of the Written Procedures and the appointment of Tax Compliance Officers. The Members are also asked to authorize the use of Bond Counsel and authorize the Authorized Officers of Authority to take any and all necessary actions incidental to the adoption and implementation of the Written Procedures, subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office.
MOTION TO APPROVE: Commissioner Angelo SECOND: Ms. Giblin AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9
REAL ESTATE

ITEM: New Jersey Bioscience Center at North Brunswick, 661 South Route 1, North Brunswick, Middlesex County, Amended and Restated Lease Agreement with Ascendia Pharmaceuticals, Inc.
REQUEST: To approve the execution of: (1) the Amended and Restated Lease Agreement with Ascendia, on final terms consistent with the Office of State Comptroller approved Lease; and (2) any and all documents required to complete this transaction on final terms acceptable to the NJEDA’s Chief Executive Officer and the Attorney General’s Office.
MOTION TO APPROVE: Commissioner Angelo  SECOND: Commissioner Caride  AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

BOARD MEMORANDA

FYI ONLY
Real Estate Division Delegated Authority for Leases and Right of Entry (ROE) / Licenses for Third Quarter, 2022

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

The next item was to adjourn the public portion of the meeting and move in to executive session to discuss a matter in which there is potential litigation, where disclosure could adversely impact the public interest. The minutes of the Executive Session shall become public when the need for confidentiality no longer exists.
MOTION TO APPROVE: Mr. Quinn  SECOND: Commissioner Angelo  AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

The Board returned to Public Session.

There being no further business, on a motion by Mr. Quinn, and seconded by Ms. Giblin, the meeting was adjourned at 11:28am.

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
To: Members of the Authority

From: Tim Sullivan

Date: November 16, 2022

Re: November 2022 Board Meeting – CEO Report

Several New Jersey Economic Development Authority (NJEDA)-supported projects and programs hit major milestones in recent weeks as the Authority continued its work to advance sectors prioritized for investment by Governor Phil Murphy’s Economic Development Strategic Plan for a Stronger and Fairer New Jersey Economy.

With construction well underway at New Jersey Wind Port in Salem County, the project has accrued nearly 100,000 hours of union trade hours, a clear sign of forward momentum at the Lower Alloways Creek site. New Jersey’s leadership in offshore wind was on display at high-profile events throughout October and November, including the annual Time for Turbines event Atlantic City, where I had the pleasure of addressing the crowd. I also took the opportunity during my address to attendees at the American Clean Power conference in Rhode Island to highlight the Garden State’s efforts in this critical sector.

In addition to offshore wind and clean energy, esports is another rapidly growing sector in New Jersey. On October 18, the Esports Innovation Center (EIC) at Stockton University in Atlantic City had its official ribbon cutting ceremony during the Casino Esports Conference. The EIC is helping to put New Jersey, and Atlantic City in particular, on the map as a leader in the growing e-sports and gaming industry. You may recall that at our May 2021 meeting, this Board authorized the NJEDA to enter into an agreement with Stockton University that included $200,000 in NJEDA support for the creation of the Center.

Our support for businesses in the manufacturing sector took an important step forward in October as Governor Murphy formally announced the NJEDA’s plans to create a New Jersey Manufacturing Voucher Program (MVP), a program approved by this Board at its last meeting. Members of the NJEDA joined Governor Murphy for the announcement, which was held at the Eatontown warehouse and distribution center for Raw Generation, an NJEDA-supported, family-owned business that makes cold-pressed juice. The Governor met with local officials and business leaders to announce the pilot program, which will provide New Jersey manufacturers grants for the purchase of equipment they need to improve their operations. The New Jersey MVP will be developed and administered by the NJEDA and funded with $20 million from the state’s Fiscal Year 2023 budget. The MVP will offer grants valued at 30 to 50 percent of the cost of eligible equipment, including installation, up to a maximum award amount of $250,000.

New Jersey’s appeal for film projects continues to gain momentum, and film production studios now have an additional incentive to consider the Garden State as a location for production facilities. On October 14, we opened applications for film production facilities seeking a designation that will facilitate their access to a pool of tax credits designed to encourage the development of large, long-term film production facilities in the state. Under the New Jersey Film and Digital Media Tax Credit Program, which was expanded and enhanced by the Economic Recovery Act of 2020 (ERA), two additional and separate allocations were established to support projects led by Studio Partners and Film-lease Partners, as a complement to the program for individual film production projects,
In addition to progress under programs to support targeted sectors, bolstering the small business community remains an ongoing priority for the NJEDA. I recently had an opportunity to meet with Karima Jackson, owner of Newark-based Exquisite Property Services and a graduate of the NJEDA’s Small Business Bonding Readiness Assistance Program (SBBRAP), to talk about the ways the program helps minority- and women-owned businesses better position themselves to compete for state and federal contracts. Joined by John Harmon, Founder, President and Chief Executive Officer of the African American Chamber of Commerce of New Jersey (AACCNJ) and Luis De La Hoz, Chairman of the Board of the Statewide Hispanic Chamber of Commerce of New Jersey (SHCCNJ), the small business visit presented an opportunity to highlight the first class of the program to be hosted by the SHCCNJ since the NJEDA expanded the program this summer. The SBBRAP was launched in 2019 in partnership with the AACCNJ. To date, over 100 small-, minority-, and women-owned businesses have graduated from the SBBRAP, of which 50 have qualified for a combined total of $40 million in government contracts.

State and local government officials and other development stakeholders from all over New Jersey are convening this week in Atlantic City for the annual League of Municipalities conference. NJEDA staff was featured this morning in a dynamic panel about how the ERA is fueling community development projects. Throughout the event, the team is touting the benefits of resources such as Emerge, Aspire, Historic Property Reinvestment Tax Credits, and Brownfields and Main Street programs to ensure community leaders are aware of, and know how to apply for, these programs to help ensure inclusive and equitable access to resources for transformative development.

As we approach Thanksgiving Day, I’d like to wish you and your loved ones a very happy and peaceful Thanksgiving, and great times during the upcoming holiday season. Don’t forget to “shop small!”

Tim Sullivan, CEO
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: November 16, 2022

SUBJECT: Award of a New Jersey Asset Activation Planning Grants

Summary
The Members are asked to approve:

1) Grant Award to Meadowland Regional 2040 Foundation, Inc. in the amount of $50,000, for completion of a comprehensive study including market and financial analyses, for a convention center facility to replace the formal IZOD Center sports arena.

2) Grant Award to Rutgers, The State University of New Jersey, in the amount of $50,000, for the Rutgers Institutional Planning and Operations Office to assess code requirements and complete conceptual design of a makerspace facility in the former State Agriculture Museum of New Jersey on the Cook Campus.

Background
On March 9, 2022, the NJEDA Board approved the New Jersey Asset Activation Planning Grant (NJ AAP). With an award pool of up to $400,000, the program offers New Jersey public, private, and nonprofit entities grants of up to $50,000 for pre-development planning activities such as conceptual design, feasibility studies, economic or market analyses, etc. for projects that activate distressed and under-utilized owned by a New Jersey municipality, county, independent authority, bureau, commission, or other public body.

The grant program began accepting applications on July 26th, 2022, and reviews applications on a first-come, first served basis through a 90-day window ending October 24th, 2022, or until funding is exhausted. Projects must be completed in six months following an executed grant agreement (with a possible two-month extension), and fund are disbursed in portions of 50% upon execution, 25% following a mid-point report, and 25% upon completion.
New Jersey Asset Activation Planning Grant Program – Q4 2022 Review

The program began accepting applications at the end of July, and the 90-day acceptance window recently closed October 24th. Two applications were received early in the acceptance period that were reviewed of completeness and scoring according to program guidelines. Another application was received in September which was later withdrawn, and eight (8) more applications were submitted in the final week of the acceptance period which are currently in review.

Project Scoring and Award Recommendation
An application must the minimum scoring threshold of 65 points out of 100 possible points to demonstrate the ability to successful complete the proposed planning activities and, gage the improved utilization of a proposed or investigated public asset. There are five components to the overall score of an application:

1) Asset Impact (40 points)
2) Project Purpose and Merits (20 points)
3) Previous Experience (20 points)
4) Community Engagement (10 points)
5) Municipal Revitalization Index Score (10 points)

The program scoring committee determined that the Meadowlands Regional 2040 Foundation, Inc application received 69 out 100 points, (detailed in Appendix B), which exceeds the requisite overall score, and the Board are therefore requested to approve grant award of $50,000 to Meadowlands Regional 2040 Foundation, Inc.

The program scoring committee determined that the Rutgers application received 74 out 100 points, (detailed in Appendix B), which exceeds the requisite overall score, and the Board are therefore requested to approve grant award of $50,000 to Rutgers, The State University of New Jersey.

Project Descriptions

The Meadowlands 2040 Foundation, Inc. (The Foundation), a think-tank modeled affiliate of the Meadowlands Chamber of Commerce, seeks a market demand and financial feasibility study for a new multi-use convention, sports, and event center as part of the growing sports and entertainment district in the New Jersey Meadowlands area as part of the Asset Activation program funding.

The Foundation will utilize NJAAP funding to continue the planning process for proposed convention center facility at the Meadowlands Sports Complex targeted to replace the current Meadowlands Arena, formerly known as the IZOD Center, which is owned by the New Jersey Sports and Exposition Authority (NJSEA); an independent authority established by the State in 1969 (N.J.S.A. 13:17-1 et seq). The application included a letter from the CEO of NJSEA stating they have no objection to the Foundation’s proposed study, or application for these grant funds.

A two-phase comprehensive study will be carried out by the Foundation’s planning consultant, Hunden Strategic Partners, comprising preliminary analysis of overall market opportunity for
multipurpose event facilities and surrounding developments followed by detailed market supply/demand analysis, comparable profiles, recommendations, drawings, budgets and full financial/impact modeling.

Rutgers, The State University of New Jersey, maintains almost 1,000 buildings on over 6,000 acres at multiple locations throughout New Jersey. They are seeking NJAAP funding to assess building code requirements and complete conceptual design for what they call a “Mega-Makerspace” facility as an adaptive reuse of the 30,000 square foot former State Agriculture Museum of New Jersey on the Cook Campus in New Brunswick, NJ.

Previous studies carried out by Rutgers determined that possible uses of the former State Agriculture Museum for research labs or office space would require complete demolition and new construction due to the required renovations and specific layout of the structure. An initial feasibility review from Rutgers Capital Planning and the Rutgers based DCA building code official concluded that a fabrication-shop type makerspace is by far the best utilization, at minimal cost, for the vacant building.

Makerspace staff, within the Division of Continuing Education, have considerable experience in design and operation of makerspaces having operated a smaller makerspace on the Livingston Campus since 2010. They are a member of several makerspace associations and consult in makerspace design and operations to New Jersey’s K-12 schools. The new facility is expected to be the largest makerspace in New Jersey, serving makers of all ages and backgrounds, with access available to Rutgers faculty, students, and public membership.

**Recommendation**

Approval is requested for the award of a New Jersey Asset Activation Planning Grant to Meadowland Regional 2040 Foundation, Inc. in the amount of $50,000, for completion of a comprehensive study including market and financial analyses, for a convention center facility to replace the formal IZOD Center sports arena.

Approval is requested for the award of a New Jersey Asset Activation Planning Grant to Rutgers, The State University of New Jersey, in the amount of $50,000, to assess code requirements and complete conceptual design of a makerspace facility in the former State Agriculture Museum of New Jersey on the Cook Campus.

Tim Sullivan, CEO

Attachment:

Appendix A – Product Specifications

Appendix B – Scoring Summaries
Appendix A
New Jersey Asset Activation Planning Grant Specifications
Approved: March 2022

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>NJEDA Economic Recovery Fund. $200,000 for initial pilot program. Authority for additional $200,000 contingency.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Purpose</td>
<td>The New Jersey Asset Activation Planning Grant Program will award grants of up to $50,000 to public, private, or non-profit entities, for early-stage planning and analysis that will demonstrate viability of projects that activate distressed or under-utilized public assets that benefit their communities and the regional economy.</td>
</tr>
<tr>
<td>Eligible Applicants</td>
<td>Qualified applicants are defined as a New Jersey: • Municipality, • County, • Municipal, county, regional or state redevelopment agency, • Municipal, county, regional or state independent authority, • Non-profit entity • Private, for-profit entity that meet additional criteria detailed below and holds a valid New Jersey tax clearance certificate. An Applicant in a lead role is the entity that is the sole recipient of grant funds and responsible for all terms of the grant agreement. The lead role applicant will serve as the primary point of contact with the Authority, submit any requests for fund disbursement, and provide reports to the Authority. An applicant may only submit one application each in a lead role but can be included as a partner in additional applications where they play a non-lead role. Any named strategic partner or partners included in the proposal cannot be changed without the prior written consent of the Authority. Applicants may add strategic partners whose experience, knowledge, skills, and ability may provide an advantage in the production of analyses and reports. The strategic partnership must be recognized by a signed memorandum of understanding or a written agreement between the partner and the applicant and included in the completed application. Private and nonprofit entities proposing projects in relation to public properties must provide a letter of approval from the chief executive of the public entities that hold ownership of the subject property. Assets owned by The State are not eligible for project applications, however assets owned by Independent State Authorities are eligible when accompanied by a letter of approval. A proposal on behalf of a county or independent authority does not preclude a municipality within that county; or municipality or county within boundary of independent authority; or independent authority whose boundaries overlap a municipality or county from submitting their own proposal.</td>
</tr>
</tbody>
</table>
### Eligible Uses

The New Jersey Asset Activation Planning Grant Program will provide grants of up to $50,000 directly to grantees for pre-development planning that will demonstrate viability of projects. Proposed plans may include, but are not limited to:

- Conceptual design
- Feasibility studies
- Economic analysis
- Market analyses

Proposal plans must demonstrate to what extent the utilization of a public asset will be improved by the proposed project and how development of an asset will benefit the regional economy and the community.

Projects should target deficient, under-utilized, or vacant land, buildings, or infrastructure owned by a county, municipality, district, public authority, public agency, or other political subdivision or public body.

Plans should demonstrate a strong connection to the State’s development objectives through project elements, such as:

- Creating or catalyzing a new business sector, or target industry
  - As defined by the NJEDA Emerge program, “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
- Driving economic growth and equity
- Creating an innovative use for distressed public assets, unutilized or underutilized public property or unutilized public lands
- Expanding access to public transportation or public services
- Attracting employers and a diverse, talented workforce
- Expanding entrepreneurial opportunities and support local businesses
- Improving land use efficiency and sustainability

### Application Process and Board Approval/Delegated Authority

Applications for the New Jersey Asset Activation Planning Grant will be accepted on a rolling basis.

EDA anticipates notifying each applicant within five business days of receipt if the application has been deemed complete. Applicants whose applications have been deemed incomplete will be given five business days to cure any deficiencies. If at the end of the five-day period, the applications are still incomplete, they will be notified the application will not be advancing and a new application would need to be submitted for further consideration.

Applications will be evaluated and scored on a first in, first out basis using the date and time that the Authority receives a completed application. Applications that meet the minimum score requirement of 65 will be recommended to the Board for award approval in that order.

Applications will be accepted during a 90-day window publicized in the Notice of Funding Availability. Delegated authority is requested to allow the Chief Executive Officer to draw down additional funding of up to $200,000 from ERF for the purposes of making additional awards should the application volume, received prior to the initial deadline, exceed the original funding amount.
Applications must include plans for specific deliverables that can be fully completed (with copies provided to EDA appropriate for public consumption) six calendar months after the execution of funding agreement between EDA and the recipient. Upon written request by the grantee an extension of up to two months may be authorized for the plan’s final delivery, at the sole discretion of the Authority.

**Scoring**

Applications will be reviewed and scored by staff of the Authority formed as a scoring committee.

The scoring committee may utilize the advice of subject matter experts from both the Authority and other New Jersey state departments, agencies, councils, offices, and boards to advise scoring decisions.

Grants will be scored on a scale of 0-100 points, with 100 points being the highest score possible. Grants award recommendations will be limited to applications that meet or exceed the Minimum Score Requirement of 65 points.

Applications will be evaluated and scored on each of the criteria below.

**Criteria #1 - Asset Impact** (Up to 40 points) – Proposals must demonstrate how projects will improve the utilization of a public asset and contribute to the community and regional economy.

Example of these may include, but are not limited to:

- Projects that look to innovative uses of underutilized, distressed or vacant public land, improvements or structures that will provide possibilities for local equitable economic growth
- Projects that develop publicly owned parking lots into ratable businesses, or mixed-use neighborhoods infill.
- Projects that activate use of public rights-of-way for multi-modal trail connections.
- Designs for innovative and transformative new buildings on unused public lands.
- Development of vacant, under-utilized, or distressed public land, improvements or structures for a targeted industry research, development, workforce training or manufacturing hub.

**Scoring measure:**
0 - 10 points: Demonstrates minimal impact
11 - 20 points: Demonstrates marginal impacts
21 - 30 points: Demonstrates significant impacts
31 - 40 points: Demonstrates superior impacts

**Criteria #2 – Identification of Project Purpose and Merits** (Up to 20 points) – Proposals should identify community benefits of the project, and challenges that have precluded prior development of the asset. Considerations may include, but are not limited to:

- Ability to address locality-specific needs and challenges.
- Emphasis on long term viability and adaptability of a given concept.
- Ability to consider and mitigate any past difficulties that created challenges for a given asset/grouping of assets.
- Ability to identify and balance local needs with those of the region and state as a whole.

**Scoring measure:**
Criteria #3 - Previous Experience (Up to 20 points) – Preference will go to entities who are able to display a strong record of early-stage project planning and analysis that lead to development. Applications should demonstrate a commitment to engage in development projects by a record of past project involvement. Applications may bolster these criteria through strategic partnerships and detailing those partners’ records. Preference will go to applicants who can demonstrate a track record of:
  • Partnership and engagement with public entities for development and redevelopment.
  • Adherence to state and local development plans.
  • Dedication to principles of environmental sustainability.
  • Previous investments in business sector or innovation projects.

Scoring measure:
0 - 5 points: Little or no demonstration of features
5 - 10 points: Features are present but show deficiencies.
11 - 15 points: Features are well demonstrated.
16 - 20 points: Significantly exceeds requirements.

Criteria #4 - Community Engagement (0 to 10 points) - Preference will go to applicants that are able to display efforts to engage local residents and businesses in planning efforts. Local interest may be shown in the form of both past and present support, whether formal (municipal resolutions) or informal (community discussion and engagement).

Scoring measure:
1-5 points: Feature is present but shows deficiencies
5-7 points: Meets requirements
7-10 points: Significantly exceeds requirements

Criteria #5 - Municipal Revitalization Index Score (0 to 10 points) – The Municipal Revitalization Index (MRI) serves as the State’s official measure and ranking of municipal distress. The MRI ranks New Jersey’s municipalities according to eight separate indicators that measure diverse aspects of social, economic, physical, and fiscal conditions in each locality. Most recent MRI scores will be applied based on time of application submission and physical location of proposed project’s municipal host community.

Scoring measure:
2 point: MRI Distress Score 30 – 34.9
4 points: MRI Distress Score 35 – 39.9
6 Points: MRI Distress Score 40 – 49.9
8 Points: MRI Distress Score 50 – 69.9
10 Points: MRI Distress Score 70 or higher

Grant Amounts

Grant awards will be up to $50,000
## Funding Disbursement

Grant disbursements by the Authority will only be made to the lead role entity. The lead role entity shall be responsible for assuring the compliance of any strategic partners and/or subcontractors with all terms and conditions of this application - and assumes the sole and absolute responsibility for any payments due to any municipal, county, or strategic partners.

All Applicants who are successfully awarded a grant will follow a uniform disbursement schedule. The lead entity will receive 50% of the grant amount upon execution of grant agreement, and 25% upon completion and submission of a mid-way progress report, and 25% upon completion and submission of a final plan and final progress report. At a minimum, the progress reports must include:

- Summary of funds expended to date, and
- Narrative detailing milestones achieved and overall progress toward completion of final plan.

## Reporting requirements

A monthly call with the Designated Authority Project Manager and the Grantee’s assigned Account Manager or Back-Up Account Manager will be held monthly for the first three months of the grant term, up until the halfway point of the grant term.

During and following that time, additional calls may be held on an as needed basis until the grant term has ended.

At the end of the grant term, the awarded grantee must provide a copy of the final report to the Authority for review and public dissemination.

## Fees

A non-refundable fee of $1,000 shall accompany every application for Authority assistance.

