MEMORANDUM

TO: Members of the Authority

FROM: Timothy Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Agenda for Board Meeting of the Authority December 21, 2022

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

CEO's Report to the Board

Community Development

Authority Matters

Bond Project

Incentives

Real Estate

Board Memoranda

Executive Session

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

November 16, 2022

MINUTES OF THE MEETING

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

Members of the Authority present via conference call: Chairman Kevin Quinn; Noreen Giblin, Executive Representative; 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; Roberto Soberanis representing Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development; Public Members: Virginia Bauer, Fred Dumont, Aisha Glover, Marcia Marley, Robert Shimko, First Alternate Public Member; and Rosemari Hicks, Second Alternate Public Member.

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: Charles Sarlo, Vice Chairman; Philip Alagia, and Massiel Medina Ferrara.

Mr. Quinn called the meeting to order at 10:00 am.

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

The next item of business was the approval of the October 12, 2022 meeting minutes. A motion was made to approve the minutes by Commissioner Caride, and seconded by Ms. Glover, and was approved by nine (9) voting members present.

Ms. Bauer abstained because she was absent.

The next item of business was the approval of the October 12, 2022 Executive Session meeting minutes. A motion was made to approve the minutes by Commissioner Caride, and seconded by Ms. Dragon, and was approved by the nine(9) voting members present.

Ms. Bauer abstained because she was absent.

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

Ms. Marley and Ms. Hicks joined the meeting at this time.

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

AUTHORITY MATTERS

Rules

ITEM: Amended Administrative Rules - Authority Fee Rules

THIS ITEM HAS BEEN WITHHELD FROM CONSIDERATION.

COMMUNITY DEVELOPMENT

ITEM: Award of New Jersey Asset Activation Planning Grants
REQUEST: To approve the award of New Jersey Asset Activation Planning Grants.
MOTION TO APPROVE: Ms. Dragon **SECOND:** Ms. Bauer **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ECONOMIC TRANSFORMATION

ITEM: SSBCI - Clean Energy Business Financing Program
REQUEST: 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 funds from New Jersey's allocation 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; and (3) Delegation of authority to the CEO to approve individual applications for the Clean Energy Business Finance Program.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Shimko **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

ITEM: NJ Offshore Wind Workforce and Skills Development Grant Challenge Amendment
REQUEST: To approve the amendment of the NJ Offshore Wind Workforce and Skills Development Challenge that would restrict private for-profit entities from being primary applicants and waive application fees for the NJ Offshore Wind Workforce and Skills Development Grant Challenge.
MOTION TO APPROVE: Ms. Dragon **SECOND:** Ms. Glover **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Hicks abstained.

VENTURE

ITEM: New Jersey Innovation Fellows Program
REQUEST: To approve the creation of the New Jersey Innovation Fellows Program, a program to support first-time entrepreneurs with mentorship, training, and income replacement capital; (2) Utilization of funds to capitalize the New Jersey Innovation Fellows Program and to cover administrative and mentorship program costs; and (3) Delegation of authority to the CEO to determine the program application periods.
MOTION TO APPROVE: Ms. Bauer **SECOND:** Ms. Dragon **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Ms. Hicks voted No.

INCENTIVES

Film & Digital Media Tax Credit

Universal Television LLC PROD-00303936
MAX AMOUNT OF TAX CREDITS: $15,811,024
MOTION TO APPROVE: Ms. Hicks **SECOND:** Commissioner Caride **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

LOANS, GRANTS, GUARANTEES, INVESTMENTS

NJ Accelerate

APPLICANT: Renovate Robotics Inc. PROD. #00305596
LOCATION: Newark City, Essex County
PROCEEDS FOR: Working capital
FINANCING: $150,000.00
MOTION TO APPROVE: Ms. Bauer **SECOND:** Ms. Giblin **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Ms. Glover recused herself because she sits on the HAX Advisory Board.

Hazardous Discharge Site Remediation Fund (HDSRF)

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Ms. Dragon **SECOND:** Ms. Hicks **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Hamilton Landfill PROD. #00305734
LOCATION: Hamilton Township, Mercer County
PROCEEDS FOR: Remedial Action
FINANCING: $2,996,616.06

NJ WIND PORT

ITEM: New Jersey Wind Port – Bond Issuance Official Intent Resolution
REQUEST: To approve an Official Intent Resolution, 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.
MOTION TO APPROVE: Ms. Giblin **SECOND**: Commissioner Caride **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: New Jersey Wind Port
REQUEST: 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 to the power grid.
MOTION TO APPROVE: Ms. Bauer **SECOND:** Ms. Marley **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

BOARD MEMORANDA

FYI ONLY:

- Credit Underwriting Projects Approved Under Delegated Authority – September 2022
- Post-Closing Delegated Authority Bond Modification Approvals for 3rd Quarter 2022
- Post-Closing Credit Delegated Authority Approvals for 3rd Quarter 2022
- Post-Closing Incentives Modifications – 3rd Quarter 2022
- Petroleum Underground Storage Tank Applications (PUST) Approved Under Delegated Authority
- Hazardous Discharge Site Remediation Fund (HDSRF) Applications Approved Under Delegated Authority

Ms. Glover left the call at this time.

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

THIS RESPECTIVE ITEM HAS BEEN WITHHELD FROM CONSIDERATION.

There being no further business, on a motion by Mr. Quinn, and seconded by Mr. Shimko, the meeting was adjourned at 11:19am.

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

Danielle Esser, Director
Governance & Strategic Initiatives
Assistant Secretary

MEMORANDUM

To: Members of the Authority

From: Tim Sullivan

Date: December 21, 2022

Re: December 2022 Board Meeting – CEO Report

This year, as the New Jersey economy continued its transition from pandemic to endemic, the New Jersey Economic Development Authority (NJEDA) continues to achieve many important milestones toward fulfilling Governor Phil Murphy's vision for a stronger and fairer state economy. While there is still significant work ahead, tremendous progress was made this year in terms of advancing programs, many of which were created under the Economic Recovery Act of 2020 (ERA), that pave the way for inclusive, equitable, and long-term economic growth.

With many small businesses still reeling from the impact of the pandemic, staff worked feverishly to review applications for initiatives developed under the Main Street Recovery Finance Program, which was created under the ERA to provide financial resources for small businesses. Under the Main Street Small Business Improvement Grant, Small Business Lease Grant, and the Micro Business Loan nearly $27 million in crucial assistance has been approved for 879 businesses. More than a third of businesses that have received support are located in an Opportunity Zone.

The pandemic also exacerbated and shed light on longstanding problems such as food insecurity and disparities in quality of and access to child care. These matters, though not typically thought of under the umbrella of traditional economic development, are recognized as essential to the economic security and dignity of all New Jerseyans. Sustain and Serve NJ, which since March of 2021 has provided nearly over four million meals through more than 400 participating restaurants, serves as a testament to both Governor Murphy's and NJEDA's continued investment in meeting our state's economic needs with urgent, appropriate, and dignified programs. Just yesterday, at a time of year when nonprofits are facing peak demand for food assistance, we announced that an additional $5 million is being added to the program. Initially launched as a $2 million pilot program to boost restaurants impacted by COVID-19 while combatting rising food insecurity, Sustain and Serve has grown into an over $57 million program that continues to bring much-needed food to people across New Jersey.

The groundbreaking Child Care Facilities Improvement Program attracted over 1,500 small business owners of child care facilities to listening sessions, and since its launch in October, we have seen hundreds apply for up to $250,000 in grants for child care facilities renovations.

The NJEDA also launched the New Jersey Innovative Evergreen Fund (NJIEF), created under the ERA, auctioning tax credits to established companies in exchange for funding and support opportunities to help start-up businesses. Due to high demand for the program, the initial offer of $30 million in credits was expanded to $50 million. Today you'll be asked to approve eight companies that will be the first to participate in the tax credit auction, and will make strategic commitments of mentorship, training, and other resources valued at more than $3.8 million to help nurture the next generation of entrepreneurs.

The NJEDA's focus on supporting high-growth sectors targeted under Governor Murphy's economic development strategic plan is already having an impact. Two major elements of the Governor's goals for clean energy are the New Jersey Wind Port and the New Jersey Wind Institute for Innovation and Training. To date, the New Jersey Wind Port is expected to support 1,500 jobs and to date, more than 50 percent of contracts awarded (by $) have been to XBE-owned businesses. In addition, 60 percent (by $) of contracts awarded have been to South Jersey businesses.

In addition to offshore wind, the NJEDA continues to support New Jersey's growing Green Energy sector, specifically through the launch of Phase II of the New Jersey Zero Emission Incentive Program (NJZIP). To date, NJZIP has approved over 144 applications totaling $32.2 million for electric vehicle vouchers, with phase II set to provide an additional $45 million to widen the program's reach statewide.

The manufacturing sector is also slated to receive a boost, as we prepare to launch the New Jersey Manufacturing Voucher Program (MVP), which will provide $20 million in support to small-scale manufacturers in New Jersey. Businesses can now pre-qualify for the program on our website. Pre-qualification closes tomorrow evening, December 22nd, at 11:59 p.m.

Additionally, just this week the State of New Jersey received approval from the U.S. Department of Treasury to receive more than $255 million in funding through the federal State Small Business Credit Initiative (SSBCI). The NJEDA will utilize this funding to develop six programs which will provide financial and technical assistance to small and micro businesses, and early-stage, innovation-focused companies located in New Jersey. These investments include $80 million for Clean Energy Business Financing, $60 million for Life Science Investment, $50 million for a Blended Capital Fund program, $25 million for a Recovery Loan Loss Reserve, $20 million for a Socially and Economically Disadvantaged Individuals (SEDI) Seed Fund, and $20 million for an Angel Match Program.

As you can see, it has been a productive year at the NJEDA, and in addition to the day-to-day work of our team, we have our Board members to thank for their expertise, guidance, and steadfast commitment to fairness and inclusiveness in our approach to economic development. I thank you all, and wish everyone a happy and healthy holiday season. I look forward to continuing this impactful work, side-by-side, in 2023.

Tim Sullivan, CEO

TO:	Members of the Authority
FROM:	Tim Sullivan Chief Executive Officer
DATE:	December 21, 2022
RE:	Use of Startup Business and Nonprofit Assistance Program for Creation of the Cannabis Grant Program

Summary

The Members are asked to approve:

Approval is requested for:

1) The creation of the Cannabis Grant Program – a pilot program that will make grant funding available to eligible private entities for early-stage expenses related directly to cannabis business start-ups in New Jersey.

2) The utilization of $10 million from the State General Fund from the supplemental SFY2021 appropriation signed into law as P.L. 2021, Chapter 115, to fund the Cannabis Grant Program (including administrative costs).

3) Delegation to the Authority's Chief Executive Officer to approve individual applications for the Cannabis Grant Program in accordance with the terms set forth in the attached product specifications.

4) Delegated authority to the Chief Executive Officer to not debar, disqualify, or suspend applicants and affiliates convicted of marijuana- and hashish-related offenses that meet the criteria for a "social equity business" as defined in the Cannabis Regulatory Commission's rules (specifically N.J.A.C. 17:30-6.6) and as administered by CRC, provided the applicant does not have other disqualifying convictions or judgments).

5) Delegation to Authority staff (Chief Executive Officer or designee) to accept up to $50 million in additional funding for this program from any governmental entity (Federal, State, or County) and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.

6) The issuance of one or more purchase orders to 22nd Century Technologies Inc. (if available) to hire temporary employees to administer any phase of this grant program, up to a maximum aggregate cost of $250,000.

7) The application fee waiver is requested for product one applicants as the imposition of the fee would impose undue financial hardship based on lack of access to capital. This lack of access to capital for cannabis entrepreneurs in New Jersey halts site acquisition;

restricting both local industry growth and the individual entity's CRC annual license process due to the site acquisition requirements.

I) Background

The war on drugs has created significant economic and social impacts on Americans, especially communities of color. In 1937, Congress outlawed the use of marijuana. Laws passed and enhanced since 1937 criminalized cannabis and led to hundreds of thousands of people being incarcerated, or otherwise involved, in the criminal justice system, creating a cycle of economic and social inequities in American communities. A report by the ACLU found that while marijuana use is roughly equal among black and white Americans, black Americans are almost 4 times more likely to be arrested for marijuana possession. Criminalizing cannabis has affected communities of color by creating disproportionately high arrest rates among individuals who reside in these communities. Individuals with criminal records are more likely to have decreased employment and earning opportunities, be unable to reside in public housing, be ineligible for some public assistance programs, be ineligible for student financial aid programs, negatively impact child custody determinations, and immigration status. These collateral consequences negatively affect individuals, families, and the entire community. Since the mid-1990s, states have moved to legalize cannabis for medical and recreational use. As of 2022, 21 states have legalized recreational cannabis, which has aided in removing the stigma of cannabis.

By 2025, cannabis is expected to bring in approximately $2.4 billion dollars to New Jersey's economy. In designing a cannabis grant program focused on social equity, New Jersey can lead in these efforts by creating new and lasting entrepreneurship opportunities for individuals and communities that have been negatively impacted by the war on drugs. These opportunities include priority access to cannabis business licenses, technical assistance for individuals to assist them with obtaining a cannabis license, greater access to capital, and assisting business owners with successfully opening and operating during their first year. Cannabis entrepreneurship opportunities play a critical part in building and returning wealth to individuals and communities that have been negatively impacted by the war on drugs and building both Stronger and Fairer NJ communities.

Cannabis Regulatory Commission and Enabling Statute/Funding Source

On July 19, 2019, the New Jersey Cannabis Regulatory Commission (NJ CRC) was formed to establish and grow a responsible, regulated medicinal cannabis industry. Subsequently, on February 22, 2021, Governor Phil Murphy signed the "New Jersey Cannabis Regulatory, Enforcement, Assistance, and Marketplace Modernization Act" ("CREAMM Act"), which legalizes personal use cannabis for certain adults, subject to regulation by the Cannabis Regulatory Commission and removes marijuana as a State Schedule I drug, into law as P.L. 2021, c. 16 (codified at N.J.S.A. 24:6I-31, et seq.).. Pursuant to the CREAMM Act, NJ CRC was given responsibility for regulating the recreational market and growing a diverse community-focused cannabis industry in the state of New Jersey.

When the CREAMM Act initially legalized recreational cannabis in New Jersey, it prohibited all State and local economic incentives to cannabis licensees and property owners, developers, or operators of a project to be used, in whole or in part, by or to benefit a cannabis licensee. See section 37 of P.L. 2021, c. 16, codified as N.J.S.A. 24:6I-49. In June 2022, the Governor signed legislation amending the CREAMM Act to allow the Authority to award financial incentives for the purpose of providing financial and technical assistance to a prospective or licensed cannabis business that qualifies as a small business under the statute. See P.L. 2022, c. 48. The legislation requires either that (1) a portion of program funds made available to be reserved for businesses operating within an impact zone, as defined in the

CREAMM Act [1] or (2) the program include funds from the Social Equity Excise Fee and such funding be limited to businesses operating within an impact zone. As none of the current program funding is from the Social Equity Excise Fee, staff proposes to ensure that a minimum of 5% of all available funds will be reserved to grantees whose project location will be in an impact zone.