---

Appendix B
New Jersey Asset Activation Planning Grant
Scoring Summary
Meadowlands Regional 2040 Foundation, Inc. (PROD-00305560)

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Committee Average Score</th>
<th>max score</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Asset Impact</td>
<td>34.0</td>
<td>/40</td>
</tr>
<tr>
<td>#2 Project Purpose and Merits</td>
<td>16.3</td>
<td>/20</td>
</tr>
<tr>
<td>#3 Previous Experience</td>
<td>11.0</td>
<td>/20</td>
</tr>
<tr>
<td>#4 Community Engagement</td>
<td>7.3</td>
<td>/10</td>
</tr>
<tr>
<td>#5 MRI Index</td>
<td>0.0</td>
<td>/10</td>
</tr>
</tbody>
</table>

**Final Score**  68.7  /100

New Jersey Asset Activation Planning Grant
Scoring Summary
Rutgers, The State University of New Jersey (PROD-00305780)

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Committee Average Score</th>
<th>max score</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Asset Impact</td>
<td>34.0</td>
<td>/40</td>
</tr>
<tr>
<td>#2 Project Purpose and Merits</td>
<td>16.3</td>
<td>/20</td>
</tr>
<tr>
<td>#3 Previous Experience</td>
<td>16.3</td>
<td>/20</td>
</tr>
<tr>
<td>#4 Community Engagement</td>
<td>7.3</td>
<td>/10</td>
</tr>
<tr>
<td>#5 MRI Index</td>
<td>0.0</td>
<td>/10</td>
</tr>
</tbody>
</table>

**Final Score**  74.0  /100
MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan
Chief Executive Officer
DATE: November 16, 2022
SUBJECT: Clean Energy Business Financing Program

Request:

The Members of the Board are asked to approve:

1. The creation of the Clean Energy Business Financing Program, a co-lending program that offers term loans to eligible small businesses seeking to finance eligible clean energy projects that create jobs in New Jersey;
2. Utilization of $80,000,000 from New Jersey’s allocation of $255,197,631 from U.S. Treasury’s State Small Business Credit Initiative (SSBCI), contingent on final approval of the SSBCI application by U.S. Treasury, subject to any modifications required by the federal government and execution of an allocation agreement between U.S. Treasury and New Jersey Department of the Treasury, to capitalize the Clean Energy Business Financing Program; and
3. Delegation of authority to the Chief Executive Officer to approve individual applications for the Clean Energy Business Finance Program for transactions of up to $3,000,000 in SSBCI funds in accordance with the terms set forth in this memo and attached program specifications.

Background:

SSBCI is a federal program administered by the US Department of the Treasury to strengthen programs of eligible jurisdictions that support private financing to small businesses. The program was first established in 2010, and a second round was funded by the American Rescue Plan Act (ARP) in the spring of 2021, with $10 billion available overall, allocated non-competitively to states, territories, and Tribal governments. New Jersey is eligible for a total of $255 million. This includes sub-allocations specifically for very small businesses ($15,689,280) and businesses owned by socially and economically disadvantaged individuals, or SEDI businesses, as defined by the U.S. Department of the Treasury in the SSBCI Capital Program Policy Guidelines ($27,521,719). Incentive funds are available for jurisdictions that demonstrate strong support for SEDI businesses.

SSBCI is designed to cause and result in the lending and investment of private capital into small businesses. At the program level, each dollar of SSBCI capital must be matched by at least another dollar of private capital. Public funding, including NJ state funding or cash incentives provided by New Jersey utilities that are regulated by the New Jersey Board of Public Utilities, does not count toward that match.
The allocation of funding across programs is designed to allow the portfolio to reach a leverage ratio (private capital to SSBCI funds) of 10:1 over a ten-year period. Therefore, programs must be designed so that SSBCI funds cause and result in new lending and investment, unlocking capital for small businesses and start-ups that would otherwise not have access to it.

Because U.S. Treasury requires that state-level SSBCI applicants be a state department or agency that can obligate the State, the Governor has designated N.J. Treasury as the lead applicant, with NJEDA acting as a contracted entity to implement the program for purposes of the current pending federal SSBCI application. New Jersey utilized a similar structure for the SSBCI 1.0 program established in 2010. The final application was submitted by NJ in 2011 which was accepted and approved by the U.S. Treasury. In February 2022, the Board approved an MOU between the NJEDA and NJ Treasury regarding the arrangement for SSBCI 2.0.

New Jersey’s SSBCI application proposes six programs:

- Blended Capital Investment ($50M);
- Recovery Loan Loss Reserve ($25M);
- Angel Match Program ($20M);
- Life Science Investment ($60M);
- SEDI Seed Fund ($20M); and
- Clean Energy Business Financing ($80M), the subject of this memo.

New Jersey’s SSBCI application remains under review by U.S. Treasury. Following approval, an allocation agreement will be issued by U.S. Treasury to NJ Treasury, as the lead applicant. However, SSBCI statute requires that all proposed programs be “fully positioned, within 90 days following the State’s execution of the allocation agreement with the Secretary [of the Treasury] to act on providing the kind of credit support that the State program was established to provide.” Although New Jersey’s SSBCI application has not yet been approved, staff is bringing this program to the board at this time to ensure it is prepared to meet the required 90-day timeline following execution of the allocation agreement. Staff will be bringing further details of the remaining programs, including specifications, program solicitation award(s), or investment, where applicable, to the Board in the coming months.

**Program Details:**

The Clean Energy Business Financing Program is a $80,000,000 co-lending program that offers term loans to eligible small businesses (“Borrowers”) seeking to finance eligible clean energy projects (“Projects”) that create jobs in New Jersey.

The program has been designed to meet the requirements for a Loan Participation Program (“LPP”) under the rules of SSBCI. As an LPP, Federal SSBCI funds allocated to NJEDA may make up a portion of the overall financing plan for a particular Project, through the use of either of two mechanisms: originating companion loans directly to Borrowers in parallel with Private Lenders, as defined below; or purchasing participations in loans Private Lenders extend to Borrowers.

NJEDA is opting to leverage both mechanisms authorized under the SSBCI rules for LPPs to provide maximum flexibility to meet the needs of both potential borrowers and Private Lenders. In all cases, NJEDA will only fund up to 50% of the overall principal amount of the financing of a Project (“SSBCI Loan”), requiring at least 50% of the overall principal amount to be funded by one or more Private Lenders.
The primary goals of the program are to:

1. Serve as a catalyst for deployment of clean energy technologies in the State that enable small businesses to create new jobs;
2. Promote business model innovation in the clean energy marketplace (i.e. the behind-the-meter distributed energy storage market);
3. Stimulate business activity in the State in areas of key priority under the State’s Energy Master Plan such as biofuel production, distributed energy aggregation, community solar, and air and ground source heat pumps by making Projects more affordable to finance; and

The program is expected to support nearly 100 small businesses over its life. This is based on an assumed average recycling time of 5 years; a horizon of 10 years for the program; an average leverage ratio of 2 private dollars to 1 SSBCI dollar of funding; and expected average aggregate principal amount per financing (inclusive of private funding) of $5,000,000. Additionally, the scoring criteria and overall program are structured in such a way that provides additional support to NJ Certified Woman-, Minority-, and Veteran-owned businesses as well as Projects located in overburdened communities (as described in more detail below).

Clean Energy Industry

The Board on July 14th, 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. The term “Clean Energy Industry” was defined in that policy (and is included below in the Proposed Program Specifications attachment). While this Program does not use ERF monies, this definition of Clean Energy Industry will be used for the purposes of this program.

In addition, a “Clean Energy Project” for the purposes of this program is a project being proposed by a small business that is directly or indirectly part of the Clean Energy Industry, such as:

- Financing Clean Energy Industry infrastructure projects, such as solar-plus-energy storage distributed energy resource projects;
- Installing or purchasing Clean Energy Industry improvements at a small business's existing facility, such as upgrading to high efficiency boilers at a business's factory or purchasing a zero-emission medium or heavy-duty vehicle (ZEMHDV);
- Creating or expanding small businesses that manufacture Clean Energy Industry products or their integral components for sale such as a manufacturer of electric vehicle batteries or their components; or
- Creating or expanding small businesses that offer Clean Energy Industry services (or product sales and service) in the marketplace, such as a small business that improves building envelopes through the installation of more energy efficient insulation, windows, and other envelope components.
**Eligibility:**

To be eligible for the Clean Energy Business Financing Program, prospective Borrowers must meet the following criteria:

- Be a commercial, industrial, or other for-profit organization, or a non-profit organization, of less than 750 employees, as calculated using the methodology specified in the SSBCI Capital Program Policy Guidelines (currently consistent with the Small Business Administration’s methodology under 13 C.F.R. § 121.106);
- Be in substantial good standing with the New Jersey Department of Labor and Workforce Development (LWD) and NJ Department of Environmental Protection (DEP); and
- Have a valid Tax Clearance Certificate no older than 180 days at time of approval for financing.

Additionally, the Project being proposed by the Borrower must:

- Meet the definition of a Clean Energy Project (detailed above);
- Be seeking financing with an aggregate principal amount of at least $500,000 and less than $20 million;
- Demonstrate that the SSBCI funds under this Program will “cause and result” in at least $1 of new private credit for every $1 of SSBCI funds, as described below;
- Not be enrolled in another approved state SSBCI program, whether or not that program is administered by NJEDA;
- Be technically feasible, in that it utilizes technologies and processes that have already been demonstrated in the U.S. or internationally; and
- Be economically feasible, in that the project’s business model is realistic and sustainable (with a sustainable model being one that will create and then retain the new employees forecasted as a result of the requested funding and, any that are forecasted to be long-term or permanent), and the Program loan amount requested, together with the other debt and equity investment, cash incentives and other sources of funding, is adequate to achieve the stated purpose of the project.

In addition, at all times throughout the term of the loan:

- For Projects that are Clean Energy Industry infrastructure projects or the installation or purchase of Clean Energy Industry improvements at a Borrower’s existing facility, the infrastructure project or installation activities must be physically located in New Jersey (for purchases of ZEMHDV, the vehicle(s) must be registered and domiciled in New Jersey);
- For all other Projects, Borrowers must have a physical location in New Jersey (formal office, facility, or colocation facility acceptable) and have a minimum of 50% of full-time employees working in New Jersey.

If at any time during the loan term, the Borrower fails to meet any of the requirements with regards to the Project’s location (as specified above), the Borrower will be considered in technical default. The Borrower will then have the opportunity to cure the technical default during a set period of time, after which it will be considered in default, at which point the loan will immediately come due and owing and will no longer be eligible for loan forgiveness, if the requirements have not been met.
The federal SSBCI program supports the expansion of businesses owned by socially- and economically-disadvantaged individuals by mandating a portion of a State’s allocation be directed to SEDI businesses. From New Jersey’s total allocation of $255,197,631, New Jersey must expend at least $27,521,719 to benefit SEDI businesses. Over time, U.S. Treasury may reduce New Jersey’s total SSBCI allocation if the State is not on track to meet this minimum threshold. The SSBCI program also includes a SEDI incentive. New Jersey is eligible for incentive funds of up to $14,678,250 based on the share of the $255 million allocation that is deployed to support SEDI businesses, with the maximum incentive reached if New Jersey expends 31.01% of the $255 million allocation to benefit SEDI businesses. The NJEDA defined and articulated a strategy to do outreach to and deploy funds into SEDI businesses as part of the NJEDA’s SSBCI application.

The Clean Energy Business Financing Program is structured to provide additional support to NJ Certified Minority, Woman, and Veteran-Owned businesses, through the standardized scoring criteria, the provision of an interest rate reduction, and through eligibility to receive loan forgiveness.

**Eligible Funding Uses:**

Based on SSBCI guidelines, in pursuing an eligible Project, a Borrower may use loan proceeds for business purposes only, including but not limited to start-up costs; working capital; acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business’s goods or services; or the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes.

Effective April 1, 2020, any and all construction contracts awarded in New Jersey that require payment of prevailing wage must provide proof of valid Construction Contractor Registration Certification (CRC).1 Contracts that were awarded prior to April 1, 2020 do not have to provide proof of CRC. Bidders cannot list any subcontractors in any bid proposal unless the subcontractor is registered.

Notwithstanding the above, funds may not be used to:

- With certain limited exceptions that are set forth in Section VII.f of the SSBCI Capital Program Policy Guidelines, acquire or hold passive investments in real estate such as when the proceeds of the loan are used to invest in real estate acquired and held primarily for sale, lease, or investment;
- Repay delinquent federal or state income taxes;
- Repay taxes held in trust or escrow (e.g., payroll or sales taxes);
- Reimburse funds owed to any owner, including any equity investment or investment of capital for the business’s continuance;
- Purchase any portion of the ownership interest of any owner of the business, except for the purchase of an interest in an employee stock ownership plan qualifying under section 401 of Internal Revenue Code, worker cooperative, or related vehicle, provided that the transaction results in the employee stock ownership plan or other employee-owned entity holding a majority interest (on a fully diluted basis) in the business; or
- Support a business in an illegal activity, pyramid scheme, or any unethical business.

---

1 Information regarding construction contractor registration can be found on the NJ Dept. of Labor’s Website at: https://www.nj.gov/labor/wagehour/regperm/pw_cont_reg.html
Terms/Rates:

The Clean Energy Business Financing Program will make available SSBCI-funded direct loans or purchase loan participations between $250,000 and $10,000,000. The aggregate principal loan size will range from $500,000 to $20,000,000, and the program will target loans of an aggregate size of $5 million or less. Loans and participations will be matched at least 1:1 with private capital.

Companion direct loans issued by NJEDA or loan participations purchased by NJEDA will have an interest rate equal to 3% below the rate proposed by Private Lender(s) but in no case lower than 0% and not to exceed rate cap as specified in the SSBCI Capital Program Policy Guidelines (currently in accordance with 12 U.S.C. § 1757(5)(A)(vi)(I)).

Additionally, Borrowers will have their interest rates lowered an additional 1%, but in no case resulting in an interest rate below 0% overall, for each of the following:

- The Borrower is a NJ Certified Minority, Woman, or Veteran-owned businesses; or
- The Project is located in an overburdened community as defined in N.J.S.A 13:1D-157.

In order for a Project to be considered located in an overburdened community, the following criteria must be met at all times:

- For Projects that are Clean Energy Industry infrastructure projects or the installation or purchase of Clean Energy Industry improvements at a Borrower’s existing facility, the infrastructure project or installation activities must be physically located in an overburdened community;
- For all other Projects, Borrowers must have a physical location in an overburdened community (formal office, facility, or colocation facility acceptable) and have a minimum of 50% of full-time employees working in the overburdened community.

The determination of whether a Project is located in an overburdened community will be made at the time of application, and the Borrower will not be penalized if community’s designation as an overburdened community changes over the course of the loan.

If at any time during the loan term, the Borrower fails to meet any of the requirements with regards to the Borrower being an NJ Certified Minority, Woman, or Veteran-Owned business or the Project’s location in an overburdened community (as specified above), the Borrower will no longer receive the 1% interest rate reduction.

The loan’s term and amortization may be between 1 and 25 years. NJEDA will match the term and amortization proposed by the Private Lender.

Funds will be fully disbursed upon execution of closing documents, with the exception of cases in which the Private Lender is disbursing funds in multiple tranches. In such cases, the Authority may match the Private Lender and disburse funds in multiple tranches.

Seniority:

SSBCI loans will be subordinate to the Private Lender in collateral.
Collateral:

SSBCI loans will be secured. Collateral of all types may be required, including general lien on business assets; security interest in financed equipment; security interest in intellectual property; and security interest in supply contracts. Only in instances where the Private Lender requires a personal guarantee shall the NJEDA require a personal guarantee.

For loans in which NJEDA is purchasing participation from a Private Lender, NJEDA will participate on the basis set forth in the direct loan, except that it will subordinate on the collateral, as set forth in “Seniority” section, above.

NJEDA will match the terms of the Private Lender as it relates to any case where the Private Lender allows a moratorium of principal payments and interest payments during the term of the loan.

Loan Forgiveness:

Loan forgiveness will be awarded to eligible Borrowers who meet the required job creation metric (as specified below), both in the case of direct loans and loan participations. For loan participations, the agreement between the Private Lender and the NJEDA will specify the process for awarding loan forgiveness.

Borrowers may only be eligible for 10% loan forgiveness if they meet either of the following, at the time of the application or approval and at the end of the Assessment Period, as defined below:

1. They are a NJ Certified Minority, Woman, or Veteran-Owned business; or
2. The Project is located in an overburdened community, as defined in N.J.S.A 13:1D-157 and described above.

The Borrower must create one (1) new full-time equivalent (FTE) job per $100,000 of aggregate lending for the Project, based on the Borrower’s NJ WR-30 form. This job creation metric will be reported and monitored from the date of initial loan disbursement through the earlier of (i) the fifth anniversary of the loan or (ii) the date on which the loan is fully repaid, in either such case, the “Assessment Period.” The Borrower’s performance will be assessed at the end of the Assessment Period to determine if it meets the metric.

Finally, to receive loan forgiveness if eligible, the Borrower must also: not be in default, both payment and non-payment-related, on EDA’s loan and the Private Lender’s loan; be open and operating; have no delinquencies that are over 90 days on any other lender debt; and use the loan proceeds for approved purposes.

SSBCI-Specific “Cause and Result” Requirement:

The Program will ensure that SSBCI funds “cause and result” in $1 of new private credit for every $1 of SSBCI funds at the transaction level. The target is at least 2:1 ratio of private to SSBCI funding determined on an aggregate basis.

The open-window design of the Program will directly lead to private financing being caused by and resulting from SSBCI funds. Potential borrowers will submit applications in response to notices of funding opportunity and/or requests for proposals, with potential private lending already identified, proposing the
amount of SSBCI funding necessary to help close the transaction. This process will ensure that the SSBCI funds will “cause and result in” the private credit.

Additionally, the program will establish in all cases that that financing documents state the obligation of the private financing to lend is conditional upon the lending by the Program.

To determine and document the follow-on private capital that has been caused by and resulted from the SSBCI funds (i.e., leverage beyond the 1:1 ratio), follow-on direct and indirect private financing will be included as part of the ongoing reporting obligations to NJEDA by the Borrower, in the case of a companion loan, or by the Borrower or their associated Private Lender in the case of purchasing participation in loans.

This follow-on private capital data will be maintained by NJEDA, which will provide the transaction-level information to Treasury as required.

Application Process:

Complete applications will be reviewed on a rolling basis. Loans will be originated through a publicly posted, open window application process. Open/ongoing notice of funding opportunity and/or request for proposals will be made publicly available on the NJEDA and, potentially, other State-sponsored websites. The Program may also launch media campaigns with reputable known third-party entities in the clean energy ecosystem and paid media and marketing to reach populations that are harder to reach through online sources. Referral relationships with Private Lenders and social media platforms to capture business owners who are seeking credit may also be explored.

To formally apply to the Program, applicants must have a term sheet with a Private Lender outlining the basis for the financing proposed to be offered by the Private Lender. In order to be a “Private Lender,” the institution must be on NJEDA’s Premier Lender list, which can include CDFIs, credit unions, and minority-, woman-, or veteran-owned financial institutions. NJEDA staff will review all applications for program compliance and completeness.

Potential Borrowers will submit their applications to NJEDA, which shall include, among other items, an identification of the Private Lender and a description of the financing arrangements being offered by the Private Lender together with the particular financing terms of the loan being requested from NJEDA. NJEDA staff will then verify basic eligibility criteria, including meeting the minimum SSBCI requirements, and conduct an overall evaluation of the Project using the standardized scoring criteria below. NJEDA may also request the findings from the Private Lender’s underwriting, including ability-to-pay (credit) analysis.

Applications will be reviewed and approved by the NJEDA’s Board or Board-approved delegates, as described below. Each application will be evaluated and assigned scores based on standardized scoring criteria.

In order to be eligible for the Program, all applications must meet a minimum aggregate threshold score of 50 points.

NJEDA standard scoring criteria (described in more detail in the Program Specifications Sheet) includes:

- Direct jobs forecast to be created, relative to dollar amount of aggregate lending for the Project;
- Strength of management team;
Benefits specific to overburdened communities;
Being a NJ Certified Minority-, Woman-, and/or Veteran-Owned Business;
Current number of employees at the time of application (higher score indicates fewer employees, on a sliding scale);
Aggregate principal amount of Project funding (higher score indicates lower principal amount of funding, on a sliding scale); and
Initial ratio of private financing to SSBCI funds for the proposed Project.

Delegated Authority:

The Members are requested to approve the delegation of authority to the Chief Executive Officer to approve individual applications to the Clean Energy Business Financing Program for loans of up to $3,000,000 in SSBCI funds in accordance with the terms set forth in the attached product specifications. The delegated authority requested also includes the authority to decline for any decisions based solely on nondiscretionary reasons.

Entities whose applications are denied will have the right to appeal. Appeals must be filed within the timeframe set in the declination letter (which must be at least 10 business days). The Director of Legal Affairs will designate Hearing Officers who will review the applications, the appeals, and any other relevant documents or information. The Hearing Officer will recommend an administrative decision. Delegated authority is requested to accept final administrative decisions prepared by a Hearing Officer for appeals based on solely non-discretionary reasons.

Program Funding

The Clean Energy Business Financing Program will be funded through New Jersey’s allocation from U.S. Treasury’s SSBCI under the ARP. SSBCI is a federal program administered by the U.S. Treasury to support state, territory, and tribal government programs that catalyze private lending or investment in small businesses. New Jersey is eligible for a total non-competitive allocation amount of $255,197,631. The Clean Energy Business Financing Program will utilize $80,000,000 of this allocation.

SSBCI funds are disbursed to jurisdictions in three tranches. The first is disbursed after U.S. Treasury approves the application and NJ Treasury signs and executes the allocation agreement with U.S. Treasury. The second and third tranches will be disbursed when the NJ Treasury certifies that it has expended, transferred, or obligated at least 80% of the prior disbursement of allocated funds. The second tranche must be drawn down at or before the three-year anniversary of the signing of the allocation agreement, and the final tranche must be drawn down at or before the six-year anniversary of the signing of the allocation agreement. US Treasury has informed EDA staff that the expected deadline to disburse the funds is 10 years. SSBCI administrative costs are limited to 5% of SSBCI funds in the first tranche and 3% of SSBCI funds in the second and third tranches.

Fees:

NJEDA will charge applicants fees consistent with the NJEDA’s rules regarding fees, which at the time of this memo are as follows:

- Application fee: non-refundable $1,000 fee for applying to this program.
- Commitment fee: non-refundable fee of 0.875% of the loan amount paid prior to NJEDA issuing a commitment letter.
- Closing fee of 0.875% of the loan amount (non-refundable) paid:
Recommendation:

The Members are requested to approve:

1. The creation of the Clean Energy Business Financing Program, a co-lending program that offers term loans to eligible small businesses which are looking to finance eligible clean energy projects that create jobs in New Jersey;
2. Utilization of $80,000,000 from New Jersey’s allocation of $255,197,631 from U.S. Treasury’s State Small Business Credit Initiative (SSBCI), contingent on final approval of the SSBCI application by U.S. Treasury, subject to any modifications required by the federal government and execution of an allocation agreement between U.S. Treasury and New Jersey Department of the Treasury, to capitalize the Clean Energy Business Financing Program; and
3. Delegation of authority to the Chief Executive Officer to approve individual applications for the Clean Energy Business Finance Program for transactions of up to $3,000,000 in SSBCI funds in accordance with the terms set forth in this memo and the attached program specifications.

Tim Sullivan, CEO

Prepared by: Marta Cabral

Attachments:

Appendix A – Proposed Product Specifications: Clean Energy Business Financing Program
Appendix A

Proposed Program Specifications:
Clean Energy Business Financing Program
October 12, 2022

| Program Description | The Clean Energy Business Financing Program (“Program”) is a co-lending program that offers term loans to eligible small businesses (“Borrowers”) which are looking to finance eligible clean energy projects (“Projects”) that create jobs in New Jersey. The program has been designed to meet the requirements for a Loan Participation Program (“LPP”) under the rules of the Federal Government’s State Small Business Credit Initiative. As an LPP, Federal SSBCI funds allocated to NJEDA will make up a portion of the overall financing plan for a Project, through the use of either of two mechanisms:
• Originating companion loans directly to borrowers in parallel with Private Lenders (as defined below); or
• Purchasing participations in loans extended by Private Lenders to borrowers
NJEDA is opting to leverage both mechanisms authorized under the SSBCI rules for LPPs to provide maximum flexibility to meet the needs of both potential borrowers and Private Lenders. In all cases, NJEDA will only fund up to 50% of the overall principal amount of the financing of a Project (“SSBCI Loan”), requiring at least 50% of the overall principal amount to be funded by one or more Private Lenders. Loans can be used for purposes specified in the “Eligible Uses” section. |
| Program Purpose | 1. Serve as a catalyst for deployment of clean energy technologies in the State that enable small businesses to create new jobs.
2. Promote business model innovation in the clean energy marketplace (i.e. the behind-the-meter distributed energy storage market);
3. Stimulate business activity in the State in areas of key priority under the State’s Energy Master Plan such as biofuel production, distributed energy aggregation, community solar, and air and ground source heat pumps by making Projects more affordable to finance.
4. Support NJ Certified Minority, Woman, or Veteran-owned clean energy businesses to participate equitably in the State’s net-zero |
energy transition, and businesses that commit to providing benefits to overburdened communities.

| Funding Sources | 1. $80 million in Federal SSBCI funds. Private Lenders would participate in the applicable financings at a minimum leverage of $1 of private financing per $1 of SSBCI funds. |

| Project Types | For the purposes of this Program: |

| “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. |

- a “Clean Energy Project” is a project being proposed by a small business that is directly or indirectly part of the Clean Energy Industry, such as:
  - Financing Clean Energy Industry infrastructure projects, such as solar-plus-energy storage distributed energy resource projects;
  - Installing and/or purchasing Clean Energy Industry improvements at a small business's existing facility, such as upgrading to high efficiency boilers at a business's factory or purchasing a zero-emission medium or heavy-duty electric vehicle (ZEMHDV);
  - Creating or expanding small businesses that manufacture Clean Energy Industry products or their integral components for sale such as a manufacturer of electric vehicle batteries or their components; or
  - Creating or expanding small businesses that offer Clean Energy Industry services (or product sales and service) in the marketplace, such as a small business that improves building... |
| Eligibility of Borrowers | All potential borrowers must meet the following eligibility criteria:  
- Be a commercial, industrial, or other for-profit organization, or a non-profit organization, of less than 750 employees, as calculated using the methodology specified in the SSBCI Capital Program Policy Guidelines (currently consistent with the Small Business Administration’s methodology under 13 C.F.R. § 121.106);  
- Be in substantial good standing with the New Jersey Department of Labor and Workforce Development (LWD) and NJ Department of Environmental Protection (DEP); and  
- Have a valid Tax Clearance Certificate no older than 180 days at time of approval for financing.  
Additionally, the project being proposed by the borrower must:  
- Meet the definition of a Clean Energy Project (detailed above);  
- Be seeking financing with an aggregate principal amount of at least $500 thousand and less than $20 million;  
- Demonstrate that the SSBCI funds under this Program will “cause and result” in at least $1 of new private credit for every $1 of SSBCI funds, as described below;  
- Not be enrolled in another approved state SSBCI program, whether or not that program is administered by NJEDA;  
- Be technically feasible, in that it utilizes technologies and processes that have already been demonstrated in the U.S. or internationally; and  
- Be economically feasible, in that:  
  - The project’s business case is realistic and sustainable, with a sustainable model being one that will create the new jobs forecasted as a result of the requested funding and, any that are forecasted to be long-term or permanent; and  
  - The Program loan amount requested, together with the other debt and equity investment, cash incentives and other sources of funding, is adequate to achieve the stated purpose of the project.  
In addition, at all times throughout the term of the loan:  
- For Projects that are Clean Energy Industry infrastructure projects or the installation or purchase of Clean Energy Industry improvements at a Borrower’s existing facility, the infrastructure project or installation activities must be physically located in New Jersey (for purchases of ZEMHDV, the vehicle(s) must be registered and domiciled in New Jersey);  
- For all other Projects, Borrowers must have a physical location in New Jersey (formal office, facility, or colocation facility | envelopes through the installation of more energy efficient insulation, windows, and other envelope components. |
acceptable) and have a minimum of 50% of full-time employees working in New Jersey.

If at any time during the loan term, the Borrower fails to meet any of the requirements with regards to the Project’s location (as specified above), the Borrower will be considered in technical default. The Borrower will then have the opportunity to cure the technical default during a set period of time, after which it will be considered in default, at which point the loan will immediately come due and owing and will no longer be eligible for loan forgiveness, if the requirements have not been met.

NJEDA may rely in part on the underwriting of the Private Lender(s) while conducting additional underwriting as necessary.

<table>
<thead>
<tr>
<th>Eligible Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>In pursuing an eligible project, a borrower may use loan proceeds for business purposes only, including but not limited to:</td>
</tr>
<tr>
<td>• start-up costs;</td>
</tr>
<tr>
<td>• working capital;</td>
</tr>
<tr>
<td>• acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business’s goods or services; or</td>
</tr>
<tr>
<td>• the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes.</td>
</tr>
<tr>
<td>Effective April 1, 2020, any and all construction contracts awarded in New Jersey that require payment of prevailing wage must provide proof of valid Construction Contractor Registration Certification (CRC).(^2) Contracts that were awarded prior to April 1, 2020 do not have to provide proof of CRC. Bidders cannot list any subcontractors in any bid proposal unless the subcontractor is registered.</td>
</tr>
<tr>
<td>Notwithstanding the above, funds may not be used to:</td>
</tr>
<tr>
<td>• With certain limited exceptions that are set forth in Section VII.f of the SSBCI Capital Program Policy Guidelines, acquire or hold passive investments in real estate such as when the proceeds of the loan are used to invest in real estate acquired and held primarily for sale, lease, or investment;</td>
</tr>
<tr>
<td>• Repay delinquent federal or state income taxes;</td>
</tr>
<tr>
<td>• Repay taxes held in trust or escrow (e.g., payroll or sales taxes);</td>
</tr>
<tr>
<td>• Reimburse funds owed to any owner, including any equity investment or investment of capital for the business’s continuance;</td>
</tr>
</tbody>
</table>

\(^2\) Information regarding construction contractor registration can be found on the NJ Dept. of Labor’s Website at: [https://www.nj.gov/labor/wagehour/regperm/pw_cont_reg.html](https://www.nj.gov/labor/wagehour/regperm/pw_cont_reg.html)
- Purchase any portion of the ownership interest of any owner of the business, except for the purchase of an interest in an employee stock ownership plan qualifying under section 401 of Internal Revenue Code, worker cooperative, or related vehicle, provided that the transaction results in the employee stock ownership plan or other employee-owned entity holding a majority interest (on a fully diluted basis) in the business; or
- Support a business in an illegal activity, pyramid scheme, or any unethical business.

### Application Process

Complete applications will be reviewed on a rolling basis. To formally apply to the Program, applicants must have a term sheet with a Private Lender outlining the basis for the financing proposed to be offered by the Private Lender.

**Step 1:** Borrower submits application to NJEDA, which shall include, among other items, an identification of the Private Lender and a description of the financing arrangements being offered by the Private Lender together with the particular financing terms of the loan being requested from NJEDA.

**Step 2:** NJEDA conducts application review and verification of basic eligibility criteria, minimum SSBCI requirements, and conducts an overall evaluation of the Project using the standardized scoring criteria below. NJEDA may also request the findings from Private Lender’s underwriting including ability-to-pay (credit) analysis.

### Source of Loan Origination, Evaluation Process, and Delegations of Authority

Open/ongoing notice of funding opportunity and/or request for proposals will be made publicly available on the NJEDA and potentially other State-sponsored websites, to which potential borrowers can apply for funding opportunities. The program may also launch media campaigns with reputable known third-party entities in the clean energy ecosystem and paid media and marketing to reach populations that are harder to reach through online sources. Referral relationships with commercial banks, community development finance institutions and social media platforms to capture business owners who are seeking credit may also be explored.

The NJEDA staff will review all applications for program compliance and completeness. Each application will be evaluated and assigned scores based on a rubric of evaluation criteria.

Approval of loans of less than $3,000,000 in SSBCI funds may be approved by the Chief Executive Officer.

All applications must meet a minimum aggregate threshold rubric score of 50 points in order to receive financing through the Program.
**Standard Scoring Criteria**

NJEDA scoring categories and associated available points are as follows. Staff will develop a scoring rubric that further details how points within each category are allocated to each criteria within a category:

**Direct jobs forecast to be created, relative to dollar amount of aggregate lending: up to 30 points**

**Criteria:**
- The number of new full-time equivalent (FTE) jobs forecast to be created per dollar amount of aggregate lending for the Project
- The percentage of new FTE jobs forecast to be created that will be located in New Jersey

**Strength of management team and partnering entities: up to 10 points**

**Criteria:**
- Experience implementing projects involving the same Clean Energy Industry technology as the one in the application
- Business has two or more C-level executives

**Benefits specific to overburdened communities: up to 20 points**

**Criteria:**
- Project will result in the reduction or avoidance of criteria pollutants in an overburdened community
- Percentage of new FTE jobs forecast to be created that will be located in an overburdened community
- Project will result in the reduction in energy costs for individuals or businesses located in an overburdened communities

**Current number of employees at time of application: up to 10 points**

- Points allocated to Borrowers with 500 employees or less, on a sliding scale with more points allocated for Borrowers with less employees at time of application

**Aggregate principal amount of Project funding: up to 10 points**

- Points allocated to Borrowers applying for aggregate principal amounts of $5 million or less, on a sliding scale with more points allocated for Borrowers pursuing smaller aggregate principal amounts

**Initial private financing ratio: up to 10 points**

- Points allocated to Borrowers with a 2:1 private financing ratio or greater, on a sliding scale with more points allocated for Borrowers with a higher private financing ratio at time of application
| Loan Forgiveness | Loan forgiveness will be awarded to eligible Borrowers who meet the required job creation metric (as specified below), both in the case of direct loans and loan participations. For loan participations, the agreement between the Private Lender and the NJEDA will specify the process for awarding loan forgiveness.  

**Eligibility:**  
Borrowers may only be eligible for 10% loan forgiveness if they meet either of the following, at the time of the application or approval and at the end of the Assessment Period, as defined below:  
1. They are a NJ Certified Minority, Woman, or Veteran-Owned business; or  
2. The Project is located in an overburdened community, as defined in N.J.S.A 13:1D-157.  

The determination of whether a Project is located in an overburdened community will be made at the time of application, and the Borrower will not be penalized if the community’s designation as an overburdened community changes over the course of the loan.  

**Job Creation metric:**  
The Borrower must create at least one (1) new full-time equivalent (FTE) job per $100,000 of aggregate lending for the Project, based on the Borrower’s NJ WR-30 form. This job creation metric will be reported and monitored from the date of initial loan disbursement through the earlier of (i) the fifth anniversary of the loan or (ii) the date on which the loan is fully repaid, in either such case, the “Assessment Period.” The Borrower’s performance will be assessed at the end of the Assessment Period to determine if it meets the metric.  

In addition, the Borrower must also: 1) Not be in default, both payment and non-payment-related, on EDA’s loan and the Private Lender’s loan; 2) Be open and operating; 3) Have no delinquencies that are over 90 days on any other lender debt; and 4) use the loan proceeds for approved purposes.  

| Selection of Private co-lender(s) | In order to be a “Private Lender”, the institution must be on NJEDA’s Premier Lender list, which can include CDFIs, credit unions, and minority-, woman-, or veteran-owned financial institutions. |
**Underwriting Process**

NJEDA will conduct an underwriting of all applications while also taking into consideration the credit analysis completed by Private Lenders, when available. NJEDA’s credit analysis may include but not be limited to financial operations, leverage position and cash flow forecasts.

All loans must meet a minimum Global Debt Service Coverage Ratio (GDSCR) of 1.00x. If a 1.00x is not achieved based on the historical financial statements of the business and/or any recurring outside income of the owners, then the applicant may provide a projection and narrative assumptions that illustrate the ability to meet a minimum of 1.00x in the fiscal year after the payment moratorium ends.

All loans will be secured, however, there is no maximum Loan to Value ratio.

All loans will be risk rated using the Authority’s existing risk rating model.

<table>
<thead>
<tr>
<th>Loan Size</th>
<th><strong>Range</strong></th>
<th><strong>Determining Factors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$250K - $10M using SSBCI funds</td>
<td>Amount of funding required for the project sources and availability of capital</td>
<td></td>
</tr>
<tr>
<td>$500K- $20M aggregate principal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target aggregate principal amount of $5M or less</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loan Rate</th>
<th><strong>Range</strong></th>
<th><strong>Determining Factors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>3% below interest rate proposed by Private Lender(s).</td>
<td>Interest rate proposed by Private Lender</td>
<td></td>
</tr>
<tr>
<td>Borrowers may receive an additional 1% interest rate reduction for each of the following:</td>
<td>Borrower being an NJ Certified Minority, Woman, or Veteran-owned businesses; or Project being located in an overburdened community.</td>
<td></td>
</tr>
<tr>
<td>o Borrower is a NJ Certified Minority, Woman, or Veteran-owned businesses; or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o The Project is located in an overburdened community, as defined in N.J.S.A 13:1D-157.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The rate may not exceed the rate cap as specified in the SSBCI Capital Program Policy Guidelines (currently in accordance with <strong>12 U.S.C. § 1757(5)(A)(vi)(I)</strong>)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If at any time during the loan term, the Borrower fails to meet any of the requirements with regards to the Borrower being an NJ Certified Minority, Woman, or Veteran-Owned business or the Project’s location in an overburdened community (as specified above), the Borrower will no longer receive the 1% interest rate reduction.
<table>
<thead>
<tr>
<th>Term and Amortization Length</th>
<th>Range</th>
<th>Determining Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-25 years</td>
<td>Loan term and amortization will match the length proposed by the Private Lender(s)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Seniority</th>
<th>Priority</th>
<th>Determining Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Will be subordinate to the Private Lender in collateral</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Collateral</th>
<th>Options</th>
<th>Determining Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured.</td>
<td></td>
<td>For loans in which NJEDA is purchasing participation from a Private Lender, NJEDA will participate on basis set forth in the direct loan, except that it will subordinate on the collateral, as set forth in “Seniority” section, above.</td>
</tr>
<tr>
<td>Collateral of all types may be required, including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• General Lien on business assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Security interest in financed equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Security interest in intellectual property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Security interest in supply contracts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Only in instances where the private lender requires a personal guarantee shall the NJEDA require a personal guarantee.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Capitalization of Interest | NJEDA will match the terms of the Private Lender is it relates to any case where the Private Lender allows a moratorium of principal payments and interest payments during the term of the loan. |

| Capital at Risk | In accordance with SSBCI Capital Program Policy Guidelines, Private Lenders must bear at least 20 percent of the risk of loss in any transaction. A Borrower’s own funds, including Borrower contributions to the transaction, do not qualify towards the 20 percent threshold. |

| SSBCI-Specific Requirement: “Cause and Result” | The Program will ensure that SSBCI funds “cause and result” in at least $1 of new private credit for every $1 of SSBCI funds at the transaction level. The target is at least 2:1 ratio of private to SSBCI funding determined on an aggregate basis. |
The open-window design of the Program will directly lead to private financing being caused by and resulting from SSBCI funds. Potential borrowers will submit applications in response to notices of funding opportunity and/or requests for proposals, with potential private lending already identified, proposing the amount of SSBCI funding necessary to help close the transaction. This process will ensure that the SSBCI funds will “cause and result in” the private credit.

Additionally, the program will establish in all cases that that financing documents state the obligation of the private financing to lend is conditional upon the lending by the Program.

To determine and document the follow-on private capital that has been caused by and resulted from the SSBCI funds (i.e., leverage beyond the 1:1 ratio), follow-on direct and indirect private financing will be included as part of the ongoing reporting obligations to NJEDA by the Borrowers, in the case of a companion loans, or by the Borrowers or their associated Private Lenders in the case of purchasing participation in loans.

This follow-on private capital data will be maintained by NJEDA, which will provide the transaction-level information to Treasury as required.

| Program Fees | 
| --- | --- |
| NJEDA will charge applicants fees consistent with the NJEDA’s rules regarding fees, which at the time of this memo are as follows: | 
| Application Fee: | $1,000 non-refundable fee paid at time of Application submission. |
| Commitment Fee | 0.875% of loan amount, non-refundable fee paid prior to NJEDA issuing a commitment letter |
| **Closing Fee** | 0.875% of loan amount, non-refundable fee paid:  
• at closing in cases where NJEDA is originating a companion loan; or  
• at the time NJEDA purchases participation in a loan originated by a Private Lender. |

| **Disbursement** | Funds will be fully disbursed upon execution of closing documents, with the exception of cases in which the Private Lender is disbursing funds in multiple tranches. In such cases, the Authority may match the Private Lender and disburse funds in multiple tranches. The agreement between the Private Lender and the Program (if the Authority is purchasing participation in a loan) or the intercreditor agreement (if the Authority is issuing a companion loan) will specify the mutually agreed upon disbursement milestones. The Private Lender will be responsible for the verification of milestones and will inform the Authority when such milestones have been met, triggering the disbursement of funds. |

| **Processes for addressing loan defaults or investment write-offs** | In the event of defaults on loans that the NJEDA purchases a participation in from a Private Lender, whether technical or financial in nature, the agreement between the Private Lender and the NJEDA will specify the process for addressing loan defaults. The Private Lender, as the originator of the loan, will be responsible for implementing any enforcement actions.  

In the event of default on loans that the NJEDA originates as companion loans in parallel with Private Lender(s), whether technical or financial in nature, the NJEDA will address them by leveraging the existing processes and experience of the NJEDA's Special Loan Management department to implement any necessary enforcement actions. The respective management in coordination with the matching lender will be addressed in an intercreditor agreement. NJEDA may exercise all legal and equitable rights it may possess under the applicable financing agreements. |

| **Compliance & Monitoring; Data Reporting** | For loans that the Program purchases a participation in from a Private Lender, the financing agreement with the Private Lender will require that the Private Lender collect the required reporting information from the Borrower. For loans that the Program |
originates as companion loans in parallel with Private Lender(s), the Borrower will directly provide the required reporting information. Reports are due to the NJEDA 15 days after the end of each quarterly reporting period.

Quarterly Reports:
- GHG emissions and criteria pollutants avoided, both on quarterly and project inception-to-date basis
- Updates on the status of the Project until Project Completion
- Updates on the Borrower’s private funding
- Financial statements prepared by company management

Annual Reports:
- Employee information, to include: Number of jobs created as a result of project, broken out between short-term and permanent positions, skills required by job category, wage/compensation level, and job location.
- Annual current capitalization table
- Annual current lease agreement demonstrating a physical New Jersey location
  - For Projects that are Clean Energy Industry infrastructure projects or the installation or purchase of Clean Energy Industry improvements at a Borrower’s existing facility, lease or other documentation verifying the activities are physically located in New Jersey
  - For all other Projects, lease of office or other facility listed in the eligibility requirements
- Annual State and Federal payroll filings, as well as documentation of any employees outside of the U.S.
- Annual State and Federal tax filings
- Financial statements prepared by company management
- Assessments, in narrative form, of the extent, if any, of economic impacts that have resulted from the project,
- Certification that the Borrower has used the loan for approved purposes only

In cases where the Borrower is eligible for loan forgiveness, additional information may be required throughout and at the completion of the Assessment Period.

| SSBCI Required Reporting | All pertinent and related information required by the SSBCI in accordance with their reporting guidance. |
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: November 16, 2022

RE: NJ Offshore Wind Workforce and Skills Development Grant Challenge Amendment

Summary

The Members are asked to approve an amendment to the NJ Offshore Wind Workforce and Skills Development Grant Challenge (Grant Challenge) that would restrict private for-profit entities from being primary applicants and waive application fees. This amendment is requested because the program is intended to benefit New Jersey Overburdened Communities (as defined by the New Jersey Environmental Justice Law) and charging fees could present a financial hardship for organizations that could implement training programs for those communities. The Authority’s administrative costs for operating the program will be covered by utilizing funds appropriated in the Governor’s Fiscal Year 2023 Budget for the Wind Institute for Innovation and Training.