Approximately one year earlier, in June 2021, the Governor signed into law P.L. 2021, c.115, which provided a $25 million supplemental SFY2021 appropriation to the Authority to establish the Startup Business and Nonprofit Assistance Program ("Chapter 115"). Chapter 115 authorized the Authority to provide grants to support the creation and development of new businesses and nonprofit organizations following the COVID-19 pandemic. The legislation requires the Authority to: (1) establish eligibility criteria for the program, provided that grants shall be made available to eligible new businesses and nonprofit organizations located in all areas of the State; (2) provide for rolling application periods and appropriate application submission deadlines; (3) designate limitations on the maximum award of grants, which limitations shall be sufficiently high so as to meaningfully support the creation and development of new businesses and nonprofit organizations; (4) designate permitted uses of grant financing, which uses shall be reasonably flexible to accommodate unanticipated startup expenses; and (5) establish criteria for the approval of program applicants consistent with Chapter 115. Additionally, Chapter 115 requires the Authority to "prioritize new businesses and nonprofit organizations that physically occupy commercial properties, including retail storefronts, that have become vacant or under-utilized during the COVID-19 pandemic."

Approval is requested to utilize $10 million from the funding received through the Chapter 115 supplemental appropriation to fund the Cannabis Grant Program.

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[1] Impact Zone is defined as any municipality that:
(a) has a population of 120,000 or more according to the most recently compiled federal decennial census as of [Feb. 22, 2021];
(b) based upon data for calendar year 2019:
(i) ranks in the top 40 percent of municipalities in the State for marijuana- or hashish-related arrests;
(ii) has a crime index total of 825 or higher based upon the indexes listed in the annual Uniform Crime Report by the Division of State Police; and
(iii) has a local average annual unemployment rate that ranks in the top 15 percent of all municipalities in the State, based upon average annual unemployment rates estimated for the relevant calendar year by the Office of Research and Information in the Department of Labor and Workforce Development.
(c) is a municipality located in a county of the third class, based upon the county's population according to the most recently compiled federal decennial census as of [Feb. 22, 2021], that meets all of the criteria set forth in subparagraph (b) other than having a crime index total of 825 or higher; or
(d) is a municipality located in a county of the second class, based upon the county's population according to the most recently compiled federal decennial census as of [Feb. 22, 2021]:
(i) with a population of less than 60,000 according to the most recently compiled federal decennial census, that for calendar year 2019 ranks in the top 40 percent of municipalities in the State for marijuana- or hashish-related arrests . . .; has a crime index total of 1,000 or higher based upon the indexes listed in the 2019 annual Uniform Crime Report by the Division of State Police; but for calendar year 2019 does not have a local average annual unemployment rate that ranks in the top 15 percent of all municipalities, based upon average annual unemployment rates estimated for the relevant calendar year by the Office of Research and Information in the Department of Labor and Workforce Development; or
(ii) with a population of not less than 60,000 or more than 80,000 according to the most recently compiled federal decennial census; has a crime index total of 650 or higher based upon the indexes listed in the 2019 annual Uniform Crime Report; and for calendar year 2019 has a local average annual unemployment rate of 3.0 percent or higher using the same estimated annual unemployment rates.

This funding will be used to support the creation and development of new businesses in the cannabis industry because cannabis is a new industry in New Jersey that is extremely capital intensive. The Cannabis Grant Program will provide funding to assist licensed cannabis entrepreneurs to enter the New Jersey cannabis market. The core policy goal of this program is to provide growth funding for licensed cannabis entrepreneurs to enter the New Jersey cannabis market with a strategic focus on entrepreneurs who come from New Jersey communities traditionally denied access to capital. New cannabis businesses also experience significant and unanticipated start-up costs when creating, developing, and managing their new businesses, which aligns with the purview of Chapter 115. To prioritize businesses that physically occupy commercial properties, including retail storefronts, that have become vacant or under-utilized during the COVID-19 pandemic, as required by Chapter 115, staff proposes opening both products solely for such businesses making for seven (7) days prior to opening the products to all other applicants.

Cannabis Licensure

The Cannabis Regulatory Commission regulates and licenses medicinal and recreational cannabis business operations in New Jersey. Each cannabis business requires a license, which must be active, to perform any commercial cannabis activity, including growing cannabis plants, storing and making cannabis products, transporting or delivering cannabis and cannabis products, selling cannabis and cannabis products, and testing cannabis and cannabis products.

Licenses are divided into classes based on main business activities and listed below in table 1. Licenses are separated into conditional and annual. A conditional license indicates that an applicant has provided the NJ CRC with a business plan and regulatory compliance plan, evidence of the intention to obtain liability insurance, and appropriate disclosure documents, and NJ CRC has reviewed and approved these documents. Conditional license holders are given 120 days plus any extensions offered by NJ CRC to convert their conditional license to an annual license. Upon achieving specific milestones, submitting an application to convert the conditional license to an annual license, and passing background review, cannabis businesses will be awarded their annual license, which will allow the business to begin their cannabis operations.

Table 1: NJ CRC Recreational Cannabis license classes

Recreational Use Licenses	Authorized Activity
Class 1 Cannabis Cultivator	Grow recreational use cannabis
Class 2 Cannabis Manufacturer	Produce recreational use cannabis products
Class 3 Cannabis Wholesaler	Store, sell or otherwise transfer, recreational use cannabis items between cannabis cultivators, wholesalers, or retailers
Class 4 Cannabis Distributor	Transport cannabis items in bulk between cannabis cultivators, manufacturers, or retailers within the state of New Jersey
Class 5 Cannabis Retailer	Purchase recreational use cannabis from licensed cultivators, manufacturers, or wholesalers and sell those items to consumers in a retail store
Class 6 Cannabis Delivery	Transport a consumer’s purchases of recreational use cannabis and related supplies from the retailer to the consumer.

Table 2: NJ CRC License Evolution

Conditional License	Begin building out operations for the cultivation, manufacture, dispensing, wholesale, distribution, or delivery of recreational use cannabis while working towards meeting the requirements for a cannabis cultivator, manufacturer, dispensary, wholesaler, distributor, or delivery license.
Annual License	Allows for the active cultivation, manufacture, dispensing, wholesale, distribution, or delivery of recreational use cannabis. Must be renewed every year.

Current License Application Process
NJ CRC is currently accepting applications for recreational cannabis businesses in the following categories: Class 1 Cultivator Licenses; Class 2 Manufacturer Licenses; Class 5 Retailer Licenses; and Testing Laboratories.

By statute, NJ CRC is limited to issuing 37 cultivator licenses in the State until February 2023. This license limit does not apply to microbusiness cultivators, who are limited to 2500 sq ft of space. NJ CRC has not issued a timetable for when they will open the wholesaler, distributor, and delivery license applications.

<u>Municipality Approval and Real Estate Challenges</u>
The CREAMM Act authorizes municipalities to enact ordinances or regulations governing the number of cannabis establishments within their borders. Each municipality is responsible for "opting in" to allow cannabis establishments in their municipality. Municipalities alone have authority to establish local approvals and ordinances regarding permitted land use, zoning, number of cannabis businesses, permitted cannabis business types, and size of cannabis businesses, along with limited local taxing authority on cannabis sales. This local municipal system overlays the NJ CRC's licensing regulations and plays a pivotal part in the licensing process.