Background

The Grant Challenge was approved by the Board of the New Jersey Economic Development Authority (EDA) on September 14, 2022. The Grant Challenge is part of EDA’s development of the yet to be established NJ Wind Institute for Innovation and Training (the “Wind Institute”), which will coordinate and deploy resources to accelerate the development of a robust and diverse offshore wind workforce. The Grant Challenge is a competitive funding program for applicants that can provide skill development, workforce training, job placement, and other related services, with a particular focus on serving Overburdened Communities. A total of $3,725,000 is available for programs under this Grant Challenge. The minimum and maximum amounts for individual awards are set at $100,000 and $1,000,000 respectively. The EDA anticipates making multiple awards in this Grant Challenge.

As originally structured, this program permitted private for-profit entities, public/governmental entities, and non-profit Community-Based Organizations to apply, and required a $1,000 non-refundable application fee. The Authority’s rules, specifically N.J.S.A. 19:30-6.1, provide that a “non-refundable fee of $1,000 shall accompany every application for Authority assistance.” For a variety of reasons, staff believe that requiring all applicants to pay a $1,000 non-refundable fee will dissuade organizations that are best positioned to develop training programs focused on Overburdened Communities from applying. Because the Grant Challenge is a competitive program and both public/governmental and non-profit/Community-Based Organizations do not typically have
significant unrestricted, disposable funds, we believe charging them a $1,000 non-refundable fee will dissuade those types of entities from applying, in that they are unlikely to risk paying $1,000 with no guarantee of getting a grant. Unfortunately, our current fee rules do not provide the flexibility to simply waive all fees for a program—even when the Authority has another source of funding that will cover the administrative costs of that program. Instead, N.J.S.A. 19:30-6.7 allows for fee waivers only when imposing the fee would impose an undue financial hardship for the applicant. For the Grant Challenge, charging a $1,000 application fee is unlikely to impose an undue financial hardship for most private for-profit entities. In contrast, imposing a $1,000 non-refundable fee will present an undue financial hardship for most governmental entities and nonprofits, including Community-Based Organizations. Accordingly, the Board is asked to limit the types of entities that are eligible and waive application fees.

**Request**

In line with Governor Murphy’s economic development plan, “The State of Innovation: Building a Stronger and Fairer NJ Economy,” and the State’s efforts to stand up the Wind Institute for Innovation and Training to accelerate the development of a robust and diverse workforce, the Grant Challenge seeks to deploy resources to design and implement workforce training programs with a particular focus on serving NJ Overburdened Communities. The NJ Environmental Justice Law, N.J.S.A 13:1D-157, defines Overburdened Communities as any census block group, as determined in accordance with the most recent United States Census in which: 1) at least 35 percent of the households qualify as low-income households; 2) at least 40 percent of residents identify as minority or as members of a State recognized tribal community; or 3) at least 40 percent of the households have limited English proficiency. All applications for the Grant Challenge must include at least one Community-Based Organization with demonstrated experience serving a New Jersey Overburdened Community, either as the applicant or as a strategic collaborator with the primary applicant. If the latter, the application must clearly define the Community-Based Organization’s role and describe the alignment with the CBO’s mission and/or services and the amount of the grant to be allocated to the Community-Based Organization. Applications will be evaluated based on how well they will serve Overburdened Communities, including whether they articulate a clear approach to recruit and serve members of Overburdened Communities and their ability to provide wrap around services and the ability to offer affordable training to participants.

The OSW Workforce Grant Program was approved by the Board at its September 2022 meeting. In order to achieve the goal of benefiting Overburdened Communities and ensure resources are provided to groups well positioned to develop training programs for Overburdened Communities, staff recommend the following two program amendments:

**Excluding private entities from the type of eligible primary applicants:** The September 2022 Board Memo included private entities as an eligible applicant type. Staff believe that public entities such as public schools and county colleges, and nonprofits, including, but not limited to, Community-Based Organizations, are best positioned to develop workforce training with wrap-around services that are focused on Overburdened Communities because these entities often serve as known and trusted organizations in the community. With this amendment, private for-profit entities may still be part of an applicant team and receive a portion of the grant funds as detailed in an awarded proposal, however they may not be a primary applicant. By making this change, the Grant Challenge is focused on providing resources to public and nonprofit entities in the leadership role as a primary applicant to
develop workforce training programs.

**Waiving the standard $1,000 non-refundable application fee:** The EDA fee rules authorize the CEO, with the approval of the Board, to waive the application fee “upon demonstration by the applicant that the imposition of the fee would impose an undue financial hardship.” Once private, for-profit entities are no longer eligible to apply, eligible applicants will be public entities such as public schools and county colleges, and nonprofits, including, but not limited to, Community-Based Organizations. Those types of organizations do not typically have unrestricted disposable funds that can be utilized for a $1,000 non-refundable application fee, as charging fees, particularly non-refundable fees, for grant funding for workforce training is highly unusual. Imposing such a fee would constitute an undue financial hardship for most public and nonprofit entities given the uncertainty of receiving a grant due to the competitive nature of the program. By waiving the fee, the program will become more accessible to Community-Based Organizations and other public and non-profit entities that serve Overburdened Communities and improve the chances that the program does benefit such communities.

The Authority does not need to collect application fees to cover the costs of this program, because the Authority’s administrative costs for operating the program will be covered by utilizing a portion of the $5 million appropriated in the Governor’s Fiscal Year 2023 Budget for the Wind Institute for Innovation and Training.

**Recommendation**

The Members are asked to approve the amendment of the NJ Offshore Wind Workforce and Skills Development Challenge to restrict private entities as a primary applicant and waive application fees for the NJ Offshore Wind Workforce and Skills Development Grant Challenge. The Authority’s administrative costs for operating the program will be covered by utilizing funds appropriated in the Governor’s Fiscal Year 2023 Budget for the Wind Institute for Innovation and Training.

Tim Sullivan, CEO

Prepared by: Jen Becker
MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan
Chief Executive Officer
DATE: November 16, 2022
SUBJECT: New Jersey Innovation Fellows Program

Request:
The Members are asked to approve:

1. The creation of the New Jersey Innovation Fellows Program (“NJIF,” “Innovation Fellows,” “Fellows,” “The Fellowship”) in accordance with Sections 65 through 68 of P.L.2021, c.160 (C.34:1B-370 through 34:1B-373)).
2. The Utilization of the $10 million appropriation in accordance with Sections 65 through 68 of P.L.2021, c.160 (C.34:1B-370 through 34:1B-373)) to capitalize the New Jersey Innovation Fellows Program.
3. The Utilization of 5% (or $500,000) of the $10 million appropriation to be used by the Authority to cover administrative and mentorship program costs that are needed to administer the New Jersey Innovation Fellows Program.
4. Delegation of authority to the Chief Executive Officer to determine the program application periods, which will be offered twice per 12-month period, approximately 6 months apart.

Background:
There is a high correlation between socioeconomic background and entrepreneurship1. The chances for entrepreneurship increase when would-be entrepreneurs have access to capital that supports them to take calculated, business risks. About 80% of startup businesses are self-funded, and only about 24% of startups have been able to raise supportive capital from family and friends.2 These earliest capital sources are crucial

---

to a healthy innovation and start-up economy, especially when considering that only about 6% of all startups\(^3\) receive any funding from Angels or institutional Venture Capital.

Due, in part, to these capital constraints, entrepreneurship lacks diversity. One study found that “84% of the incorporated self-employed are white, compared to 71% of the whole prime working-age population. They are also 72% male.”\(^4\)

The Innovation Fellows program will support would-be entrepreneurs, particularly diverse entrepreneurs, with “income replacement” grants. This resource creates an opportunity to pursue a unique startup business venture with the security of initial income replacement funding in the two-year ideation and formation period of their business. Per program policy and in accordance with the legislation, approved teams will be qualified to receive $200,000 as a base award, and up to $200,000 in bonuses (resulting in a total $400,000 award) – $50,000 if any one team Entrepreneur resides in an Opportunity Zone within the State; and $50,000 for each Entrepreneur leader on the Fellows team with a diversity self-certification or education bonus up to a three entrepreneurs for a maximum award potential of $400,000. Furthermore, award disbursements are subject to teams meeting and maintaining compliance milestones. With satisfactory compliance milestones, funding will be disbursed over eight quarters.

The qualified team’s business venture must operate within the State’s “targeted industries,” (as outlined in the program spec sheet, Appendix B) and be based, as evidenced by the address of the business’ main office(s) or headquarters (which may be home based), in an eligible municipality, in pursuit of Governor Murphy’s Economic Development Strategic Plan and identified by statute to build a stronger and fairer New Jersey. “Eligible municipality” means a city of the first class, a municipality with a private research university, a municipality that is qualified to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a municipality under the supervision of the Local Finance Board pursuant to the provisions of the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality identified by the Director of the Division of Local Government Services in the Department of Community Affairs to be facing serious fiscal distress, a SDA municipality, or a municipality in which a major rail station is located. Appendix A is a list of Innovation Fellows’ Eligible Municipalities.

**VALUE OF THE NJ INNOVATION FELLOWS PROGRAM**

It is expected that this program will deliver the following benefits the State of New Jersey:

- Grow New Jersey’s Entrepreneur base and its Innovation Economy
- Support development of programmatic resources to bridge market gaps for underserved/under-resourced entrepreneurs.
- Drive the formation and growth of promising new ventures
- Help New Jersey achieve Governor Murphy’s goal to become the most diverse state of innovation in the country

**Program Details:**

---


Governor Murphy’s Economic Development Strategic Plan, “The State of Innovation: Building a Stronger and Fairer Economy in New Jersey Economy” lists “creating the most diverse innovation ecosystem in the nation and doubling venture capital investment in the state” as its third goal. Similarly, the New Jersey legislature made findings and declarations relative to entrepreneurs that directed EDA “to invest in diverse talent critical to New Jersey having a vibrant ecosystem” through the New Jersey Innovation Fellows Program (N.J.S.A. 34:1B-371). In providing an increased amount of income replacement funding to diverse entrepreneurs, NJIF targets diverse entrepreneurs who are without the capital access that supports entrepreneurial risks. With the $10 million appropriation, the program will function as a pilot program and is anticipated to support approximately 160 entrepreneurs in approximately 32 New Jersey based startup businesses.

PROPOSED PROGRAM DESIGN AND STRUCTURE

The following section delves into program design and structure to draw out elements from the legislation to form the program parameters in further detail. This section highlights selected definitions from the legislation and provides explanatory narrative and clarifying policy. The following bolded terms are provided as clarification to the statute.

Eligibility:

The New Jersey Innovation Fellows program will support teams of at least three entrepreneurs, of which half must be first-time entrepreneurs, with mentorship, training, and income-replacement capital over a two-year period. Staff proposes to define a first-time entrepreneur as an entrepreneur who has never been listed as a founder, co-founder, or owner of a business entity which operated in a targeted industry in the State of New Jersey, or has not received third-party, institutional, funding for past entrepreneurial opportunities as early as the ideation phase. Entrepreneurs who have received State and/or federal funding for past entrepreneurial opportunities with entities which did not operate in a targeted industry in the State of New Jersey are eligible for the grant’s consideration.

Legislation requires all grant recipients to pay gross income tax at the time of application, or demonstrate gross income tax paid within 60 days prior to application. “Income-replacement” capital is purposed to replace a stream of income an entrepreneur might forego to launch an early-stage business.

This support is expected to attract innovative ideas and entrepreneurs – who would otherwise remain unable to pursue the launch of new businesses due to socio-economic needs for income or, in the case of a recent graduate, who would choose to accept employment in lieu of entrepreneurship due to socio-economic constraints. A recent graduate, herein defined, is a student who completed their course leading to a degree or certification at a New Jersey County college, an independent New Jersey institution of higher education, a public research university, or a state college within the 6 months prior to the application date.

The NJIF legislation requires all members of the approved entrepreneur team (each an “entrepreneur fellow”) to participate in a mentorship program. The authority will seek to execute a Memorandum of Understanding (MOU) with third-party partners, NJIT’s New Jersey Innovation Institute (NJII) and Rowan University’s Center of Innovation and Entrepreneurship (RCIE) to provide this mentorship. This memorandum serves to notify the Board of the plan to pursue such an engagement, which, pursuant to Authority policy regarding MOU scope and cost, may be executed by the CEO.
NJIT and Rowan’s respective entrepreneurship and innovation centers have the capacity and expertise to execute the mentorship mandate for innovation fellows. Additionally, as the organizations are associated with State Universities, the need to pursue external procurement processes is mitigated, given the expertise exists within State resources. Both institutions have eagerly engaged to support this novel program. Part of the administrative expense provided from the program appropriation will pay for the cost of the mentorship program, estimated at a total cost of $200,000.

These partners will build and administer a mentorship program that will provide technical training through a general-operations curriculum, as well as access to unique subject matter experts that may offer mentorship to fellow teams. NJIT and Rowan will partner and collaborate in the design and administration of the program based on their resources, technical acumen and deep networks of academic and professional advisors.

Entrepreneur fellows will be required to participate in the mentorship programs facilitated by NJII or Rowan’s RCIE as a condition of their grant award, which will incorporate virtual and in-person meetings. They must also maintain satisfactory attendance throughout the duration of the mentorship program – which will last the two-year duration of the fellowship program.

The initial general-operations curriculum will train the entrepreneurs in the following subject matters:

- Managerial Finance, Accounting, & Financial Statements preparations
- Human Resources development & management
- Marketing & Customer Development
- Product design, development & management
- Capital sourcing & raise
- Vision Mapping
- Buyer Personas
- Business Model Design
- Contracts & Business structures (Legal studies)

While entrepreneurs today have wide access to these fundamentals, the unique access to advisors within the targeted sectors will effectively prepare the entrepreneurs with the technical skills to develop their ideas into functioning businesses. The organizations selected will provide technical training and advisor coverage across the state, with NJII covering entrepreneur fellows if the northern proximity in the State is most accessible to them, while RCIE will cover entrepreneur fellows, if the Southern New Jersey location is more accessible to them. Entrepreneur fellows will be free to select either coverage, but must remain with selected coverage for the first year of the mentorship program.

Staff requests using 5% from the $10 million appropriation to partially cover EDA administrative expenses, as well as the payment for the mentorship programs. Approximately, $200,000 of the expense will pay for the mentorship programs, while the balance will fund EDA administrative expense. Each partner’s current work and experience demonstrates its capacity and ability to deliver a robust and effective mentorship platform for NJIF fellows. As an example, RCIE’s “Accelerate South Jersey” programming incorporates an integrated, multifaced platform that NJIF can leverage. It involves six core elements:

- Training Programs
- One-on-One Consulting
- Mentoring
- Community Connect
- Microcredit
• Research and Tracking

The program, offered in partnership with the McKena Center for Human Development and Global Business at the University of Notre Dame, vies to foster the creation of new, profitable ventures by those facing economic and/or disadvantages.

Similarly, NJII, founded in 2014, “helps turn [entrepreneurs’] ideas into workable solutions by combining the vast resources of NJIT, strong and far-reaching industry and government relationships, with proven methods for building industry centric ecosystems. It has six concentration sectors: biopharma, data and advanced technology, defense and homeland security, entrepreneurship, healthcare delivery and human capital.”

Its Entrepreneur In Residence (EIR) program, which the exhibited curriculum is adapted from, shares similar goals with the NJIF program and is structured to:

• Build pathways into growth entrepreneurship for those without the socioeconomic means to begin entrepreneurship
• Create a stable program for underrepresented entrepreneurs including women, veterans, LGTBQ, and BIPOC.
• Create access to university owned intellectual property for enterprise creation.
• Engage the Newark and Essex County communities in the entrepreneurial ecosystem.

The Fellowship, with its $10mm legislative appropriation, will support between 20 and 30 new entrepreneur teams selected through a competitive grant application process. Throughout the program’s two-year period, NJEDA anticipates at least 4 application periods (average 2 annually) until funds are exhausted. Fellows teams will attend seasonal training cohorts according to a prescribed curriculum per calendar year, with each cohort consisting of five (5) to eight (8) teams.

Legislated Funding and Bonus:

Under the proposed program structure, the Fellowship grant awards $200,000 per team of no less than three (3), first-time entrepreneurs as a base award. Teams may access an additional $50,000 award on top of the $200,000 base award if one Entrepreneur verifies residency in a designated Opportunity Zone in New Jersey. Teams may be awarded an additional $50,000 in legislated bonus for each Entrepreneur leader who self-certifies as a “diverse entrepreneur” (as defined in section 2 of P.L.1997, c.349 (C.54:10A-5.29) OR is a “graduate of a New Jersey college or university” (including 2yr, and 4yr schools) in the State, as evidenced by corresponding degree or certification documents. Qualifying teams may receive additional bonuses of up to $150,000 in aggregate for certifying team members, resulting in a total $400,000 award. The award will be apportioned according to the Team’s own compensation plans that will not be reasonably denied by NJEDA as part of the application.

The statute uses “diverse entrepreneur” as defined in the Angel Investor Tax Credit program: “a New Jersey based business that meets the criteria for a minority business or female business” for certification by the State. Although the statutory definition refers to a definition of “minority business” and “female business” in N.J.S.A. 52:32-19, which in turn require certain ownership percentages by the minority persons or women, the program statute only requires one member of the team to qualify as a “diverse entrepreneur.” Additionally, program applicants will consist of teams of entrepreneurs, not fully formed
businesses. Thus, the Authority will accept an individual entrepreneur’s minority self-certification, if the individual identifies as one of the ethnic and racial categories recognized for minority-owned businesses for the purposes of State certification or identifies as a woman. The ethnic and racial categories in the State business certification statute are “Black, Hispanic, Portuguese, Asian-American, American Indian or Alaskan natives.”

Assuming the program application is open twice annually, every six months, the eight (8) eligible applications with the highest combined scores in each application period will be recommended to the Authority’s board for the award of $200,000 or up to $400,000 each based on eligibility. The aggregate awards spread across 4 cohorts would exhaust the total $10,000,000 appropriation (with the approved 5% administrative fee). Based on research into comparable programs, staff expects 75 - 100 applications per application period.

Given the limited individual award amounts to be disbursed to each recipient, it is important for entrepreneurs to understand each entrepreneurial team member’s potential gross pay. To that end, the program web page will include the following table to help convey possible gross earnings for each entrepreneur, subject to the number of entrepreneurs per team, award amount, and FT work hours during the program’s 2-year duration. As this chart is described in terms of gross pay, the calculation simply divides the total grant award by the number of team members and a set amount of hours per week for a full calendar year. Recipients will be solely responsible for determining all legal implications of receiving the grants, including tax implications.

### Gross Even pay: $200,000

<table>
<thead>
<tr>
<th>Entrepreneurs’ Pay</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>35 Hrs/Week</td>
<td>$18.32</td>
<td>$13.74</td>
<td>$10.99</td>
<td>$9.16</td>
<td>$7.85</td>
<td>$6.87</td>
<td>$6.11</td>
<td>$5.49</td>
</tr>
<tr>
<td>40 Hrs/Week</td>
<td>$16.03</td>
<td>$12.02</td>
<td>$9.62</td>
<td>$8.01</td>
<td>$6.87</td>
<td>$6.01</td>
<td>$5.34</td>
<td>$4.81</td>
</tr>
</tbody>
</table>

### Gross Even pay: $400,000

<table>
<thead>
<tr>
<th>Entrepreneurs’ Pay</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>35 Hrs/Week</td>
<td>$36.63</td>
<td>$27.47</td>
<td>$21.98</td>
<td>$18.32</td>
<td>$15.70</td>
<td>$13.74</td>
<td>$12.21</td>
<td>$10.99</td>
</tr>
<tr>
<td>40 Hrs/Week</td>
<td>$32.05</td>
<td>$24.04</td>
<td>$19.23</td>
<td>$16.03</td>
<td>$13.74</td>
<td>$12.02</td>
<td>$10.68</td>
<td>$9.62</td>
</tr>
</tbody>
</table>

**Application Process:**

There will be a total of four (4) distinct application periods over the course of the Fellowship’s two-year tenure, or until funds are exhausted. The application period will be preceded by a 30-day open Q&A period, followed by the, approximately, 60-day application period. The application period will be marked by the opening of the application window, available on the NJEDA website, and the active receipt of completed applications. Delegated Authority granted to the CEO of the Authority will provide staff sufficient flexibility to most optimally schedule and manage these application windows considering the required review timelines and coordinate with the mentorship program administrators.

There will be two application periods within a calendar year, open approximately six months apart. Each period, which includes application submissions, evaluation processes, board approval, and governor’s
veto period will take approximately 120 days leading to grant execution with approved NJIF program applicants. The application evaluation is based on criteria, identified in Appendix C, relying on the required accompanying business plan that will be provided by applicants. Authority staff will review applicant responses and supporting documentation to ensure application questions are answered accurately, and requested documents are submitted. Members of the Authority’s staff will ensure qualified applicants meet all minimum requirements for program participation by reviewing a minimum requirement checklist and supporting documentation. The Qualifying Questionnaire will be made publicly available to allow potential applicants to self-assess alignment with program requirements and likelihood of qualification. These lists are provided in Appendix C.

Competitive Review

The Authority will form an evaluation committee comprised of the Authority staff and the Diversity Finance Advisory Board (DFAB) to be created. This volunteer body will be assembled by NJEDA, comprised of a diverse panel of experts with experience in finance and operations. The body members will be selected by the CEO of the Authority. It will function as a sounding board and ad hoc resource to support the NJEDA’s efforts to develop the diverse innovation ecosystem in the State. Following receipt of application, Authority staff will conduct a completeness review to ensure all required documents are included. If required materials are missing, applications will be automatically declined. Applicants may provide clarifying information. Declined applicants may appeal the decision and may also reapply to subsequent cohorts. Approved applicants who receive grant funding from the program are ineligible for considerations in subsequent cohorts and awards of the program.

All complete applications will be evaluated and scored independently (for eligibility measures) and competitively (considered against other applications received during a distinct application period in aggregate). Those 20 with the highest scores will be shared to the NJEDA’s Diversity Finance Advisory Board for final scoring. The Fellowship’s evaluation committee will evaluate assigned applications on the bases of an applicant’s idea, operations, and management acuities, as represented on the applicant’s business plan, with a maximum of 28 points possible. Following review by evaluation committee, the top 20 scores will be submitted to DFAB members for additional ranking. The DFAB scoring criteria is included in Appendix E. The top 8 ranked applications will be submitted to the Board of the Authority for approval as fellows. All approved fellows will be notified of award and “to be formed” or unregistered businesses will be required to form and register as a New Jersey business within 30 days of notification. Unregistered applicants who fail to register the complete team as a new business and provide state registration documents, as evidenced by its subsequent tax clearance certificate, within the allotted time will be declined.

The business plan will be evaluated based on the identified problem, the total addressable market, competitive landscape, DEI considerations, go-to-market plan, and the proposed solution’s value proposition, all of which considers the credibility and experience of the team to execute on their plan submitted. Also important in the business plan’s evaluation is the operational structure where the plan’s finance & accounting management plans, as well as, needed resources and delineated roles are considered and evaluated. Delineated roles are a critical part of the plan’s evaluation. An entrepreneur’s experience and abilities should align with their respective roles in the proposed venture. The Management evaluations will consider the team’s years of professional experiences, including their respective experiences in the addressable industry and relevant experiences in sales, product development and finance. The full, detailed rubric is attached in Appendix E. The eight (8) applications with the highest combined scores (competitive evaluation) will be recommended to the Authority’s board for the award.
Grant Disbursement and Compliance:

Awarded grants will be disbursed equally over the course of eight (8) quarters following board approval. The first disbursement will be issued upon the effective date of the grant agreement. Subsequent disbursements will be made quarterly upon the NJEDA’s receipt, and satisfactory review, of required compliance documents that will confirm regular attendance and engagement of mentorship curriculum sessions, NJ-income tax payment, proof the business remains located in an eligible municipality as demonstrated by the business’ registered address (Note: P.O. Boxes will not be acceptable business address), and certification of continued full-time status on the team’s approved business venture, by documentation enumerated in Appendix C.

The term of the grant is to be 24 months from the effective date of the grant agreement. If awarded applicants fail to be comply with the terms of the grant agreement, the Authority may choose to terminate the grant agreement, nullifying committed future disbursements as part of the agreement or may trigger a clawback of disbursed grant funding of an amount up to the total previously disbursed. This clause may be triggered over the two-year duration of the program by activities that:

- Reduces the total number of the venture’s entrepreneur leadership (i.e., the minimum three entrepreneurs that will manage the new start-up venture) to less than three (3). This may be cured within 3 months of notification of default, so long as, the newly comprised team scores at least 90% of the board approved score for the original team of entrepreneurs.
- Reduces the entrepreneur leadership’s weekly, hourly commitment to less than 35 hours, which may be cured following resumption of the minimum time commitment.
- Increases the entrepreneur leadership’s weekly, hourly commitment to an outside venture to more than 20 hours per week (as may be evidenced by each entrepreneur leader’s certification, which may be cured following the individual’s recertification).
- Results in failure by the entrepreneur leadership to meet their respective mentorship requirements, which may be cured following resumption of mentorship.
- Results in the failure of payment of gross income tax to New Jersey by any of the entrepreneur recipients, which may be cured with resumption of gross income tax payments.
- Fails to maintain the business’ primary operations in an eligible municipality, which may be cured following return to an eligible municipality within 30 days.
- Failure to utilize the grant funds for the intended purpose of advancing the business and income for the time investment of the entrepreneurs
- Failure of at least one Entrepreneur to maintain residency in an Opportunity Zone may result in the reduction or clawback of the $50,000 bonus if not cured within 30 days of notice from the Authority.

Compliance will require the quarterly submission of the following, due 45 days following the end of each quarter.

- Certified organizational chart demonstrating at least three entrepreneurs are managing the business
- Quarterly management prepared financial statements
Following recognition by EDA of failure to perform may be cured within an additional 30 days. Non-compliance may result in termination of agreement at EDA’s discretion as described above.

**Delegated Authority:**

The Members are requested to approve delegated authority to the Chief Executive Officer to determine timing to open and close the program application periods, which will be offered twice per 12-month period, approximately 6 months apart. Delegation will offer flexibility to ensure operational optimization and programmatic alignment with selected mentorship partners.

Entities whose applications are denied will have the right to appeal. Appeals must be filed within the timeframe set in the declination letter. The Director of Legal Affairs will designate Hearing Officers who will review the applications, the appeals, and any other relevant documents or information. The Hearing Officer will recommend an administrative decision. Delegated authority is requested to accept final administrative decisions prepared by a Hearing Officer for appeals based on solely non-discretionary reasons.

**Fees:**

The authority will access an aggregate 5% fee (2% per year over two years) on the full appropriated amount of the program (i.e., $500,000 in total or $250,000 per year) to account for the Authority’s administrative costs and additional out-of-pocket costs associated with engaging with the university mentorship partners and developing the mandated mentorship program. Additionally, EDA will charge $250 per application. Assuming 50-70 applications are submitted per application period (4 application periods), this would generate $50,000 - $70,000 in fees. A $250 fee differs from the standard $1000 application fee. The program is built to support the formation of businesses by teams entrepreneurs without the typical financial wherewithal associated with the foundation of early-stage enterprises. A $1,000 application fee may represent a hardship to individual applicants that must be un-employed and recent graduates at the time of application. Additionally, the businesses are not expected to generate revenue sufficiently near to the time of application.

The general operations curriculum and customized mentor & advisor modules (i.e., “mentorship program”), to be administered by NJIT’s NJII and Rowan University’s RCIE, has a combined estimated program budget of $200,000 over the life of the program.
**Recommendation:**

The Members are requested to approve: (1) the creation of the New Jersey Innovation Fellows Program a program to support a team of at least three first-time entrepreneurs with mentorship, training, and income-replacement capital over a two-year period; (2) Utilization of the $10 million appropriation in accordance with Sections 65 through 68 of P.L.2021, c.160 (C.34:1B-370 through 34:1B-373)) to capitalize the New Jersey Innovation Fellows Program; (3) The Utilization of 5% (or $500,000) of the $10 million appropriation to be used by the Authority to cover administrative and mentorship program costs that are needed to administer the New Jersey Innovation Fellows Program; (4) Delegation of authority to the Chief Executive Officer to determine the program application periods, which will be offered twice per 12-month period, approximately 6 months apart.


Tim Sullivan, CEO

Prepared by:

Emmanuel Esochaghi – Diversity Entrepreneurship & Finance Officer
Tim Rollender – Director, Venture Programs

Attachments:

Appendix A – Eligible Municipalities List
Appendix C – NJIF Qualifying Questionnaire
Appendix E – NJIF Grading Criteria and Matrix
APPENDIX A: Eligible Municipality List

<table>
<thead>
<tr>
<th>Asbury Park City</th>
<th>Irvington Township</th>
<th>Pemberton Township</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic City</td>
<td>Jersey City</td>
<td>Penns Grove Borough</td>
</tr>
<tr>
<td>Bayonne City</td>
<td>Kearny Town</td>
<td>Pennsauken Township</td>
</tr>
<tr>
<td>Belleville Township</td>
<td>Lakewood Township</td>
<td>Perth Amboy City</td>
</tr>
<tr>
<td>Bergenfield Borough</td>
<td>Lindenwold Borough</td>
<td>Phillipsburg Town</td>
</tr>
<tr>
<td>Bloomfield Township</td>
<td>Lodi Borough</td>
<td>Plainfield City</td>
</tr>
<tr>
<td>Brick Township</td>
<td>Long Branch City</td>
<td>Pleasantville City</td>
</tr>
<tr>
<td>Bridgeton City</td>
<td>Millville City</td>
<td>Rahway City</td>
</tr>
<tr>
<td>Burlington City</td>
<td>Monroe Township</td>
<td>Roselle Borough</td>
</tr>
<tr>
<td>Camden City</td>
<td>Montclair Township</td>
<td>Salem City</td>
</tr>
<tr>
<td>Carteret Borough</td>
<td>Mount Holly Township</td>
<td>Seaside Heights</td>
</tr>
<tr>
<td>Cliffside Park Borough</td>
<td>Neptune</td>
<td>Secaucus</td>
</tr>
<tr>
<td>Clifton City</td>
<td>Neptune City Borough</td>
<td>Trenton City</td>
</tr>
<tr>
<td>East Orange City</td>
<td>Neptune Township</td>
<td>Union City</td>
</tr>
<tr>
<td>Elizabeth City</td>
<td>New Brunswick City</td>
<td>Vineland City</td>
</tr>
<tr>
<td>Garfield City</td>
<td>Newark City</td>
<td>Weehawken Township</td>
</tr>
<tr>
<td>Glassboro Borough</td>
<td>North Bergen Township</td>
<td>West New York Town</td>
</tr>
<tr>
<td>Gloucester City</td>
<td>Nutley Township</td>
<td>West New York Township</td>
</tr>
<tr>
<td>Gloucester Township</td>
<td>Old Bridge Township</td>
<td>Willingboro Township</td>
</tr>
<tr>
<td>Hackensack City</td>
<td>Orange City</td>
<td>Winslow Township</td>
</tr>
<tr>
<td>Harrison Town</td>
<td>Passaic City</td>
<td>Woodbridge Township</td>
</tr>
<tr>
<td>Hillside Township</td>
<td>Paterson City</td>
<td>Woodbury City</td>
</tr>
<tr>
<td>Hoboken City</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Appendix B

**NEW JERSEY INNOVATION FELLOWS**

**PROPOSED PROGRAM SPECIFICATIONS**

<table>
<thead>
<tr>
<th>Program Description</th>
<th>The New Jersey Innovation Fellows Grant Program (&quot;NJIF&quot;) is a $10mm “income replacement” program that was authorized through passage of P.L.2021, c.160 (C.34:1B-370 through 34:1B-373).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Purpose</td>
<td>Provide income-replacement funding to teams of entrepreneurs, through the disbursement of fellowship grants in the amount of $200,000 or up to $400,000 facilitating economic growth and job creation in eligible municipalities.</td>
</tr>
<tr>
<td>Program Expiration</td>
<td>Funds will be committed within an estimated 24 months from approval of first applications or until such a time as the funds are depleted.</td>
</tr>
<tr>
<td>Funding Source</td>
<td>Funding for NJ Innovation Fellows comes from legislative appropriation pursuant to P.L. 2021 c.160.</td>
</tr>
</tbody>
</table>
| Applicant Eligibility Requirements | • Consist of a team of no less than three individuals  
• The applicant must submit a complete and well-written business plan for the venture available in presentation format similar to the sample template to be posted on the NJEDA website  
• The venture must operate within New Jersey’s “Targeted Industries”  
• The venture must have a registered address located within an “eligible municipality” within New Jersey that may have a commercial or residential address  
• The venture or proposed business must be led by a team of at-least three (3), full-time entrepreneurs  
• The entrepreneur leadership team must have majority equity interest (>50%) in the applicant  
• At least half of the entrepreneur leadership must certify as “first-time entrepreneurs”  
• Entrepreneur leadership must commit to working at the business on a full-time basis for two years following receipt of the fellowship grant  
  o “Full-Time basis” is 35 hours/week; Entrepreneur leadership must not engage in part-time or outside work for more than 20 hours per week  
• All grant recipients to receive income from award of the Fellows Program must have paid gross-income tax to New Jersey within 60 days leading up to application  
• All grant recipients must commit to continue to pay gross income tax to New Jersey during the program’s two-year period  
• Entrepreneur leadership must commit to participate in a mentorship program for the program’s duration  
• Businesses must be registered with the State within 30 days of award notice in order to close on grant award, as evidenced by a valid business registration.  
• Current tax clearance certificate of the newly formed business  
• Funds must be used as income-replacement |
<table>
<thead>
<tr>
<th>“Applicant”</th>
<th>The “Applicant” is the team of entrepreneurs applying for the fellowship.</th>
</tr>
</thead>
</table>
| **Income Replacement** | Award shall be used as income-replacement  
- Grant must be used for payroll  
- Income-tax payment requirement  
- Applicant must provide proof of payroll management system, e.g.:  
  - Bank payroll agreement & accounts  
  - Payroll software subscription  
  - Payroll service provider agreement |
| **“First-Time Entrepreneur”** | 1. At least 50% of the Approved Business leadership must be “first-time entrepreneurs”  
2. A first-time entrepreneur must certify they have never been listed as a founder, co-founder, or owner of a business entity which operated in a targeted industry in the state of New Jersey and has received third-party funding  
  a. Third-party funding includes professional Angel investment, institutional Venture (VC), or Private Equity (PE) capital |
| **Entrepreneurs’ commitment to venture and Commitment Period** | All entrepreneurs on the leadership team must commit to working at the business on a full-time basis during the commitment period following receipt of the fellowship grant  
- “Commitment Period” is defined as the immediate two years following initial disbursement  
- Entrepreneurs shall leave the workforce to commit to the approved business for two years. Entrepreneurs cannot be employed outside the business or enrolled in classes for over 20 hrs/week in any capacity  
  - Entrepreneurs “Leaving the workforce” includes:  
    - Professionals who are leaving full or part-time, paid position within 60 days before application.  
    - Recent graduates who have a full or part time paid position within 60 days prior to application.  
- Entrepreneurs must sign a legally binding agreement (with ‘clawback’ risks) agreeing to commit to idea/venture on a Full-Time basis  
- EDA may claw-back disbursed grant funding of an amount up to the total previously disbursed as a consequence of non-compliance.  
- “Full-Time” defined as a 35 hrs/week |
| **Reapplication** | Awarded applicants are ineligible from future NJIF grant considerations and award. Ineligible or denied applications may reapply for consideration and/or award in later application rounds. Awardees deemed non-compliant are ineligible for future consideration for approval. |
| **Declination Appeals** | Denied applicants will have 10 business days from date of receipt of declination letter to appeal. |
| **Income Tax Obligation** | All entrepreneurs on the leadership team must have paid income tax to New Jersey in the immediate 60 days prior to application and must provide verification.  
  - If any member of the original awarded team of entrepreneurs ceases to be a New Jersey taxpayer during the time in which fellowship grants are disbursed and the next following two years, the fellowship may be rescinded, and any amount |
<table>
<thead>
<tr>
<th><strong>Targeted Industries</strong></th>
<th>Targeted Industries means any industry <em>identified from time to time by the authority</em> that shall initially include:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Advanced Transportation and Logistics</td>
</tr>
<tr>
<td></td>
<td>• Advanced Manufacturing</td>
</tr>
<tr>
<td></td>
<td>• Aviation</td>
</tr>
<tr>
<td></td>
<td>• Autonomous Vehicle and Zero-emissions research or development</td>
</tr>
<tr>
<td></td>
<td>• Clean Energy</td>
</tr>
<tr>
<td></td>
<td>• Clean Tech</td>
</tr>
<tr>
<td></td>
<td>• Life Sciences</td>
</tr>
<tr>
<td></td>
<td>• Hemp Processing</td>
</tr>
<tr>
<td></td>
<td>• Information and High Technology</td>
</tr>
<tr>
<td></td>
<td>• Finance and Insurance</td>
</tr>
<tr>
<td></td>
<td>• Professional Services</td>
</tr>
<tr>
<td></td>
<td>• Film and Digital Media</td>
</tr>
<tr>
<td></td>
<td>• Non-retail food and beverage business (including food innovation)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Eligible Municipality</strong></th>
<th>Eligible municipality” means any of:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• A city of the first class</td>
</tr>
<tr>
<td></td>
<td>• A municipality with a private research university</td>
</tr>
<tr>
<td></td>
<td>• A municipality that is qualified to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.)</td>
</tr>
<tr>
<td></td>
<td>• A municipality under the supervision of the Local Finance Board pursuant to the provisions of the ”Local Government Supervision Act (1947),” P.L.1947, c.151 (C.52:27BB-1 et seq.)</td>
</tr>
<tr>
<td></td>
<td>• A municipality identified by the Director of the Division of Local Government Services in the Department of Community Affairs to be facing serious fiscal distress</td>
</tr>
<tr>
<td></td>
<td>• A SDA municipality</td>
</tr>
<tr>
<td></td>
<td>• A municipality in which a major rail station is located</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Award Amount</strong></th>
<th>The base award shall be $200,000 USD per team and shall be used as income-replacement for entrepreneurs who leave the workforce to open and operate a business in an eligible municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• A team may receive an additional $50,000 bonus if one of the identified Entrepreneurs resides in an Opportunity Zone at the time of application.</td>
</tr>
<tr>
<td></td>
<td>• A team of Entrepreneurs that includes at least one member who is a graduate of a New Jersey college or university, or is a diverse entrepreneur, and meets the eligibility requirements, may receive a $50,000 legislated bonus for each certifying entrepreneur leader for up to three bonus awards totaling $150,000</td>
</tr>
<tr>
<td></td>
<td>o “New Jersey college or University” includes 2- or 4- year colleges</td>
</tr>
<tr>
<td></td>
<td>o “Diverse Entrepreneur” refers to the definition established in section 2 of P.L.1997, c.349 (C.54:10A-5.29)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Funding Disbursement</strong></th>
<th>The full award will be disbursed quarterly to grantees, over two years immediately following award</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum disbursement requirements:</td>
</tr>
<tr>
<td></td>
<td>• Certified organizational chart demonstrating at least three entrepreneurs are managing the business</td>
</tr>
</tbody>
</table>
- Quarterly management prepared financial statements
  - Annual accountant prepared financial statements
- Verification of gross income tax withholding (for example, NJ WR-30)
- Proof of regular mentor-program engagement
- Certification that at least three entrepreneurs are managing the business
- Mentorship attendance record, evidenced by signed program instructor/advisor form(s)
- Current Business’ address

| Administration & Management Fees | There will be a 5% fee assessed on the full appropriated amount for NJEDA’s administration and fund the mentorship requirement. Additionally, EDA will charge a $250 application fee. |
Appendix C

Qualifying Questionnaire

The New Jersey Innovation Fellows program’s minimum eligibility requirements are specified by legislation. The minimums are also included in the table below for reference and will be made publicly available leading to the application period to allow potential applicants to self-assess alignment with requirements and prospect of qualification.

<table>
<thead>
<tr>
<th>Qualifying Questions</th>
<th>Y/N</th>
<th>Company's Address (Must be in an eligible, NJ municipality)</th>
<th>x = Qualified of Total, n = Total</th>
<th>Total of entrepreneurs' percentage interest in applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the applicant have at least three entrepreneurs that are willing to give FT commitment to its development over the next two years?</td>
<td>Y/N</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the applicant have a written business plan?</td>
<td>Y/N</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is, or what will be, the registered address of the business? (Is/Will the business be in an eligible municipality?)</td>
<td>Company's Address (Must be in an eligible, NJ municipality)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What fraction of applicant's leadership team of entrepreneurs (x/n) are first-time entrepreneurs? Policy dictates no less than half of the members of the entrepreneurship leadership team be first-time entrepreneurs.</td>
<td>x = Qualified of Total, n = Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What total equity interest in the applicant do the entrepreneurs have?*</td>
<td>Total of entrepreneurs' percentage interest in applicant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the Entrepreneur Leadership commit to program mentorship requirements?</td>
<td>x = Qualified of Total, n = Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have the members of the team paid gross income tax to New York?</td>
<td>Y/N</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Question</td>
<td>Y/N</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-----</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jersey within the last sixty (60) days prior to the application date?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do all members of the team commit to pay gross income tax to New Jersey for the two years following the initial disbursement of the fellowship grant?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix E

Competitive Review Scale:

**Business Plan Scoring:** 0 – 5 points // These five (5) questions, each worth one point, will evaluate the clarity of the applicant plan’s identified problem. This analysis will also include the plan’s clarity in identifying and analyzing its total addressable market (TAM), report on the competitive landscape, go-to-market plan, and a clearly articulated value proposition. A hypothetical score is filled-in below.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the applicant have a clearly identified problem?</td>
<td>0 or 1</td>
</tr>
<tr>
<td>Is the identified problem and TAM &quot;significant?&quot;</td>
<td>0 or 1</td>
</tr>
<tr>
<td>Does the applicant present a detailed report on the competitive landscape?</td>
<td>0 or 1</td>
</tr>
<tr>
<td>Does the applicant present a detailed &quot;go-to-market&quot; plan?</td>
<td>0 or 1</td>
</tr>
<tr>
<td>Does the applicant have a clearly articulated value proposition?</td>
<td>0 or 1</td>
</tr>
</tbody>
</table>

**Operations Scoring:** 0 - 4 points // These four (4) questions, each worth one point, evaluates clear articulation of finance & accounting management plans, subject matter competencies amongst the applicant’s managing entrepreneurs, Diversity, Equity and Inclusion considerations, and clearly delineated roles and responsibilities amongst the managing entrepreneurs; and clear articulation of needed resources

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the applicant have a clearly articulated finance &amp; accounting management plan?</td>
<td>0 or 1</td>
</tr>
<tr>
<td>Does the applicant have industry and subject-matter competencies amongst its managing entrepreneurs, and does it have clearly delineated roles and responsibilities amongst the managing entrepreneurs?</td>
<td>0 or 1</td>
</tr>
</tbody>
</table>
**Diversity & Inclusion:** Please submit a thesis/plan/policy that will support the company’s buildout and development with consideration for diversity, equity, & inclusion.