As of December 2022, approximately 100 municipalities have opted in to allow cannabis businesses to operate within their jurisdiction. Each municipality may "opt-in" to allow cannabis businesses to operate in their jurisdiction at any time.

Based on stakeholder engagement, locating real estate has also proven to be a major challenge for many cannabis applicants, especially social equity businesses and businesses owned by persons from socially and economically disadvantaged communities. The municipal zoning and licensing permissions create limited areas throughout the State where cannabis business can operate, which makes obtaining a location challenging. Adding to this are the challenges included in the current New Jersey commercial and industrial real estate markets with higher-than-average price per square foot on real estate and high build-out costs.

In addition to the factors shown above, the pre-opening capital costs of a cannabis business are exceptionally high. Estimates from industry sources show the cost of a microbusiness (no more than 10 employees and 2500 sq ft of space) retail cannabis business range up to $1,000,000. This range goes significantly higher for cultivation and manufacturing where startup costs for a microbusiness range between $2,000,000 and $3,000,000.

II) <u>Program Structure</u>
The program will be divided into 2 funding products.

Product 1-Technical Assistance Program and Grant funding

The first tranche of funding for $3,600,000, which is expected to fund 24 applicants, who are designated by the NJ-CRC as a Social Equity Business, which as defined in the CREAMM Act, means either (a) having a prior conviction for a marijuana- or hashish-related offense, or (b) residing in an economically disadvantaged area and having a household income of no more than 80% of the statewide median household income.

This product is geared towards social equity applicants who have obtained a conditional license but have not secured the real estate or municipal approval (defined as a letter from the CEO/Municipal Resolution and land use/planning/zoning approval) and need financial or technical assistance in converting their conditional license to an annual license. Product 1 is open only to social equity applicants who are conditional license holders and have not secured both real estate and municipal approval. These applicants will be eligible for a grant award of $150,000 Upon grant award approval, grantees will be required to enroll in an EDA technical assistance program.

The technical assistance program will help prepare the applicant using an intensive technical assistance program. The Authority will procure a third-party technical assistance provider via RFP, which will focus on assisting the applicants in obtaining the annual NJ CRC license and provide training on the opening, financing, and operations of a licensed cannabis business in New Jersey.

The technical assistance program will address the following: building a cannabis business team, navigating the cannabis licensure process, cannabis-business specific education and business plan development, financial management training, assistance in seeking financing and investors, developing cannabis-specific Standard Operating Procedures, cash flow analysis, and supply chain management. The technical assistance program will have in-person classroom training and will be conducted in New Jersey.

The award of $150,000 per grantee will be disbursed incrementally based on the grantee's ability to achieve certain milestones. The first disbursement of up to $37,500 will be released to applicants upon completion of the fourth week in the technical assistance program and either a) submission of a business spending plan that includes eligible expenses, as shown in Section IV, of up to $37,500 or b) provides receipts that show applicant has spent $37,500 in eligible expenses related to their cannabis business.

The second disbursement of $37,500 will be released after the successful completion of the technical assistance program. Applicants must also provide evidence of spending the entirety of their first disbursement ($37,500) in accordance with the eligible uses of funding. Grantees must provide evidence that they have spent the entirety previous disbursement on eligible expenses to be eligible for their next disbursement.

The third disbursement of $37,500 will be released after the applicant obtains site control over the property it will use to start their cannabis business and municipal approvals to operate and open a physical location within a New Jersey municipality. Applicants must provide evidence of spending the second disbursement ($37,500) in accordance with the eligible uses of funding. Grantees must provide evidence that they have spent the entirety previous disbursement on eligible expenses to be eligible for their next disbursement.

The final disbursement of $37,500 will be released after the applicant obtains its annual license and provides evidence of spending the third disbursement ($37,500) in accordance with the eligible uses of funding. Grantees must provide evidence that they have spent the entirety previous disbursement on eligible expenses to be eligible for their next disbursement.

Applications will be accepted on a rolling basis and proceed based on their completeness. Five percent of all available funds will be set-aside for businesses that plan to open in an Impact Zone.

Product 2-General Grant Funding
The second grant product will target businesses are farther along in the licensing process and have carrying costs and capital issues associated with opening their cannabis business These applicants have secured site control over the property and municipal approvals (as defined in Section III) to operate and open a physical location within a New Jersey municipality as a requirement to apply for this product.

The second tranche of funding with an award pool of $6,000,000 will be distributed to all applicants that meet or exceed the grant eligibility requirements until funds are exhausted. Second tranche grantees will be required to prove they have a conditional or annual license, have obtained site control over their real estate, and municipal approval (as defined in Section III). 40% of slots will be reserved for social equity applicants.

Product 2 grantees will be eligible for a grant award of $250,000. The grant will be disbursed incrementally based on the grantee's ability to meet certain milestones. In total, two disbursements will be available to the grantee:

An initial disbursement of $100,000 will be distributed upon grant approval; and,

1) Verification that the grant awardee has a NJ CRC issued conditional or annual license;
2) Demonstrates site control over the property they will use to start their cannabis business;
3) Obtained municipal approvals (as defined in Section III to operate and open a physical location within a New Jersey municipality; and
4) Either receipts proving the entity has spent $100,000 on eligible expenses or invoices that the entity will spend $100,000 in eligible expenses.

The final disbursement of $150,000 will be made upon the grantee obtaining a NJ CRC-issued annual license. Grantees must provide evidence that they have spent the entirety previous disbursement on eligible expenses to be eligible for the next disbursement.

Applications will be accepted on a rolling basis and proceed based on their completeness. Five percent of all available funds will be set-aside for businesses that plan to open in an Impact Zone.

III) <u>Program Eligibility</u>

<u>Product One Eligibility</u>

1) Entity holds a New Jersey Cannabis Regulatory Commission conditional license in any class for recreational use. Entities with annual licenses and entities seeking to be licensed as an Alternative Treatment Center are not eligible.

2) In accordance with Chapter 115, entity 50 or fewer Full Time Employees at the time of application as evidenced through payroll documentation WR30 or other valid documentation.

3) Entity is in good standing with the Cannabis Regulatory Commission, the Division of Taxation as evidenced by a valid tax clearance certificate, the Department of Environmental Protection, and the Department of Labor and Workforce Development, at the time of application.

4) In accordance with Chapter 115, entity has documents of incorporation (or other formation documents) showing the entity commenced operations after the issuance of the Executive Order No. 103 of 2020 (March 9, 2020).

5) Owner or owners of 51% or more of the entity have established at least one non-home based retail, personal services, or manufacturing businesses in any US state or territory or has two (2) or more years of experience as an owner, manager, executive or supervisor of a retail, agricultural, personal services or manufacturing business.[2]

6) Owner or owners of 51% or more of the entity have enrolled and completed one of the following:

- A professional cannabis education course (course or courses in cannabis business, cannabis law, cannabis operations, cannabis plant science/plant cultivation or economics of cannabis offered by an accredited higher education institution or state or local government or private provider with at least two years operations and a minimum of 200 program graduates verifiable by the institution), enrolled and completed a small business entrepreneurship training course; or
- Completed six college credits in business, management, finance, economics, accounting, agricultural sciences, logistics/supply chain management or marketing; or
- Has three (3) or more years of as an owner, manager, executive or supervisor of a retail, agricultural, personal services, or manufacturing business.[3]

7) Entity is designated by the NJ-CRC as a Social Equity Business conditional license holder in accordance with NJ-CRC rules.