**Scorer’s Question:**

Did the applicant attach a diversity & inclusion thesis/plan that will support and guide the company’s buildout and development plans? **Y/N**

**Question:**

If "Y" above, 1pt if “N”, 0pt

Does the applicant clearly state other needed resources (e.g. financial, human capital, operating environment, etc) beyond award in order to effectuate their plan? **0 or 1**

**Management Scoring:** 4 – 20points // These four (4) questions evaluate years of management’s general professional experience; years of relevant industry expertise; expertise and competency in sales, operations, product development and finance.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
</table>
| How many years of professional experience does the entrepreneurial team have on average? | Range 1pts - 5pts  
<3 yrs = 1pt  
3yrs <= x >= 7yrs = 2.5pts  
>7yrs = 5pts |
| How many years of expertise does the entrepreneurial team have, on average, in the addressable industry? | Range 1pts - 5pts  
<3yr = 1pt  
3yrs <= x >= 3yrs = 2.5pts  
>yr = 5pts |
| Does the entrepreneurial leadership have expertise and competency in sales, operations, product development and finance? | Range 1pts - 5pts  
<3 yrs = 1pt  
3yrs <= x >= 7yrs = 2.5pts  
>7yrs = 5pts |
| How long have the entrepreneurs been working together? | Y/N; Range 1 - 5  
<1 yr = 1pt  
1yr <= x >= 3yrs = 2.5pts  
>3yrs = 5pts |
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – FILM TAX CREDIT PROGRAM

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

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

APPLICANT: Universal Television LLC

APPLICANT BACKGROUND:
Universal Television LLC is the production company responsible for the TV Series - The Best Man: Final Chapters. Based on both Malcolm Lee’s The Best Man and The Best Man Holiday films, this new miniseries, The Best Man: Final Chapters catches up with the friends as relationships evolve and past grievances resurface in the unpredictable stages of midlife crisis meets midlife renaissance.

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

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

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Total Film Production Expenses</td>
<td>$79,874,632.00</td>
</tr>
<tr>
<td>B. Total Post-Production Expenses</td>
<td>$4,339,200.00</td>
</tr>
<tr>
<td>C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses)</td>
<td>$45,031,301.56</td>
</tr>
</tbody>
</table>

Percentage Calculation = C/(A-B) = 60%

**Criterion Met**

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

<table>
<thead>
<tr>
<th>Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.</th>
<th>$45,247,725.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criterion Met</td>
<td>Yes</td>
</tr>
</tbody>
</table>

### AWARD CALCULATION

<table>
<thead>
<tr>
<th>Base Award Criteria</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Estimated Qualified Film Production Expenses incurred within 30-mile radius of Columbus Circle, NYC</td>
<td>$18,612,682 x 30% =</td>
<td>$5,583,804.54</td>
</tr>
<tr>
<td>35% of Estimated Qualified Film Production Expenses</td>
<td>($45,247,725 - $18,612,682) x 35% =</td>
<td>$9,322,264.97</td>
</tr>
</tbody>
</table>

**Bonus Criteria Met**

| Submission of Diversity Plan deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses. | $45,247,725 x 2% = | $904,954.50 |

| Total Award | $15,811,024 |

**APPLICATION RECEIVED DATE:** 6/6/2022  
**DATE APPLICATION DEEMED COMPLETE:** 8/12/2022  
**PRINCIPAL PHOTOGRAPHY COMMENCEMENT:** 3/14/2022  
**PRINCIPAL NJ PHOTOGRAPHY LOCATION:** Kearny Town, NJ  
**ESTIMATED DATE OF PROJECT COMPLETION:** 6/28/2022  
**APPLICANT’S FISCAL YEAR END:** 12/31/2022  
**TAX CREDIT VINTAGE YEAR(S):** 2022  
**TAX FILING TYPE:** Corporate Business Tax  
**ANTICIPATED CERTIFICATION DATE:** 12/31/2023
In general, the final documentation shall be submitted to the Authority no later than four years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to N.J.S.A. 54:10A-5 and three years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.

The Garden State Film and Digital Media Jobs Act originally provided a total of $100 million in tax credits for State Fiscal Year 2023. On September 14, 2022, NJEDA Board approved rollover of $28.18 million of unused funds from prior year and rollover of $200 million of unused funds from Film Lease Partner program to State Fiscal Year 2023. As a result, available tax credit for State Fiscal Year 2023 is to $328,180,848.

**APPROVAL REQUEST:**
The Members of the Authority are asked to initially approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority’s final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.
FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $150,000

TERMS OF LOAN: 10-Year Term. The proposed loan will have a fixed interest rate of 3% with no payments for the first 84 months. Interest during this period will accrue and capitalize. Beginning month 85 principal plus interest payments will begin for the remaining three year term to fully amortize the loan.

APPLICANT BACKGROUND:
Renovate Robotics is a construction tech company working to automate the installation of shingles and solar panels on single-family residences. Their ambition is to address two main challenges experienced by the roofing industry in the US: increasing demand for new roofs and shortage of labor. To address these challenges, Renovate Robotics builds and operates robotic equipment that automatically installs shingles and solar panels on single-family residences. The system is designed to (i) reduce injuries and fatalities for workers, (ii) increase productivity of roofing crews, and (iii) reduce installation cost of asphalt shingles and residential solar.

Renovate Robotics plan to manufacture the first full system in the fall of 2022 and begin operating as a roofing contractor in 2023. The first customers will be large, regional roofing companies that will subcontract roof installations to the robot-operated crew. These projects will demonstrate system productivity and reliability. To scale the company, Renovate Robotics plans to transition to a leasing model – where roofing contractors can pay a monthly fee to use a robot system to augment their operations.

OTHER NJEDA SERVICES:
None

APPROVAL REQUEST:
Approval is requested for $150,000 NJ Accelerate loan as proposed.

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $150,000

TERMS OF LOAN: 10-Year Term. The proposed loan will have a fixed interest rate of 3% with no payments for the first 84 months. Interest during this period will accrue and capitalize. Beginning month 85 principal plus interest payments will begin for the remaining three year term to fully amortize the loan.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Capital</td>
<td>$150,000.00</td>
</tr>
</tbody>
</table>

TOTAL COSTS: $150,000.00

JOBS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NJ Full Time Jobs at Application</td>
<td>2</td>
</tr>
<tr>
<td>Expected New Full Time Eligible Jobs at Project Site</td>
<td>5</td>
</tr>
<tr>
<td>Full Time Maintained Jobs at Project Site</td>
<td>2</td>
</tr>
<tr>
<td>Estimated Construction Jobs</td>
<td>0</td>
</tr>
</tbody>
</table>

DEVELOPMENT OFFICER: Monika Athwal
UNDERWRITER OFFICER: Kremena Mironova

PROD-00305596

Renovate Robotics
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: November 16, 2022

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 305734 Hamilton Township (Hamilton Landfill) $2,996,616.06

**Total HDSRF Funding – November 2022** $2,996,616.06

Prepared by: Kathy Junghans

___________________________
Tim Sullivan, CEO
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Hazardous Discharge Site Remediation

APPLICANT: Hamilton Township – Hamilton Landfill

PROJECT USER(S): Same as applicant

PROJECT LOCATION: Nineteenth Street Hamilton Township Atlantic County

APPLICANT BACKGROUND:

Between December 2010 and May 2019, Township of Hamilton received an initial grant in the amount of $426,003 under P33959 and a supplemental grant in the amount of $213,582 under P45584 for Preliminary Assessment and Remedial Investigation. The project site identified as Block 994, Lot 57 is a former landfill which has potential environmental areas of concern (AOC). The Township of Hamilton owns the project site and has satisfied proof of site control. It is the Township’s intent upon completion of the environmental investigation and remediation activities, to redevelop the project site for renewable energy.

NJDEP has approved this supplemental request for Remedial Action (RA) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

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. The matching 25% of funds, $998,872.02 is being provided by the developer.

OTHER NJEDA SERVICES:
$426,003, P33959; $213,582, P45584

APPROVAL REQUEST:

Township of Hamilton is requesting aggregate supplemental grant funding to perform RA in the amount of $2,996,616.06 at the Hamilton Sanitary Landfill project site. Total grant funding including this approval is $3,636,201.06.

FINANCING SUMMARY:

<table>
<thead>
<tr>
<th>GRANTOR:</th>
<th>Hazardous Discharge Site Remediation Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMOUNT OF GRANT:</td>
<td>$2,996,616.06</td>
</tr>
<tr>
<td>TERMS OF GRANT:</td>
<td>No Interest; No Repayment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROJECT COSTS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remedial Action</td>
</tr>
<tr>
<td>EDA Administrative Cost</td>
</tr>
</tbody>
</table>

TOTAL COSTS: $2,997,116.06

DATE: 10/25/2022
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan

DATE: November 16, 2022

SUBJECT: New Jersey Wind Port – Bond Issuance, Official Intent Resolution

Request

Members of the Board are asked to approve an Official Intent Resolution (the “Official Intent Resolution”), to allow for proceeds from a future tax-exempt bond issuance to be used to reimburse expenses being incurred by the Authority towards the development of the New Jersey Wind Port (“NJWP”).

The Official Intent Resolution states that the maximum principal amount of obligations expected to be issued for the project is $160 million. This figure reflects NJWP’s anticipated funding needs of $145 million through calendar year 2023, in addition to anticipated costs and contingency. Staff are currently working with the New Jersey Department of the Treasury on the optimal bond sizing, timing and tranching but anticipate an issuance in Quarter One (1) of 2023.

The attached Official Intent Resolution (Exhibit A) is an Official Intent only as required pursuant to the applicable U.S. Treasury Regulations (the “Treasury Regulations”). The Official Intent Resolution does not authorize the Authority to issue the Obligations, which issuance may only be authorized by subsequent resolution of the Authority adopted in accordance with law.

Background

On behalf of the State, the Authority is leading the development of the NJWP. The NJWP is a new purpose-built offshore wind (OSW) marshalling and manufacturing port at Lower Alloways Creek, Salem County; a first-of-its kind asset in the U.S. and centerpiece of the State’s broader strategy for anchoring an offshore wind supply chain.

The NJWP has secured $478.2 million in state funding to date. In order to secure the balance
of funding needed for completion of both Phase 1 and Phase 2, EDA intends to issue bonds underpinned by a lease-leaseback with Treasury — a financing mechanism that was successfully used for the development of the State’s taxation and health buildings which the Authority also delivered on behalf of the State. Staff are currently working with the New Jersey Department of the Treasury on the optimal bond sizing, timing and tranching but anticipate an initial issuance in Quarter One (1) of 2023. Sizing and timing of subsequent issuances is not yet known and remains subject to final design decisions.

The Authority’s approach to financing the NJWP balances the need for funding and schedule certainty with the need to minimize negative carry. It also reflects that costing remains subject to design decisions, with Phase 2 currently at a preliminary stage of design. To this end, the NJWP’s financing will be tranched as design decisions are made and in-line with parcel development readiness.

The Treasury Regulations require that the Official Intent state the maximum principal amount of obligations expected to be issued for the project. Such expected maximum principal amount set forth in the attached Official Intent Resolution reflects the NJWP’s anticipated funding needs through calendar year 2023, in addition to anticipated issuance costs and contingency. NJWP’s anticipated funding need of $145 million through calendar year 2023 was determined by staff with input from the Authority’s construction manager, AECOM Tishman, owner’s representative, WSP USA, and engineer-of-record, Moffatt & Nichol (M&N). Bond proceeds from the Quarter One (1) 2023 issuance are intended to be used to fund construction of NJWP Parcels G, C, and D, utilities infrastructure, and Parcel B early site works. Staff intend to return to the Board for subsequent bond issuances, with a second issuance currently targeted to occur in late 2023.

To allow for future reimbursement of project costs from tax-exempt bond proceeds, Staff are seeking to adopt the Official Intent Resolution, enclosed as Exhibit A. The Official Intent Resolution would apply to all project-related expenses incurred by the Authority on or after September 17, 2022. Staff will continue to submit, as required, any new expense commitments not previously approved to the Board for its approval. The Official Intent Resolution provides that the expected maximum principal amount of Obligations expected to be issued is not exceeding $160 million.

Expenditures up to an amount not in excess of 20 percent of the aggregate issue price of the Obligations incurred by the Authority prior to September 17, 2022, may be reimbursed from tax-exempt bonds only if such expenditures qualify as “preliminary expenditures”. Preliminary expenditures include architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction. Staff will work with bond counsel to determine precisely which costs are eligible and will report back to the Board at a future meeting.

The attached Official Intent Resolution is a declaration of intent only as required pursuant to Treasury Regulations. The attached Official Intent Resolution does not authorize the Authority to issue the Obligations, which issuance may only be authorized by subsequent
resolution of the Authority adopted in accordance with law. If taxable bonds are issued to finance all of a portion of the NJWP, then such taxable bonds will not be subject to the federal tax law requirements set forth in this Official Intent Resolution.

Recommendation

Members of the Board are asked to approve an Official Intent Resolution with a not-to-exceed amount of $160 million, to allow for proceeds from a future bond issuance to be used to reimburse expenses being incurred by the Authority towards the development of the NJWP.

Tim Sullivan, CEO

Prepared by: Jonathan Kennedy & Dan Sommer
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION AND DECLARATION OF OFFICIAL INTENT WITH RESPECT TO AN OFFSHORE WIND PORT PROJECT FOR THE PURPOSE OF PERMITTING THE PROCEEDS OF BONDS, NOTES OR OTHER OBLIGATIONS WHICH MAY BE ISSUED BY THE AUTHORITY TO BE USED IN CONFORMITY WITH APPLICABLE REGULATIONS OF THE U.S. TREASURY DEPARTMENT TO REIMBURSE EXPENDITURES PAID HEREAFTER (OR WITHIN 60 DAYS PRIOR TO THE DATE HEREOF).

WHEREAS, the New Jersey Economic Development Authority (the “Authority”) intends to undertake a certain project (the “Project”), consisting of the planning, development, dredging, construction and equipping of an offshore wind (“OSW”) focused port to be used for marshalling and manufacturing on an approximately 220 acre site to be leased by the Authority on the eastern shores of the Delaware River approximately seven and a half (7½) miles southwest of the City of Salem, Salem County, New Jersey; and

WHEREAS, financing for all or a portion of the costs of the Project is expected to be obtained through the issuance by the Authority of bonds, notes or other obligations in a maximum expected principal amount not exceeding one hundred sixty million dollars ($160,000,000) (the “Obligations”); and

WHEREAS, the Authority has made or caused to be made on its behalf, and may hereafter make or cause to be made on its behalf, expenditures to pay costs of the Project (the “Expenditures”), which Expenditures the Authority intends to reimburse with proceeds of the Obligations; and

WHEREAS, the applicable regulations of the U.S. Treasury Department (“Treasury Regulations”) provide that, among other things, an expenditure for a governmental purpose that is originally paid from a source other than a reimbursement bond may be reimbursed with proceeds of a reimbursement bond, provided that not later than 60 days after payment of the original expenditure, the issuer of the obligations takes official action declaring its intent to issue bonds to finance the expenditures; and

WHEREAS, the applicable Treasury Regulations further provide that certain preliminary expenditures, in an amount not exceeding 20% of the issue price of the bond issue, may be reimbursed with proceeds of the Obligations without the need for the adoption of an official intent; such preliminary expenditures include architectural, engineering, surveying, soil testing,
reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction; and

WHEREAS, the Obligations, if and when issued, shall not, in any way, be a debt or liability of the State of New Jersey (the “State”) or of any political subdivision thereof (other than the Authority to the limited extent as may be set forth in a subsequent Resolution of the Authority authorizing the Obligations) and shall not create or constitute an indebtedness, liability or obligation of the State or of any political subdivision thereof (other than the Authority to the limited extent as may be set forth in a subsequent Resolution of the Authority authorizing the Obligations) or be or constitute a pledge of the faith and credit of the State or any political subdivision thereof (other than the Authority to the limited extent as may be set forth in a subsequent Resolution of the Authority authorizing the Obligations). The Authority has no taxing power.

NOW, THEREFORE, be it RESOLVED by the members of the Authority (not less than seven members affirmatively concurring) as follows:

1. As used in this Resolution, the terms defined in the recitals shall have the meanings therein set forth.

2. Pursuant to and in accordance with Treasury Regulations Section 1.150-2, the Authority hereby declares the intent of the Authority to issue the Obligations in the expected maximum principal amount not exceeding one hundred sixty million dollars ($160,000,000) and to use the proceeds of the Obligations to pay or reimburse the Authority for Expenditures for costs of the Project.

3. This Resolution is a declaration of intent only. This Resolution does not authorize the Authority to issue the Obligations, which issuance may only be authorized by subsequent resolution of the Authority adopted in accordance with law.

4. This Resolution shall take effect upon its adoption in accordance with law.

Adopted: November 16, 2022
TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: November 16, 2022

SUBJECT: New Jersey Wind Port – Request to approve the Authority entering into a long-lead materials purchase agreement with Atlantic City Electric (ACE)

REQUEST

The Members of the Board are asked to approve the Authority entering into the Long Lead Items Purchasing Agreement, which is an agreement with Atlantic City Electric ("ACE") for the purchase of certain long-lead materials necessary to connect the New Jersey Wind Port (NJWP) to the power grid, in order to safeguard the grid connection’s schedule.

The agreement, which has a not-to-exceed amount of $20 million, is necessary to safeguard the purchase of materials with long lead times or that are at risk of delay due to global supply chain disruption – recognizing the need to expedite connecting the Port to the grid in concert with its inaugural subtenant. Approval of this agreement will bring total approvals for the development of a grid connection to $25.88 million. The construction of the grid connection will be governed by a separate agreement with ACE, which staff expect to submit to the Board in early 2023.

Funding for the agreement will be sourced from a reallocation of funding from Parcel A. In March 2022, the Board approved $338.16 million in construction funding for Parcel A which included $30.7 million in contingency. Staff are seeking approval to re-allocate $20 million from this contingency amount to the ACE long lead item agreement, reducing Parcel A funding approval to $318.16 million. Parcel A currently has an estimated cost of $307 million and is approximately 20 percent complete, with all major works packages awarded by AECOM Tishman.

BACKGROUND

As a Greenfield site in a remote part of the state, the NJWP site is not currently connected to the state’s power grid. As the local power provider for the region in which the port is located, ACE, will need to construct an approximately 12-mile 69kV transmission line to connect a planned substation at the site to its existing network.
In January 2021, the Authority’s Board approved $740,000 in funding for ACE to undertake a feasibility study into the optimal route for a line extension taking into account technical viability, cost, and minimization of impacts to the built and natural environment. The study considered a fifty-five square mile area in order to arrive at a preferred route which will run along existing ACE rights-of-ways, including through the Township of Quinton.

In April 2022, the Board approved an additional $5.14 million for a design agreement with ACE, through which ACE would contract for the detailed design of the line. The design is currently sixty percent complete in accordance with the design schedule.

The Board was advised at the time of securing design funding that staff would return for additional approval of an agreement with ACE covering the purchase of construction materials. With design completion now at sixty percentage, staff are now satisfied that material types, quantities and expected costs are sufficiently known in order to proceed to the next stage of the project. The materials and their estimated costs are outlined in Figure 1 below. Recognizing that costs are estimates as opposed to contracted prices between ACE and their sub-suppliers, the agreement allows ACE to reallocate funds between cost items provided total costs remain within the overall $20 million cap, as well as to draw on a 15 percent contingency.

The approval of long lead items ahead of full construction is necessary to safeguard the construction schedule with materials facing long lead times or risks of disruption due to broader supply chain volatility. It also recognizes the Authority’s negotiated cost obligations to staff’s recommended inaugural subtenant should a power line connection not be in place by the start of the sublease. As outlined in depth in a separate memorandum seeking Board approval for the Authority to enter into a development and sublease agreement, the Authority would be obligated to share in the costs of consumption with the subtenant should a permanent power connection not be in place and temporary power solution, such as diesel generators, be required. Bringing forward the approval of funding for long lead items reduces that risk.

**Figure 1 – Materials covered by the ACE materials purchase agreement**

<table>
<thead>
<tr>
<th>Materials</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Steel Poles and Anchor Bolt Cages</td>
<td>$16,936,000</td>
</tr>
<tr>
<td>2. Conductor</td>
<td>$204,000</td>
</tr>
<tr>
<td>3. OPGW / Static Wire</td>
<td>$62,334</td>
</tr>
<tr>
<td>4. Circuit Breakers (ACE Substation)</td>
<td>$71,856</td>
</tr>
<tr>
<td>5. CVT’s (ACE Substation)</td>
<td>$17,247</td>
</tr>
<tr>
<td><strong>Total Estimated Cost</strong></td>
<td><strong>$17,291,437</strong></td>
</tr>
<tr>
<td><strong>Total Contingency (15%)</strong></td>
<td><strong>$2,593,716</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$19,885,153</strong></td>
</tr>
</tbody>
</table>

Funding for the agreement will be sourced from a reallocation of funding from Parcel A. In March 2022, the Board approved $338.16 million in construction funding for Parcel A which included $30.7 million in contingency. Staff are seeking approval to re-allocate $20 million from this amount to the ACE long lead item agreement, reducing Parcel A funding approval to $318.16
million. Parcel A currently has an estimated total cost of $307 million and is approximately 20 percent complete, with all major works packages awarded by AECOM Tishman.

AGREEMENT TERMS

EDA shall pay ACE for actual costs incurred by ACE with respect to the procurement of the long lead items, not to exceed the estimated market cost of the items plus 15% contingency for a maximum cost total of $19,885,153. EDA shall pay ACE prior to ACE executing a purchase order for each specific item or set of items.

ACE shall provide monthly written updates on the status of each procurement, including any impacts to the transmission line construction schedule.

ACE will procure the long lead items in a competitive bid process and in compliance with federal and State laws and regulations, including Occupational Safety and Health Act ("OSHA") Construction Safety and Health Standards, Construction Industry Standards, and General Industry Standards.

REQUEST

The Members of the Board are asked to approve the Authority entering into an agreement with Atlantic City Electric ("ACE") for the procurement of long lead items necessary to connect the New Jersey Wind Port (NJWP) to the power grid.

Tim Sullivan, CEO

Prepared by: John Kuehne
Exhibit A: Materials purchase agreement

LONG LEAD ITEMS PURCHASING AGREEMENT

This Long Lead Items Purchasing Agreement ("Agreement") is entered into on this ___ day of ________, 2022, by and between the New Jersey Economic Development Authority ("EDA" or "Customer"), a body corporate and politic organized and existing under the laws of the State of New Jersey having its principal offices located at 36 West State Street, P.O. Box 990, Trenton, NJ 08625 and Atlantic City Electric Company ("ACE" or the "Company"), a New Jersey corporation. Customer and ACE may each be referred to herein as a "Party" and may be referred to collectively herein as the "Parties".

RECITALS

WHEREAS, ACE owns and operates a state and federally regulated electric distribution and transmission system serving wholesale and retail customers throughout the State of New Jersey.

WHEREAS, the EDA requests and has applied for 69kV electric service from ACE at a new development site known as the New Jersey Wind Port as further described in the Attachment A: Scope of Work, which is incorporated by reference herein.

WHEREAS, the New Jersey Wind Port development will provide a location for essential staging, assembly, and manufacturing activities related to offshore wind projects on the East Coast.

WHEREAS, ACE is designing the Project, as defined below, under a separate Design Agreement entered into on May 11, 2022 with EDA and is working proactively with EDA to complete construction of the transmission line by the second quarter of 2024 and procure Long Lead Items, as defined below, needed in advance of construction.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, the Parties do hereby mutually agree and covenant as follows:

ARTICLE 1 DEFINITIONS

Actual Costs means all direct costs, and Indirect Charges incurred to procure Long Lead Items, attached and incorporated as Attachment A herein ("SOW"). Actual Costs shall include Contribution in aid of Construction ("CIAC") tax gross up on all billable charges, where applicable.

Affiliate of any entity means any other entity that directly or indirectly controls, is controlled by or is under common control with such entity. An entity shall be deemed to have control of another entity if the controlling entity owns 10% or more of any class of voting securities (or other ownership interests) of the controlled entity or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled entity, whether through ownership of stock, by agreement or otherwise.

Agreement shall have the meaning set forth for such term in Article 3.1.

Agreement Documents shall have the meaning set forth in Article 3.1.

Agreement Change Authorization Form shall mean the form used by the Parties to effectuate a change in Agreement terms.

Effective Date shall mean the date upon which the Agreement is executed by the Parties.
Estimated Costs shall have the meaning set forth for such term in Article 2.4.

Force Majeure shall have the meaning set forth in Article 7.

Goods shall mean the product(s) identified in the Agreement to be delivered or erected by ACE.

Indirect Charges shall mean ACE costs such as special billing, accounting, and employee expenses (e.g., mileage).

Long Lead Items means all materials necessary for the construction of the 69kV electric service from ACE to the New Jersey Wind Port, which are detailed in the Attachment A: Scope of Work, which is incorporated by reference herein.

Material shall mean any apparatus, products, supplies, documentation drawings and designs to be provided by ACE and incorporated into the Goods and delivered by ACE under the Agreement.

Maximum Costs shall mean Estimated Costs plus a 15% contingency on each Long Lead Item, as memorialized in Attachment A.

OSHA shall have the meaning set forth for such term in Article 6.2.

Parties shall mean ACE and Customer when referred to together. When referred to individually, each is sometimes referred to as a Party.

Project shall mean the overall effort of which the Goods provided and Services performed under this Agreement will be a component.

Project Schedule shall mean having the Long Lead Items in advance of start of construction for the 69kV electric service to the Wind Port.

Scope of Work shall mean a description, included in Attachment A to the Agreement, of the Goods to be delivered and the Services to be performed by ACE under the Agreement.

Services shall mean any and all obligations, duties, and responsibilities necessary to the successful completion of the part of the Project assigned to, or undertaken by, ACE under the Agreement Documents. Services, as used herein, shall not be deemed to include the Goods actually delivered by ACE in compliance with the Agreement.

Subcontractor shall mean an individual, firm, or corporation having a direct agreement with ACE, or with any other Subcontractor of any tier, for the performance of a part of the Work, or any part thereof, including, without limitation, the supply of principal items of Services, Goods, Material and/or equipment to be used in or in connection with the Work.

Taxes shall be interpreted to include all taxes, duties, tariffs, and similar levies, charges, fees or costs, other than those related to income, regardless of nomenclature and method of determination, applied by any and all authorities and jurisdictions to any and all Goods and/or Services furnished in accordance with this Agreement.

Terms shall have the meaning set forth in Article 2.

Terms and Conditions shall mean these terms and conditions.
**Work** shall mean all of the Goods and Services provided by ACE under the Agreement. The term "Work" shall include the furnishing of all labor, Material, equipment, and other incidentals related to the procurement of Long Lead Items. Without limiting the generality of the foregoing, the term "Work" also includes, and ACE shall furnish, unless the context clearly indicates otherwise, all or any part of such labor (including the services of all trades), supervision, methods, Materials, equipment, and transportation, or other facilities as may be necessary to complete the Agreement, whether or not fully listed or detailed in the Scope of Work.

**ARTICLE 2   TERMS**

2.1 ACE will proceed with ordering and procuring certain Long Lead Items as set forth in the Attachment A: Scope of Work to support the results of the Feasibility Study already performed and a contemplated construction agreement that will be negotiated between the parties to provide EDA 28 MVA of capacity for the Project in accordance with all applicable laws and as set forth more fully herein. Under this Agreement, NJEDA will commit to payment of and pay the costs as presented by ACE for this Procurement. ACE is under no obligation to proceed with any Purchase Order without this NJEDA commitment to pay for these Purchase Orders.

2.2 Following contract award, EDA shall pay to ACE all Actual Costs incurred by ACE with respect to the procurement, provided such Long Lead Items shall not exceed Maximum Costs of individual Long Lead Items as set forth in Attachment A. EDA shall make payment thirty (30) Days after receipt of a proper application for payment by invoice as approved by ACE for the percentage of Work completed per the terms of the contract. Customer shall pay to ACE all Actual Costs incurred by ACE with respect to the Procurement, provided such Long Lead Items shall not exceed estimated values (including contingency) of individual long lead materials as set forth in Attachment A. As applicable, Actual Costs shall include also CIAC tax gross up on all billable charges where applicable. Any additional costs exceeding Maximum Costs shall be subject to Customer’s Board review and approval. Customer shall have no authorization to pay increased costs until such Board approval is obtained and ACE shall have no obligation to continue to perform the terms of this Agreement until such approval is obtained by Customer and provided to ACE in writing; if approval is not granted, ACE reserves the right to terminate this Agreement for cause.

2.3 Procurement of Long Lead Items with funds provided by this Agreement shall be accomplished in a manner consistent with the ACE’s policies and procedures to ensure that the items were procured through a competitive bid process and in compliance with federal and state laws and regulations.

2.4 ACE anticipates procuring based on the times in Attachment A and shall provide Customer with a written update on the procurement status and shall include procurement updates on a monthly basis with Customer, including any change to the dates in the Project Schedule. Within these updates, ACE will notify Customer of any reasonably anticipated or known impediments to the procurement of the Long Lead Items. Upon such notification, the Parties shall determine together the best course of action to maintain the Project Schedule. Thereafter, Customer shall have the right, at its sole option, to consent to ACE’s continuing performance of the procurement or to terminate the Agreement, and Customer shall be liable to ACE for Actual Costs as of the termination date and any such costs necessary to effectuate that termination.

2.4 This Agreement includes ACE’s current estimate of the costs (the “Estimated Costs”) that it will incur to procure the Long Lead Items. The Estimated Costs are estimates only and their inclusion in this Agreement does not affect Customer’s obligation to pay ACE its Actual Costs.
ARTICLE 3   PRELIMINARY MATTERS

3.1 Agreement. The Agreement shall consist of the document executed by both Parties that describes the Scope of Work as well as all Attachments, amendments or modifications thereto, and any agreed upon Agreement Change Authorization Forms. The above documents shall be referred to collectively as the “Agreement Documents”.

ARTICLE 4   DISPUTE RESOLUTION

(i) Executive Negotiation. During the first ten (10) days following the delivery of any Dispute notice (and during any extension agreed to by the Parties, the “Negotiation Period”) an authorized executive officer of Customer (the "Customer’s Executive") and an authorized executive officer of ACE (the "ACE Executive") shall attempt in good faith to resolve the Dispute through negotiations. If such negotiations result in an agreement in principle among such negotiators to settle the Dispute, they shall cause a written settlement agreement to be prepared, signed and dated (an "Executive Settlement"), whereupon the Dispute shall be deemed settled, and not subject to further dispute resolution.

(ii) Non-Binding Mediation is intended to assist the Parties in the resolution of disputes under this Agreement. Within ten (10) business days of submission of a dispute to Non-Binding Mediation, the Parties shall select a mediator by mutual agreement or, if agreement cannot be reached within such time period, the Parties shall promptly request a list of five (5) names of mediators from the American Arbitration Association and select a mediator from such list by mutual agreement within five (5) business days of receipt. Any mediator selected by the Parties shall: (i) be an appropriately experienced and qualified professional; (ii) have no current or ongoing relationship with any Party; (iii) agree to provide a decision within ten (10) business days of the submission to the mediator of the written statement of each Party’s respective position; and (iv) be required to execute procurement and compliance forms and enter into a procurement agreement with EDA, in each case in a form acceptable to EDA in its sole discretion.

(iii) Unless otherwise agreed by the Parties, the Non-Binding Mediation shall be conducted in accordance with rules and procedures reasonably determined by the mediator which such rules and procedures shall require that the Parties submit to the mediator, within ten (10) business days of the selection of the mediator, their respective positions, in writing and that the mediator shall render a decision within ten (10) business days of the submission of the written positions of the Parties.

(iv) The Parties shall each be responsible for: (i) their own costs to participate in the Non-Binding Mediation, including the costs for experts, attendees, graphics or otherwise; and (ii) an equal share of the costs: (x) for the services of the mediator; and (y) of any administrative services used for the Non-Binding Mediation, such as conference facilities.

(v) No mediator will have the authority to render a binding decision as to any dispute or to impose a settlement upon the Parties. The Parties may reach a separate agreement in Non-Binding Mediation that will be final and binding on the Parties, subject to any necessary approvals.

(vi) For the avoidance of doubt:
   (a) the use of Non-Binding Mediation by the Parties shall not be construed, in whole or in part, as a waiver, release or modification of any provisions of or requirements under the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq., including but not
(b) neither the use of Non-Binding Mediation, nor anything in this Section, shall be construed as or constitute a waiver by the Parties of any claim or defense otherwise available in any subsequent legal action, including any defense that any claim or part of a claim fails to comply with the notice provisions of the Contractual Liability Act; and

(vi) Non-Binding Mediation shall not be a prerequisite to the commencement of legal action by either Party.

ARTICLE 5 TERMINATION

5.1 Term. This Agreement shall commence upon the Effective Date and shall remain in effect until the earlier of completion of the Project or other permitted termination under this Agreement, subject to payment obligations under Attachment A.

5.2 Termination by Default. Without limiting any other provision of this Agreement, the Parties reserve the right, without any liability or obligation to the other, to terminate all or any part of this Agreement upon written notice to the other in the event of the happening of any of the following:

(i) Insolvency, the filing of a voluntary petition in bankruptcy, the filing of a petition to be involuntarily declared bankrupt, the appointment of a receiver or trustee, or the execution of an assignment for the benefit of creditors.

(ii) A material breach of any of the terms of this Agreement provided however, the non-breaching Party gives notice of such material breach and provides the breaching party thirty (30) days to cure the material breach before the non-breaching party has the right to terminate the Agreement; or

(iii) A material failure to comply with or perform any of the other material provisions of this Agreement.

5.3 Payment in the Event of Termination. In the event of termination of this Agreement by ACE prior to Final Completion, Customer shall owe ACE reimbursement for all Actual Costs incurred in providing the Services prior to the date of termination plus, only if termination is not due to a default by ACE or, any additional costs reasonably incurred as a result of such termination.

ARTICLE 6 COMPLIANCE WITH LAWS

6.1 Compliance with Employment Related Laws. The Parties shall comply with all applicable employment related international, federal, state and local laws, rules, and regulations.

6.2 Compliance with Safety Related Laws and Regulations. The Parties shall comply with the applicable federal Occupational Safety and Health Act ("OSHA") Construction Safety and Health Standards, Construction Industry Standards (29 CFR part 1926), General Industry Standards (29 CFR part 190), and all other applicable laws, ordinances, rules, regulations, and orders of any public body having jurisdiction for the safety of persons or property or to protect them from damage, injury, or loss.

6.3 Permits and Licenses. Permits and licenses necessary for performance of the Work shall be secured and paid for by ACE, unless otherwise agreed to by the Parties.

6.4 Prevailing Wages. ACE shall require that any contract related to the Agreement for work performed on property owned or controlled by the Customer or paid in whole or in part with Customer funds must provide that each worker employed on the project shall be paid not less than the prevailing wage rate for worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to N.J.S.A. 34:11-56.25. ACE and any contractors or subcontractors ACE may employ, will
comply with the provisions of the Public Works Contractor Registration Act ("PWCRA"), N.J.S.A. 34:11-56.48 et seq., where applicable, including, but not limited to, the requirement that all contractors, subcontractors and lower tier subcontractors who bid on or engage in any contract for "public work" as defined in N.J.S.A. 34:11-56.26 be first registered with the New Jersey Department of Labor and Workforce Development.

ARTICLE 7  FORCE MAJEURE

7.1 Definition. Neither Party shall be considered to be in default in the performance of its obligations under this Agreement, to the extent that the performance of any such obligation is prevented or delayed by an event of "Force Majeure" which, for purposes of this Agreement, shall mean any event beyond the reasonable control of the affected Party (and the results of such events) including, but not limited to, any war, declared or not, hostilities, belligerence, blockade, revolution, insurrection, terrorism, riot, or public disorder; expropriation, requisition, confiscation, or nationalization; export or import restrictions by any Governmental Authorities; closing of harbors, docks, canals, or other assistances to or adjuncts of the shipping or navigation of or within any place; rationing or allocation, whether imposed by law, decree, or regulation, or by compliance of industry at the insistence of any Governmental Authorities; fire, earthquake, volcano, tide, tidal wave, or perils of the sea; typhoons, hurricanes, tornadoes, lightning, storms and drought; epidemic, pandemic or quarantine (including, without limitation, conditions that may subsequently arise under the COVID-19 (a/k/a the 2019 Novel Coronavirus) outbreak or any similar disease(s)). A Force Majeure will also include failure of a government agency or other agency having legal jurisdictional authority to grant required permits and/or approvals to proceed with any section of the Project. Notwithstanding this Article 9.1, ACE acknowledges that pursuant to Executive Order 103 (Murphy 2020), New Jersey is presently under a declared State of Emergency. At the time that this Agreement is executed, ACE affirms that it has the ability to complete performance of the Scope of Work at the Estimated Costs.

7.2 Notice of Event. If either Party's ability to perform its obligations under the Agreement is affected by an event of Force Majeure, such Party shall promptly, upon learning of such event and ascertaining that it will affect its performance under the Agreement, give notice to the other Party stating the nature of the event, its anticipated duration, and any action being taken to avoid or minimize its effect.

7.3 Excuse from Performance. In the event that the performance by either Party or a portion thereof is rendered impossible by a Force Majeure event, that portion of performance so affected shall be deemed terminated, and the Agreement Price shall be adjusted accordingly.

ARTICLE 8  MISCELLANEOUS

8.1 Non-Waiver. No waiver by ACE or Customer of any provision of this Agreement shall be effective unless expressly contained in a writing signed by ACE and Customer. Failure by ACE or Customer to enforce any provision of this Agreement or to exercise any right arising out of this Agreement shall not be deemed a waiver of that provision or right, or of any other provision or right, and no waiver by ACE or Customer of any breach shall be construed to be a waiver of any prior or succeeding breach.

8.2 Severability. If any term or condition of this Agreement shall be deemed to be unlawful or unenforceable by a Federal or state court or agency of competent jurisdiction, such determination shall have no effect on the validity and enforceability of the other terms and conditions of this Agreement and the challenged term or condition shall be deemed deleted or modified to the extent necessary for such term or condition to be effective to the fullest extent.
8.3 **Entire Agreement and Interpretation.** This Agreement constitutes the entire agreement between the Parties, and supersedes all prior proposals, agreements and understandings, whether oral or written, relating to the subject matter of the Agreement. No amendment to this Agreement shall be effective unless executed by authorized representatives of both Parties.

8.4 **Representations.** Each Party represents and warrants to the other (i) that it has full power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement; (ii) that the execution and delivery of this Agreement and the transactions contemplated hereby have been duly and validly authorized; (iii) that all Agreement Documents will be duly and validly executed by an authorized representative of the Party and constitutes a legal, valid and binding agreement of said Party; (iv) that it is not in violation of any applicable law, statute, order, rule, regulation, or judgment promulgated or entered by any federal, state, or local Governmental Authority, which violation could reasonably be expected to materially adversely affect the performance of its obligations under this Agreement; and (v) that it will comply with all laws, rules, regulations, codes, and standards of all federal, state, and local Governmental Authorities applicable to its compliance with this Agreement.

8.5 **Independent Contractor.** ACE’s relationship to Customer under this Agreement shall be that of independent contractor and shall not be construed to constitute ACE, or any of its employees or Subcontractors, as an authorized representative, agent, associate, joint venturer, or partner of Customer.

8.6 **Use of ACE Methods, Equipment and Facilities.** ACE’s methods, equipment, and facilities shall, at all times be owned by ACE.

8.7 **Choice of Law and Venue.** This Agreement is to be interpreted and enforced under the laws of the State of New Jersey (without regard to the choice of law provisions thereof), and any dispute involving the Agreement shall be heard in a court of competent jurisdiction in such jurisdiction. The forum and venue for all actions related to the matters which are the subject of this Agreement shall be a court of competent jurisdiction in the County of Mercer and the State.

8.8 **ACE Remedies.** All of the remedies hereunder enjoyed by, or given to, ACE, are cumulative, and are in addition to any other rights or remedies which ACE may have at law, in equity or otherwise, and each such remedy is not exclusive of, and does not limit, any other remedy in any way. The rights and remedies of ACE against Customer shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. and any and all claims made or to be made against Customer based in tort law, including but not limited to, costs and expenses, shall be governed by and subject to the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq.

8.9 **Assignment.** This Agreement is not assignable by either Party without the written consent of the other Party; except, that (1) ACE shall be permitted to assign its rights and obligations hereunder to an Affiliate without the prior consent of Customer and (2) EDA shall have the right to directly assign or transfer its rights and obligations under this Agreement in whole or part to any state entity, without ACE’s consent, on thirty (30) days’ prior notice to ACE.