8) Entity has not secured both site control and municipal approval to operate and open in a municipality.

Product Two Eligibility

1) Entity holds a New Jersey Cannabis Commission conditional license or annual license, in any class for recreational use. Entities operating as an Alternative Treatment Center certified to operate in adult personal-use market are not eligible.

2) In accordance with Chapter 115, entity has 50 or fewer Full Time Employees at the time of application as evidenced through payroll documentation WR30 or other valid documentation.

3) Entity is in good standing with the Cannabis Regulatory Commission, Division of Taxation as evidenced by a valid tax clearance certificate, the Department of Environmental Protection, and the Department of Labor and Workforce Development, at the time of application.

4) In accordance with Chapter 115, entity has documents of incorporation (or other formation documents) showing the entity commenced operations after the issuance of Executive Order No. 103 of 2020 (March 9, 2020).

5) Owner or owners of 51% or more of the entity have established at least one non-home based retail, personal services, or manufacturing businesses in any US state or territory or has two (2) or more years

[2] Evaluations questions regarding ownership or ownership group combination can be satisfied by one or more members of any ownership group.
[3] Evaluations questions regarding ownership or ownership group combination can be satisfied by one or more members of any ownership group.

of experience as an owner, manager, executive or supervisor of a retail, agricultural, personal services or manufacturing business.[4]

6) Owner or owners of 51% or more of the entity have enrolled and completed one of the following:

- A professional cannabis education course (course or courses in cannabis business, cannabis law, cannabis operations, cannabis plant science/plant cultivation or economics of cannabis offered by an accredited higher education institution or state or local government or private provider with at least two years operations and a minimum of 200 program graduates verifiable by the institution), enrolled, and completed a small business entrepreneurship training course; or
- Completed six college credits in business, management, finance, economics, accounting, agricultural sciences, logistics/supply chain management or marketing; or
- Has three (3) or more years of as an owner, manager, executive or supervisor of a retail, agricultural, personal services, or manufacturing business.[5]

7) Entity has secured municipal approval. Municipal approval is defined as:

a. Resolution adopted by the municipality's governing body or, where a municipality has no governing body, a written letter of support from the municipality's executive and

b. All land use/planning/zoning approvals required from the municipality.

8) Entity has secured site control, proven by documentation showing control, by applying entity, of real property in a New Jersey municipality to be used for the operation of a licensed New Jersey recreational cannabis facility as listed in the application.

IV) Eligible Program Activities for Product 1 and Product 2

This is a grant to support start-up costs related to cannabis corporate business operations. Funding can be utilized for ongoing working capital expense, and ongoing business support expense as evidenced by receipts, invoices, or other documents showing actual payment made starting after March 9, 2020.

The grant is designed to support early life cycle costs for the licensee from the period of the company's corporate foundation. Eligible uses may include but are not limited to:

- Rental expenses – evidenced by a fully executed lease. Thirty-six months of lease payments may be covered after date that conditional license has been awarded.
- Payroll and Independent Contractor Payments – as evidenced by a payroll report, WR30, or equivalent payroll documentation and payment documentation for 1099 contractors.
- Regulatory Compliance expenses
- Legal expenses associated with the business
- Employee training
- Professional Services - accounting, human resources, business planning, transportation, security, marketing, website creation, lab services and any other outside services that may be needed to operate cannabis business or obtain any license or authorization to operate from the NJ Cannabis Regulatory Commission

[4] Evaluations questions regarding ownership or ownership group combination can be satisfied by one or more members of any ownership group.

[5] Evaluations questions regarding ownership or ownership group combination can be satisfied by one or more members of any ownership group.

- Utilities and Overhead fees
- Mortgage payments
- Business supplies
- Business Equipment under $2,000

Funds may not be used for:

- Controlled inventory
- Construction
- Equipment and installation costing greater than $2,000.00
- Purchase of land
- Demolition of an existing structure
- Rolling stock

All uses and documentation are subject to NJEDA review and approval. All receipts and/or invoices submitted must be dated after March 9, 2020.

V) Application

Applications will be accepted on a rolling basis or until funds are exhausted. Applications will include questions and required documentation related to the entity ownership including names, ownership share, place and length of residency, owners' resumes, management team's resumes, planned place of operation for the cannabis entity, site identification by address, lot and block numbers, and other information staff may deem necessary to evaluate the application. There will be a pre-application review. Application fee will not be required until after pre-application review.

Applicants will also be required to include, but are not limited to, the following documents:

- New Jersey Certificate of Incorporation or other formation document
- New Jersey Tax Clearance Certificate
- recreational New Jersey Cannabis license, as specified in the eligibility criteria for each product
- New Jersey WR-30 or equivalent document filed with 180 days of application

VI) Completeness Review

All applications will be reviewed for completeness in the order that they are received by the Authority. At the sole discretion of the Authority, staff may ask for clarification of the information included on the application including, but not limited to, responses, documentation, and attachments at any time prior to award. Applications will be accepted on a rolling basis and proceed based on their completeness. Under both products, there is a limit of one grant award per EIN.

VII) Proposed Project Funding and Statute Requirements

The Authority is using funds appropriated to it from the State's General Fund, but there remains a possibility that future funding for cannabis businesses may become available, particularly if the legal status of cannabis under federal law changes. There may also be funding made available to the Authority from NJ CRC. Staff is requesting delegated authority to the CEO to accept up to $50 million in additional funding for this program from any governmental entity (Federal, State, or County) and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.

VIII) Approvals

The Members are requested to approve delegation to the Chief Executive Officer to approve individual applications to the Cannabis Grant Program in accordance with the terms set forth in the attached product specifications due to the size of grants being commensurate with existing delegated authority. The review is also streamlined and generally non-discretionary.

As with other financial assistance programs, staff will perform legal reviews in accordance with Executive Order 34 (Byrne) and the Authority's Disqualification/Debarment Regulations (N.J.A.C. 19:30-2.1, *et seq.*) to ensure that applicants demonstrate and maintain the highest standards of responsibility and moral integrity. For the purposes of the Cannabis Grant Program only, the Members are also requested to delegate authority to:

- decide not to disqualify, debar, or suspend applicants and affiliates convicted of marijuana- and hashish-related offenses that meet the criteria for a "social equity business" as defined in the Cannabis Regulatory Commission's rules (specifically N.J.A.C. 17:30-6.6 and as administered by CRC, provided the applicant does not have other disqualifying convictions or judgments); and
- limit the timeframe for investigation into criminal matters, to those where the date of conviction, satisfactory completion of probation or parole, or release from incarceration, whichever is later, occurred five (5) years prior to the date of application, in accordance with N.J.A.C. 17:30-7.12. This modification to the delegated authority approved by the Board on June 8, 2022, will be consistent with NJ CRC's timeframe for disqualifying convictions (as stated in N.J.A.C. 17:30-7.12(d)).

IX) <u>Disbursements:</u>

The Authority will disburse grants only to the Applicant. The Applicant shall be responsible for assuring the compliance of all terms and conditions of grant and assumes the sole and absolute responsibility for any payments due to anyone else, including municipal, county, or business partners.

Awards will be approved in order of receipt of completed applications until the funding pool is fully utilized or the closing date. Based on statute, Authority will ensure that a minimum of 5% of all available funds will be disbursed to grantees whose project location will be in an Impact Zone as defined in the CREAMM Act.