8.10 **Limitation of Liabilities.** Neither Party shall be liable to the other for consequential, incidental, punitive, exemplary or indirect damages suffered by said other Party including lost profits or other business interruption damages, by statute, in tort or agreement, under any indemnity provision or otherwise. The liability limitations herein imposed on remedies and the measure of damages shall be without regard to the cause or causes related thereto, including without limitation, either Party’s negligence, whether such negligence is sole, joint or concurrent, or active or passive.
8.11 Notices. Any notice, demand for information or document required or authorized by this Agreement to be given to a Party shall be given in writing and shall be sufficiently given if delivered by electronic or overnight mail, overnight courier or hand delivered against written receipt, or if transmitted and received by facsimile transmission addressed as set forth below, or if sent to such Party by overnight mail, overnight courier or hand delivery to such other address as such Party may designate for itself by notice given in accordance with this Section 10.11. Any such notice shall be effective only upon actual receipt thereof by the addressee. All notices given by facsimile shall be confirmed in writing, delivered or sent as aforesaid, but the failure to so confirm shall not in any manner render ineffective the original notice. The address for the delivery of notices and bills to each Party and the respective telephone and facsimile numbers are as follows:

(i) For ACE:
    Samuel Williams, Vice President Transmission & Substations
    Atlantic City Electric Company
    701 9th Street NW
    Washington, DC 20068
    Phone: (410) 470-6570
    Samuel.williams@pepcoholdings.com

    With a copy to:
    General Counsel
    Atlantic City Electric Company
    500 North Wakefield Drive
    P.O. Box 231
    Newark, DE 19702

(ii) For Customer:
    New Jersey Economic Development Authority
    Attn: Infrastructure Group
    P.O. Box 990
    Trenton, New Jersey 08625-0990

8.12 ACE will use best efforts to provide advanced notice to Customer of any intended public outreach efforts in relation to the Project—including, but not limited to, disbursement of public notices, planned public hearings, meetings with local officials, and any additional forms of public engagement. ACE agrees to consult with Customer prior to the release of materials or scheduling of any such efforts, and to provide Customer with an opportunity to discuss and/or participate in any such efforts where mutually deemed acceptable.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date last set forth below.

ATLANTIC CITY ELECTRIC COMPANY

Name: Samuel Williams
Title/Dept.: VP Transmission & Substation

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
ATTACHMENT A

ACE will begin procurement of the following along with the estimated values of Long Lead Items ordered in advance of the need via Purchase Orders:

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Cost</th>
<th>15% Contingency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Steel Poles and Anchor Bolt Cages</td>
<td>$16,936,000</td>
<td>$2,540,400.00</td>
</tr>
<tr>
<td>2. Conductor</td>
<td>$204,000</td>
<td>$30,600.00</td>
</tr>
<tr>
<td>3. OPGW / Static Wire</td>
<td>$62,334</td>
<td>$9,350.10</td>
</tr>
<tr>
<td>4. Circuit Breakers (ACE Substation)</td>
<td>$71,856</td>
<td>$10,778.40</td>
</tr>
<tr>
<td>5. CVT’s (ACE Substation)</td>
<td>$17,247</td>
<td>$2,587.05</td>
</tr>
<tr>
<td><strong>Total Estimated Cost</strong></td>
<td><strong>$17,291,437</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Contingency</strong></td>
<td><strong>$2,593,716</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$19,885,153</strong></td>
<td></td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: November 16, 2022
SUBJECT: Credit Underwriting Projects Approved Under Delegated Authority – For Informational Purposes Only

The following projects were approved under Delegated Authority in September & October 2022:

**Micro Business Loan Program:**

1) R&S Shoes The Shoe Buckle Corporation (PROD-00224205 & 00308527), is located in Hightstown Borough, Mercer County. Family owned since 1970, the Company was established in 2017 as a community and family focused full-service retail shoe store that specializes in hard to fit feet. The Company offer customers a wide variety of high-end shoes that cannot be found online and work with over 50 local area podiatrists. The NJEDA approved a $45,000 working capital loan and a $5,000 forgivable working capital loan. Proceeds will be used to cover operating expenses related to payroll and utilities. Currently, the Company has three employees.

**Small Business Fund Program:**

1) Man Skirt Brewing LLC (PROD-00305586), located in Hackettstown, Warren County, was established in 2015. The Company manufactures beer and ciders and also operates as a retailer and distributor. The NJEDA approved a $99,963 loan to purchase new equipment. Currently, the Company has six employees and plans to create seven new positions over the next two years.

Tim Sullivan, CEO

Prepared by: G. Robins
MEMORANDUM

TO:        Members of the Authority  
FROM:     Tim Sullivan, Chief Executive Officer  
DATE:    November 16, 2022  
SUBJECT: Hazardous Discharge Site Remediation Fund (HDSRF) Applications Approved Under Delegated Authority: For Informational Purposes Only  

The following HDSRF applications were approved under delegated authority in the third quarter 2022:

<table>
<thead>
<tr>
<th>#</th>
<th>County</th>
<th>Municipality</th>
<th>Applicant</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Camden County</td>
<td>Camden City</td>
<td>Camden Redevelopment Agency</td>
<td>42,535</td>
</tr>
<tr>
<td>2</td>
<td>Camden County</td>
<td>Camden City</td>
<td>Camden Redevelopment Agency</td>
<td>54,765</td>
</tr>
<tr>
<td>3</td>
<td>Sussex County</td>
<td>Sandyston Township</td>
<td>Township of Sandyston</td>
<td>75,295</td>
</tr>
<tr>
<td>4</td>
<td>Sussex County</td>
<td>Sandyston Township</td>
<td>Township of Sandyston</td>
<td>6,636</td>
</tr>
<tr>
<td>5</td>
<td>Union County</td>
<td>Springfield Township</td>
<td>Pride Drive LLC</td>
<td>101,661</td>
</tr>
<tr>
<td>6</td>
<td>Union County</td>
<td>New Providence Borough</td>
<td>New Providence Borough</td>
<td>40,703</td>
</tr>
<tr>
<td>7</td>
<td>Warren County</td>
<td>Phillipsburg Town</td>
<td>Pohatcong Township</td>
<td>50,708</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>372,303</td>
</tr>
</tbody>
</table>

Prepared by: M. Deely
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: November 16, 2022

SUBJECT: Petroleum Underground Storage Tank Applications (PUST) Approved Under Delegated Authority: For Informational Purposes Only

The following PUST applications were approved under delegated authority in the third quarter 2022:

<table>
<thead>
<tr>
<th>#</th>
<th>County</th>
<th>Municipality</th>
<th>Applicant</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Atlantic County</td>
<td>Winslow Township</td>
<td>Michael Macrie</td>
<td>49,009</td>
</tr>
<tr>
<td>2</td>
<td>Atlantic County</td>
<td>Absecon City</td>
<td>Ann Sutcliffe</td>
<td>34,315</td>
</tr>
<tr>
<td>3</td>
<td>Bergen County</td>
<td>Hillsdale Borough</td>
<td>Dana Lauria</td>
<td>15,048</td>
</tr>
<tr>
<td>4</td>
<td>Bergen County</td>
<td>Hackensack City</td>
<td>Damrong Lolak</td>
<td>16,001</td>
</tr>
<tr>
<td>5</td>
<td>Bergen County</td>
<td>Rutherford Borough</td>
<td>Anthony Lawlor</td>
<td>42,329</td>
</tr>
<tr>
<td>6</td>
<td>Burlington County</td>
<td>Mount Holly Township</td>
<td>Susan Jacobsen and Frank Jacobsen</td>
<td>273,339</td>
</tr>
<tr>
<td>7</td>
<td>Burlington County</td>
<td>Mount Laurel Township</td>
<td>Wendy Kershner</td>
<td>34,819</td>
</tr>
<tr>
<td>8</td>
<td>Burlington County</td>
<td>Moorestown Township</td>
<td>Robert E. Perry and Sandra J. Pfeiffer, Trust</td>
<td>31,527</td>
</tr>
<tr>
<td>9</td>
<td>Camden</td>
<td>Winslow Township</td>
<td>Terry McCulley</td>
<td>8,910</td>
</tr>
<tr>
<td>10</td>
<td>Camden County</td>
<td>Lindenwold Borough</td>
<td>Michele Napoli and Gina Menzano</td>
<td>12,257</td>
</tr>
<tr>
<td>11</td>
<td>Camden County</td>
<td>Collingswood Borough</td>
<td>Estate of Felix Chomiczewski and Martha Chomiczewski</td>
<td>56,049</td>
</tr>
<tr>
<td>12</td>
<td>Cape May County</td>
<td>Lower Township</td>
<td>Jim's Auto Service</td>
<td>34,061</td>
</tr>
<tr>
<td>13</td>
<td>Essex County</td>
<td>East Orange City</td>
<td>Luckmane &amp; Chrisla Elysee</td>
<td>69,081</td>
</tr>
<tr>
<td>14</td>
<td>Essex County</td>
<td>East Orange City</td>
<td>Maureen Kellman</td>
<td>9,147</td>
</tr>
<tr>
<td>15</td>
<td>Essex County</td>
<td>Montclair Township</td>
<td>Mohammed Uddin</td>
<td>21,147</td>
</tr>
<tr>
<td>16</td>
<td>Essex County</td>
<td>Nutley Township</td>
<td>Donna Marinelli</td>
<td>12,103</td>
</tr>
<tr>
<td>17</td>
<td>Essex County</td>
<td>East Orange City</td>
<td>Cassandra Johnson</td>
<td>4,194</td>
</tr>
<tr>
<td>18</td>
<td>Gloucester County</td>
<td>Mantua Township</td>
<td>Larry Brunett</td>
<td>10,690</td>
</tr>
<tr>
<td>19</td>
<td>Gloucester County</td>
<td>Monroe Township</td>
<td>Theresa Maiorano</td>
<td>55,038</td>
</tr>
<tr>
<td>20</td>
<td>Hudson County</td>
<td>Jersey City</td>
<td>Catherine Miller</td>
<td>9,074</td>
</tr>
<tr>
<td>21</td>
<td>Hudson County</td>
<td>Jersey City</td>
<td>Temple Beth-El</td>
<td>62,181</td>
</tr>
<tr>
<td>22</td>
<td>Hunterdon County</td>
<td>Milford Borough</td>
<td>Richard Giantisco</td>
<td>16,695</td>
</tr>
<tr>
<td>23</td>
<td>Hunterdon County</td>
<td>Readington Township</td>
<td>David T. Eliades</td>
<td>11,737</td>
</tr>
<tr>
<td>24</td>
<td>Mercer County</td>
<td>Lawrence Township</td>
<td>Ulmas Sharopov and Dilnoza Nasirova</td>
<td>15,063</td>
</tr>
<tr>
<td>25</td>
<td>Middlesex County</td>
<td>Edison Township</td>
<td>Dina Parekh</td>
<td>12,665</td>
</tr>
<tr>
<td>County</td>
<td>Township</td>
<td>Name(s)</td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>---------------------------------</td>
<td>----------------------------------------------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>Middlesex County</td>
<td>Woodbridge Township</td>
<td>Robert Palko</td>
<td>7,934</td>
<td></td>
</tr>
<tr>
<td>Middlesex County</td>
<td>South River Borough</td>
<td>Estate of Robert Binns</td>
<td>83,866</td>
<td></td>
</tr>
<tr>
<td>Middlesex County</td>
<td>New Brunswick City</td>
<td>Zendaki’s Foreign &amp; American Auto Repairs, LLC</td>
<td>253,308</td>
<td></td>
</tr>
<tr>
<td>Middlesex County</td>
<td>Edison Township</td>
<td>Michael Tavalare &amp; Corrin Tavalare</td>
<td>91,419</td>
<td></td>
</tr>
<tr>
<td>Monmouth County</td>
<td>Howell Township</td>
<td>Barbara Phipps</td>
<td>121,658</td>
<td></td>
</tr>
<tr>
<td>Monmouth County</td>
<td>Millstone Township</td>
<td>Patricia Cheesman</td>
<td>9,937</td>
<td></td>
</tr>
<tr>
<td>Monmouth County</td>
<td>Freehold Township</td>
<td>Christine Hoover</td>
<td>10,768</td>
<td></td>
</tr>
<tr>
<td>Monmouth County</td>
<td>Neptune Township</td>
<td>Iles Barthelus</td>
<td>7,029</td>
<td></td>
</tr>
<tr>
<td>Morris County</td>
<td>Jefferson Township</td>
<td>Brian Kuehnnapfel and Mary Ann Bischoff</td>
<td>57,934</td>
<td></td>
</tr>
<tr>
<td>Morris County</td>
<td>Parsippany-Troy Hills Township</td>
<td>Sonia Santos and Paginorin Santos</td>
<td>12,515</td>
<td></td>
</tr>
<tr>
<td>Morris County</td>
<td>Hanover Township</td>
<td>Anthony Grasso</td>
<td>6,200</td>
<td></td>
</tr>
<tr>
<td>Morris County</td>
<td>Jefferson Township</td>
<td>Rose Mahoney</td>
<td>11,027</td>
<td></td>
</tr>
<tr>
<td>Passaic County</td>
<td>Paterson City</td>
<td>Wilfredo Gonzales</td>
<td>21,218</td>
<td></td>
</tr>
<tr>
<td>Passaic County</td>
<td>Clifton City</td>
<td>Estate of Marguerite Heerschapp</td>
<td>22,095</td>
<td></td>
</tr>
<tr>
<td>Passaic County</td>
<td>North Haledon Borough</td>
<td>Frank Dykstra</td>
<td>17,206</td>
<td></td>
</tr>
<tr>
<td>Passaic County</td>
<td>Paterson City</td>
<td>Raffaele DiPalma</td>
<td>26,456</td>
<td></td>
</tr>
<tr>
<td>Salem County</td>
<td>Pilesgrove Township</td>
<td>William Scaramazza</td>
<td>41,862</td>
<td></td>
</tr>
<tr>
<td>Somerset County</td>
<td>Bridgewater Township</td>
<td>Judy Conrad</td>
<td>11,049</td>
<td></td>
</tr>
<tr>
<td>Somerset County</td>
<td>Bridgewater Township</td>
<td>Russell Reid</td>
<td>9,942</td>
<td></td>
</tr>
<tr>
<td>Somerset County</td>
<td>Manville Borough</td>
<td>Brian Obitz</td>
<td>1,528</td>
<td></td>
</tr>
<tr>
<td>Somerset County</td>
<td>Chester Township</td>
<td>Leonore Lewis</td>
<td>204,192</td>
<td></td>
</tr>
<tr>
<td>Sussex County</td>
<td>Vernon Township</td>
<td>George Novotny</td>
<td>12,167</td>
<td></td>
</tr>
<tr>
<td>Sussex County</td>
<td>Wantage Township</td>
<td>Thomas Miller</td>
<td>49,945</td>
<td></td>
</tr>
<tr>
<td>Sussex County</td>
<td>Wantage Township</td>
<td>Dale and Georgeann Meyer</td>
<td>11,822</td>
<td></td>
</tr>
<tr>
<td>Sussex County</td>
<td>Andover Township</td>
<td>Luke Fortunato</td>
<td>32,327</td>
<td></td>
</tr>
<tr>
<td>Sussex County</td>
<td>Frankford Township</td>
<td>John Szatkiewicz</td>
<td>9,033</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Plainfield City</td>
<td>Marianne Kehoe</td>
<td>13,148</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Linden City</td>
<td>Estate of Caroline Jolly</td>
<td>18,476</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Plainfield City</td>
<td>Felicia Thompson</td>
<td>13,473</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Rahway City</td>
<td>Wallace Van Vliet</td>
<td>16,323</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Plainfield City</td>
<td>Lynn Alexander</td>
<td>15,747</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Union Township</td>
<td>Alex Senczakiewicz</td>
<td>41,048</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Fanwood Borough</td>
<td>Joseph Dashiell</td>
<td>6,096</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Cranford Township</td>
<td>Eugene &amp; Kathleen Shara</td>
<td>16,978</td>
<td></td>
</tr>
<tr>
<td>Union County</td>
<td>Hillside Township</td>
<td>Jose Vigaro</td>
<td>9,094</td>
<td></td>
</tr>
<tr>
<td>Warren County</td>
<td>Blairstown Township</td>
<td>Edward Pisarchuk</td>
<td>18,833</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>2,240,675</strong></td>
<td></td>
</tr>
</tbody>
</table>

Tim Sullivan, CEO

Prepared by: M. Deely
MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: November 16, 2022
SUBJECT: Post-Closing Delegated Authority Bond Modification Approvals for 3rd Quarter 2022
(For Informational Purposes Only)

The following Post-Closing Bond action was approved under delegated authority in the 3rd quarter ending September 30, 2022:

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

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Product Number</th>
<th>Modification Action</th>
<th>Bond Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moorestown Friends School Association</td>
<td>PROD-00179474</td>
<td>Consent to (i) change the interest rate of 2.9% to 3.6% from August 1, 2022, to December 1, 2027; (ii) modify the amortization schedule to reflect the new interest rate (iii) modify the Rate Reset Index Rate to 5 Year Treasury Index plus one hundred seventy-five (175) basis points, with a floor equal to the tax-exempt rate of 3.60%.</td>
<td>$8,500,000.00</td>
</tr>
<tr>
<td>United Methodist Homes of N.J. Obligated Group (Bristol Glen, Inc.)</td>
<td>PROD-00182721</td>
<td>Execute the Escrow Deposit agreement in connection with the Defeasance of the 2013 Series bonds to reduce debt service.</td>
<td>$35,995,000.00</td>
</tr>
<tr>
<td>United Methodist Homes of New Jersey, Bristol Glen, Inc.</td>
<td>PROD-00179818</td>
<td>Execute the Escrow Deposit agreement in connection with the Defeasance of the 2014A Series bonds to reduce debt service.</td>
<td>$34,084,000.00</td>
</tr>
</tbody>
</table>

Prepared by: S. Foresta

[Signature]

Tim Sullivan, CEO
MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: November 16, 2022
SUBJECT: Post Closing Credit Delegated Authority Approvals for 3Q Quarter 2022

For Informational Purposes Only

The following post-closing actions were approved under delegated authority during the third quarter of 2022:

<table>
<thead>
<tr>
<th>Name</th>
<th>EDA Credit Exposure</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>6001 Bordentown, LLC (OEG Building Materials)</td>
<td>$503,618 SLPPL</td>
<td>Consent to the agent, Fulton Bank replacing the personal guaranty of deceased guarantor with that of the surviving spouse.</td>
</tr>
<tr>
<td>Hello Dental LLC</td>
<td>$50,000 CVSB2LO</td>
<td>Subordinate EDA’s lien position on borrower’s business assets to a new term loan from Provident Bank.</td>
</tr>
</tbody>
</table>

Tim Sullivan, CEO

Prepared by: Sandra Foresta and Mansi Naik
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: November 16, 2022

SUBJECT: Incentives Modifications – 3rd Quarter 2022

(For Informational Purposes Only)

Since 2001, and most recently in June 2014, 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 Incentive Modifications that were approved in the 3rd quarter ending September 30, 2022.

_______________________________
Tim Sullivan, CEO

Prepared by: F. Saturne
ACTIONS APPROVED UNDER DELEGATED AUTHORITY

SECOND QUARTER ENDING September 30, 2022

GROW NEW JERSEY ASSISTANCE PROGRAM

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Modification Action</th>
<th>Approved Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case Medical, Inc.</td>
<td>Consent to approve the first six-month extension of the certification completion submission deadline from June 11, 2022 to December 11, 2022.</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Singer NY, LLC</td>
<td>Consent to approve the first six-month extension of the certification completion submission deadline from September 12, 2022 to March 12, 2023.</td>
<td>$6,475,000</td>
</tr>
</tbody>
</table>

BUSINESS EMPLOYMENT INCENTIVE GRANT PROGRAM

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Modification Action</th>
<th>Approved Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>AXA Equitable Life Insurance Company</td>
<td>Consent to amend the BEIP Agreement Remove AXA Technology Services America, Inc. as of November 30, 2019 and change the name of AXA Equitable Life Insurance Company to Equitable Financial Life Insurance Company as of June 15, 2020.</td>
<td>$21,907,000</td>
</tr>
<tr>
<td>Verizon Communications, Inc.</td>
<td>Consent to amend to the BEIP agreement to remove ‘Verizon Corporate Services Corp.’ and add ‘Verizon Business Network Services, Inc.’</td>
<td>$87,750,000</td>
</tr>
</tbody>
</table>

Business Retention and Relocation Act Tax Credit Grant Program

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Modification Action</th>
<th>Approved Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>UBS Financial Services, Inc., UBS Services LLC, UBS Securities, Maiden Lane Leasing Corp.</td>
<td>Consent to amend the BRRAG Agreement to remove Maiden Lane Leasing Corp. as of May 31, 2016 and rename Affiliate UBS Services LLC to UBS Business Solutions US LLC effective January 1, 2017.</td>
<td>$27,000,000</td>
</tr>
</tbody>
</table>

SALEM/UEZ ENERGY SALES TAX EXEMPTION RENEWALS

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Modification Action</th>
<th>Approved Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anheuser-Busch, LLC</td>
<td>Consent to renew approval of UEZ Energy Sales Tax Exemption for one year from May 25, 2022 to May 24, 2023.</td>
<td>$547,280</td>
</tr>
<tr>
<td>B &amp; B Poultry Co., Inc.</td>
<td>Consent to renew approval of Salem County Energy Sales Tax Exemption for one year from September 1, 2022 to August 31, 2023.</td>
<td>$82,813</td>
</tr>
<tr>
<td>Company Name</td>
<td>Consent Details</td>
<td>Amount</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Durand Glass Manufacturing Company, LLC</td>
<td>Consent to renew approval of UEZ Energy Sales Tax Exemption from May 28, 2022 through May 27, 2023</td>
<td>$951,414</td>
</tr>
<tr>
<td>F&amp;S Produce Co.</td>
<td>Consent to renew approval of UEZ Energy Sales Tax Exemption from June 10, 2022 to June 9, 2023.</td>
<td>$163,371</td>
</tr>
<tr>
<td>Mexichem Specialty Resin Inc.</td>
<td>Consent to renew approval of UEZ Energy Sales Tax Exemption from August 8, 2022 to August 7, 2023.</td>
<td>$719,368</td>
</tr>
<tr>
<td>Siegfried USA, LLC</td>
<td>Consent to renew approval of Salem County Energy Sales Tax Exemption from March 24, 2022 to March 23, 2023.</td>
<td>$179,828</td>
</tr>
</tbody>
</table>