Businesses that are disbursed the full grant amount must meet the following conditions for 12 months after the final eligible disbursement:

1. Retain a NJ Cannabis license
2. Maintain good standing with the NJ CRC (as determined by the NJ CRC)
3. Remain in New Jersey for twelve months after execution of the grant agreement

Failure to comply with these requirements or using funds for ineligible purposes may subject grantee to repay the grant to the Authority.

X) <u>Fees:</u>

Consistent with the Authority's rules, specifically N.J.A.C. 19:30-6.1(a), there will be a $1,000 application fee for the Cannabis Grant Program. N.J.A.C. 19:30-6.7 permits the Chief Executive Officer to waive fees, with the approval of the Members, "upon demonstration by the applicant that the imposition of the fee would impose an undue financial hardship."

The application fee waiver is requested for product one applicants as the imposition of the fee would impose undue financial hardship based on lack of access to capital. This lack of access to capital for cannabis entrepreneurs in New Jersey halts site acquisition; restricting both local industry growth and the individual entity's CRC annual license process due to the site acquisition requirements.

Contracted Staff

Staff is seeking approval to fund $400,000 in administrative costs associated with administering any phase of the grant program as needed.

The legislation permits the Authority to utilize up to $1 million of the $25 million supplemental appropriation for administrative costs. Given the amount of available funding under the proposed Cannabis Grant program, the volume of establishments the Authority anticipates will apply, the manual nature of review associated with each application, and the urgency in which the funding is needed by these establishments, the Authority does not have sufficient staff to administer the program. Accordingly, staff seek approval to issue one or more purchase orders to 22nd Century Technologies Inc. ("22nd Century") to hire temporary employees to scale up operations and administer this grant program, up to a maximum aggregate cost of $250,000. If the contract with 22nd Century expires, and it is not renewed, Small Business Services and other Community Development employees will begin the initial processing until temporary employees are available to be hired to administer the program.

XI) Recommendation

Approval is requested for:

1) The creation of the Cannabis Grant Program – a pilot program that will make grant funding available to eligible private entities for early-stage expenses related directly to cannabis business start-ups in New Jersey.

2) The utilization of $10 million from the State General Fund from the supplemental SFY2021 appropriation signed into law as P.L. 2021, Chapter 115, to fund the Cannabis Grant Program (including administrative costs).

3) Delegation to the Authority's Chief Executive Officer to approve individual applications for the Cannabis Grant Program in accordance with the terms set forth in the attached product specifications.

4) Delegated authority to the Chief Executive Officer to not debar, disqualify, or suspend applicants and affiliates convicted of marijuana- and hashish-related offenses that meet the criteria for a "social equity business" as defined in the Cannabis Regulatory Commission's rules (specifically N.J.A.C. 17:30-6.6) and as administered by CRC, provided the applicant does not have other disqualifying convictions or judgments).

5) Delegation to Authority staff (Chief Executive Officer or designee) to accept up to $50 million in additional funding for this program from any governmental entity (Federal, State, or County) and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.

6) The issuance of one or more purchase orders to 22nd Century Technologies Inc. (if available) to hire temporary employees to administer any phase of this grant program, up to a maximum aggregate cost of $250,000.8)

7) The application fee waiver is requested for product one applicants as the imposition of the fee would impose undue financial hardship based on lack of access to capital. This lack of access to capital for cannabis entrepreneurs in New Jersey halts site acquisition; restricting both local industry growth and the individual entity's CRC annual license process due to the site acquisition requirements.

____

Tim Sullivan, CEO

Prepared by Tai Cooper and Genevieve Jones

Attachment A: Board Specifications

<table>
<tr><td colspan="2" align="center"><u>Cannabis Grant Program</u>
Program Specifications
December 21, 2022</td></tr>
<tr><td align="center">Funding Source</td><td>Up to $25 million from the state budget appropriation identified for Startup businesses (Chapter 115) to be utilized as follows:
$10 million to initially fund the product and the CEO may accept up to $50 million in additional funding from any governmental entity (Federal, State, or County)
5% of total program funding set aside for Impact Zones – Impact zones are designated by NJ statute according to municipality based on past marijuana arrests, and higher concentrations of law enforcement activity, unemployment, and population.</td></tr>
<tr><td align="center">Program Purpose</td><td>To provide direct assistance to applicants who have received a NJ CRC issued license (conditional and annual) to operate a business and that will then need support starting their business and the costs associated to starting that business over the next 36 months from receiving their NJ CRC license.

The program will be divided into two products

The first grant product will utilize $3,600,000 in program funding and will provide 24 grants of $150,000 to entities that meet the criteria for NJ CRC social equity qualifier,

This product is geared towards social equity applicants who have obtained a conditional license but have not secured the real estate or municipal approval (defined as a resolution from governing body or letter of support from the Municipal Executive and land use/planning/zoning approval) and need assistance in converting their conditional license to an annual license. Upon grant award approval, applicants will be required to enroll in an EDA technical assistance program. The award of $150,000 will be disbursed incrementally once grantee has reached set milestones.

The second grant program, utilizing $6,000,000 in program funding, will provide up to 24 grants of $250,000 to entities that have a , conditional license, have obtained site control over their real estate, and municipal approval (as defined in Section II). The second grant product will support businesses that do not need technical assistance but that still have carrying costs and capital issues associated with converting their conditional license to an actual license.
For both products, applications will be accepted on a rolling basis, reviewed for completeness based in the order in which they are received by the Authority, but will proceed to scoring based on their completeness.</td></tr>
</table>

	Five percent of the awards will be reserved for businesses that plan to open in an Impact Zone Holders of "<u>Final Agency Decision Acceptance of Alternative Treatment Center ("ATC") Certification Authorization To Operate in Adult Personal-Use Market"</u> are not eligible for this grant.
Eligible Applicants- Product 1	1) Entity holds a New Jersey Cannabis Commission conditional license, in any class for recreational use. 2) Entity has less than 50 Full Time Employees at the time of application as evidenced through payroll documentation WR30 or other valid documentation. 3) Entity is in good standing with the Cannabis Regulatory Commission, Division of Taxation as evidenced by a valid tax clearance certificate, , the Department of Environmental Protection, and the Department of Labor and Workforce Development.at the time of application. 4) Entity has provided evidence of that it commences operations after the issuance of Executive Order No. 103 of 2020 (March 9, 2020). 5) Owner or owners of 51% or more of the entity have established at least one non-home based retail, personal services, or manufacturing businesses in any US state or territory or has two (2) more years of experience as an owner, manager, executive or supervisor of a retail, agricultural, personal services, or manufacturing business. 6) Owner or owners of 51% or more of the supplicant entity have enrolled and completed professional cannabis education course or enrolled and completed a small business entrepreneurship training course or has completed six college credits in business, management, finance, economics, accounting, agricultural sciences, logistics/supply chain management or marketing or has three (3) or more years of as an owner, manager, executive or supervisor of a retail, agricultural, personal services, or manufacturing business. 7) Applicants for Product 1 must prove entity is designated by the NJ-CRC as a Social Equity Business in accordance with NJ-CRC rules. (Pending approval of data sharing agreement between EDA & NJ CRC.) 8) Entity has not secured both site control or municipal approval to operate and open in a municipality.

<table>
<tr><td colspan="2" align="center"><u>Cannabis Grant Program</u>
Program Specifications
December 21, 2022</td></tr>
<tr><td></td><td></td></tr>
<tr><td align="center">Eligible Applicants-
Product 2</td><td>1) Entity holds a New Jersey Cannabis Regulatory Commission conditional license or New Jersey Cannabis Regulatory Commission annual license, in any class for recreational use.

2) Entity has less than 50 Full Time Employees at the time of application as evidenced through payroll documentation WR30 or other valid documentation.

3) Entity is in good standing with the Cannabis Regulatory Commission, the Division of Taxation as evidenced by a valid tax clearance certificate, the Department of Environmental Protection, and the Department of Labor and Workforce Development.at time of application.

4) Entity has provided evidence of that it commenced operations after the issuance of Executive Order No. 103 of 2020 (March 9, 2020);

5) Owner or owners of 51% or more of the entity has established at least one non-home based retail, personal services, or manufacturing businesses in any US state or territory or has two (2) more years of experience as an owner, manager, executive or supervisor of a retail, agricultural, personal services, or manufacturing business.

6) Owner or owners of 51% or more of the entity has enrolled and completed professional cannabis education course or enrolled and completed small business entrepreneurship training course or has completed six college credits in business, management, finance, economics, accounting, agricultural sciences, logistics/supply chain management or marketing or has three (3) or more years of as an owner, manager, executive or supervisor of a retail, agricultural, personal services, or manufacturing business.

7) Entity has secured municipal approval.

Municipal approval is defined as:

a. Resolution from the municipality's governing body or, where a municipality has no governing body, a written Letter of Support from the Municipality's Executive; and
b. Land use/planning/zoning approval from the Municipality.
8) Entity has secured site control, proven by documentation showing control, by applying entity, of real property in a New Jersey municipality to be used for the operation of a licensed New Jersey recreational cannabis facility as listed in the application.</td></tr>
</table>

	40% of the slots available for this grant will be set-aside for social equity applicants. Holders of "Final Agency Decision Acceptance of Alternative Treatment Center ("ATC") Certification Authorization To Operate in Adult Personal-Use Market" are not eligible for this grant.
Eligible Uses	**Eligible uses may include but are not limited to startup costs associated to a cannabis industry business** • Rental expenses • Payroll and Independent Contractor Payments– as evidenced by a current payroll report or WR30 or jobs that may need to be filled (job posting, and descriptions would need to be provided) or equivalent payroll documentation (including 1099 contractors). • Regulatory Compliance expenses. • Legal expenses associated with the business – may include retainers paid or unpaid invoices but only for services dated after the award of the applicant's license issued by NJ CRC. • Employee training – cost to train or hire a trainer for any function of their business operation that may or will happen 36 months after award of NJ CRC license. • Professional Services - accounting, human resources, business planning, transportation, security, marketing, website creation, lab services and any other outside services that may be needed to operate cannabis business or obtain any license or authorization to operate from the NJ Cannabis Regulatory Commission. • Utilities and Overhead Fees – bills dated after award of license and only for 36 months after are eligible. • Mortgage payments • Business supplies • Business Equipment under $2,000 All uses and documentation are subject to NJEDA review and approval. All receipts and/or invoices submitted must be dated after March 9, 2020. Funds may not be used for: • Controlled inventory • Construction • Equipment and installation costing greater than $2,000.00 • Purchase of land • Demolition of an existing structure • Rolling stock

<table>
<tr><td colspan="3"><u>Cannabis Grant Program</u>
Program Specifications
December 21, 2022</td></tr>
<tr><td>Application Process and Approval/ Delegated Authority</td><td colspan="2">Applications will be reviewed on a rolling basis. All applications will be reviewed for completeness in the order in which they are received by the Authority. There will be a pre-application review. Application fee will not be required until after pre-application review.

There is a limit of one grant award per EIN.</td></tr>
<tr><td>Grant Amount</td><td colspan="2">• Product 1 grant awards will be $150,000 to be disbursed incrementally based on the grantee’s ability to achieve program milestones.
• Product 2 grant awards will be $250,000, to be disbursed incrementally based on the grantee’s ability to achieve program milestones.</td></tr>
<tr><td>Products</td><td>Product 1- Technical Assistance Program and Grant Funding</td><td>Product 2 – General Grant Funding</td></tr>
<tr><td></td><td>The first grant product will utilize $3,600,000 in program funding to provide 24 grants of $150,000, to be disbursed incrementally based on achieved program milestones.
This product will be open to conditional license social equity applicants who have obtained a conditional license but have not secured both site control over real estate or municipal approval (defined as a resolution from governing body or letter of support from municipal executive and land use/planning/zoning approval) and need assistance in converting their conditional license to an annual license.

The technical assistance program will help prepare the applicant using an intensive technical assistance program. The Authority will procure a third- party technical assistance provider via RFP, which will focus on assisting the applicants in obtaining annual NJ CRC license and provide training on the opening, financing,</td><td>The second grant product will utilize $6,000,000 in program funding and will provide 24 grants of $250,000, to be disbursed incrementally based on achieved program milestones, to entities that have carrying costs and capital issues associated with opening their cannabis business. This product will be open to general applicants who have a conditional license, secured site control over their property, and municipal approvals (as defined in Section II) to operate and open a physical location within a New Jersey municipality. 40% of slots will be set-aside for social equity applicants.</td></tr>
</table>

	and operations of a licensed cannabis business in the state of New Jersey. The technical assistance program will address the following: building a cannabis business team, navigating the cannabis licensure process, cannabis-business specific education and business plan development, financial management training, assistance in seeking financing and investors, developing cannabis-specific Standard Operating Procedures, cash flow analysis, and supply chain management. The technical assistance program will have in-person classroom training and will be conducted in the state of New Jersey.	
Funding Disbursement	Product 1- Technical Assistance Program and Grant Funding	Product 2 – General Grant Funding
	Awards of $150,000 per grantee will be disbursed upon achieving the following milestones: 1) The first disbursement of $37,500 will be released to approved grantee upon completion of the fourth week in the technical assistance program and either a) submission of a business spending plan that includes eligible expenses of $37,500 or b) provide receipts that show applicant has spent $37,500 in eligible expenses related to their cannabis business. 2) The second disbursement of $37,500 will be released after the successful completion of the technical assistance	Awards of $250,000 per grantee will be disbursed upon achieving the following milestones: 1) The first disbursement of $100,000 will be released to approved grantees that (i) have obtained a NJ CRC issued conditional or annual license, (ii) demonstrates site control over the property, (iii) municipal approvals to operate and open a physical location within a New Jersey municipality, and (iv) provide receipts proving the entity has spent $100,0000 of eligible expenses or invoices that the entity will spend $100,000 in eligible expenses. 2) The second disbursement of $150,000 will be released to each grantee that has obtained a

	program. Applicants must also provide evidence of spending their entire first allocation ($37,500) in accordance with the eligible spending categories. 3) The third disbursement of $37,500 will be released after the approved grantee obtains site control over their property and municipal approval (as defined in Section II) to operate and open a physical location within a New Jersey municipality. Grantees must also provide evidence of spending their entire second allocation ($37,500) in accordance with the eligible spending categories 4) The fourth disbursement of $37,500 will be released after the approved grantee obtains its annual license and provides evidence of spending the entire third allocation ($50,000) in accordance with eligible expenses. Grantees must also provide evidence of spending the entirety of their last disbursement on eligible expenses.	NJ CRC issued annual license. Grantees must also provide evidence of spending their entire first allocation ($100,000) in accordance with the eligible spending categories.
Approvals	Chief Executive Officer to approve individual applications to the Cannabis Grant Program. Staff will perform legal reviews in accordance with Executive Order 34 (Byrne) and the Authority's Disqualification/Debarment Regulations (N.J.A.C. 19:30-2.1, *et seq.*) to ensure that applicants demonstrate and maintain the highest standards of responsibility and moral integrity. Additionally, for this program only applicants and owners convicted of marijuana- and hashish-related offenses that	

Cannabis Grant Program **Program Specifications** **December 21, 2022**	
	meet the criteria for a "social equity business" as defined in the Cannabis Regulatory Commission's rules (specifically N.J.A.C. 17:30-6.6) will not be disqualified and their investigation into criminal matters, to those that were either pending or concluded within five (5) years of the application. This modification to the delegated authority approved by the Board on June 8, 2022, will be consistent with NJ CRC's timeframe for disqualifying convictions.
Fees	Application Fee: $1,000 The application fee waiver is requested for product one applicants as the imposition of the fee would impose undue financial hardship based on lack of access to capital. This lack of access to capital for cannabis entrepreneurs in New Jersey halts site acquisition; restricting both local industry growth and the individual entity's CRC annual license process due to the site acquisition requirements.

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Office

DATE: December 21, 2022

RE: Small Business E-commerce Support Program

Summary

The Members are requested to approve:

1. Creation of the Small Business E-commerce Support Program – a pilot product under the Main Street Recovery Finance Program that will offer up to one million dollars ($1,000,000) in e-commerce/digital marketing consulting services to be provided to eligible New Jersey restaurants, retail stores and personal care businesses (e.g., barbershops, hair salons, nail salons, etc.) that are situated in a commercial location and meet the U.S. Small Business Administration (SBA) definition of a small business, to assist with the development of websites, e-commerce platforms and digital marketing plans.

2. Entering into contracts with the seven (7) firms indicated in this memo to provide E-commerce/Digital Marketing Services to New Jersey restaurants, retail stores and personal care businesses for a two (2) year term, with two (2) one (1) year extension options to be exercised at the sole discretion of the Authority at the same pricing, terms and conditions. The total combined contract award is based on a budget of one million dollars ($1,000,000).

3. Utilization of up to one million dollars ($1,000,000) from the Main Street Recovery Finance Program to fund the Small Business E-commerce Support Program, with delegation to the Authority's Chief Executive Officer to increase funding through contract amendments up to a total of four million dollars ($4,000,000) in the event the demand exceeds the one million dollars ($1,000,000).

4. Delegation to the Authority's Chief Executive Officer to approve individual requests for a Small Business E-commerce Support Program up to a maximum of eleven thousand four hundred dollars ($11,400) in accordance with the terms set forth in the attached product specifications.

Background

On January 7, 2021, Governor Phil Murphy signed the New Jersey Economic Recovery Act of 2020 (ERA) into law. The ERA presents a strong recovery and reform package that will address the ongoing economic impacts of the COVID-19 pandemic and position New Jersey to build a stronger and fairer economy that invests in innovation, in our communities, and in our small businesses the right way, with the protections and oversight taxpayers deserve. Tax incentives and other investment tools are critical to economic development, and when used correctly they can drive transformative change that uplifts communities and creates new opportunities for everyone. The ERA includes fifteen plus (15+) economic development programs, including:

- Tax credits to incentivize job creation and capital investment;
- Investment tools to support and strengthen New Jersey's innovation economy;
- Tax credits to strengthen New Jersey's communities including revitalization of brownfields and preservation of historic properties;
- Financial resources for small businesses, including those impacted by the COVID-19 pandemic;
- Support for new supermarkets and healthy food retailers in food dessert communities;
- Additional tax credits for film and digital media.

On July 7, 2021, Governor Murphy signed P.L. 2021 c.160 further improving the programs established under the New Jersey Economic Recovery Act of 2020.

One of the fifteen plus (15+) programs established under the ERA is the Main Street Recovery Finance Program, a $100 million small business support program under which individual financial assistance products will be created, all of which will share a common purpose of supporting the growth and success of small businesses in New Jersey. As of today, one hundred and fifty million dollars ($150,000,000) has been appropriated for the Main Street Recovery Fund, which funds products in the Main Street Recovery Finance Program. On August 11, 2021, the Members approved the creation of special adopted rules creating the Main Street Recovery Finance Program. These rules created two initial products under the Main Street Recovery Finance Program – the Small Business Lease Assistance Grant and the Small Business Improvement Grant. On November 13, 2021, the Members approved the creation of a third pilot product under the Main Street Recovery Finance Program - the Main Street Micro Business Loan. At the time each of these products were approved, Members were advised that requests to create additional pilot products under the Main Street Recovery Finance Program would be forthcoming. On February 9, 2021, the Members approved the creation of a fourth product under the Main Street Recovery Finance Program – the Main Street Lenders Grant. This memo is submitted to request the Members approval to create a fifth pilot product the Small Business E-commerce Support Program.

As the economy continues to recover from the COVID-19 pandemic and use of web-based platforms increases, many small, customer-facing businesses are in need of a robust online presence to help them complete and thrive. It is especially difficult for these business owners that own or rent their commercial space to make investments in digitization due to limited technical capabilities, experience and financial resources. They are in need of immediate assistance to transform and adapt their online sales and marketing activities and allow them to operate profitably in today's economy.

The product being presented for the Members approval in this memorandum is Small Business E-commerce Support – a pilot product under the Main Street Recovery Finance Program that will offer up to one million dollars ($1,000,000) in e-commerce/digital marketing consulting services to be provided to eligible New Jersey restaurants, retail stores and personal care businesses (e.g., barbershops, hair salons, nail salons, etc.) that are situated in a commercial location and meet the

U.S. Small Business Administration (SBA) definition of a small business. This product will provide the assistance these businesses need to survive and thrive in today's economy. A summary including contractor engagement, product details, eligibility criteria, available support, maximum assistance amounts and the approval process is provided below.

Product Details

The Small Business E-commerce Support Program will connect eligible small businesses in the restaurant, retail and personal care (e.g., barbershops, hair salons, nail salons, etc.) industries to consultants that will offer E-commerce/Digital Marketing Services to assist with the development of websites, e-commerce platforms and digital marketing plans, thereby enabling businesses to increase their client base, better serve customers and operate profitably while adhering to current social distancing limitations/health guidelines and accommodating changing customer preferences.

The Authority will issue a press release to announce the product and will market it to businesses to generate leads. The Authority will distribute leads to Contractors (the selection of which is described in detail in a section below) beginning with the highest scored Contractor for the applicable region and continuing sequentially by score on a rotating basis. Awarded Contractors are also responsible for marketing and outreach to potential clients and must make a good faith effort to ensure that forty percent (40%) of clients served are located within Qualified Opportunity Zones, with focus on serving small, women, minority, veteran and disabled veteran owned businesses.

Interested businesses will be required to complete an initial intake form. The Contractor will make initial contact with a potential client and schedule a diagnostic interview to assess the client's needs within one (1) week of initial contact. The Contractor will then develop and present a proposal to the client for approval and signature. Following client approval, the Contractor will forward the signed proposal to the Authority for project approval. Once the project is approved by the Authority, the Contractor will submit an invoice for fifty percent (50%) of the estimated project cost.

To be eligible for assistance, businesses must meet the product eligibility parameters. The business must be a restaurant, retail store or personal care business (e.g., barbershop, hair salon, nail salon, etc.) situated in a commercial location with a physical store front in the State and currently registered to do business in New Jersey. Further, the business must meet the U.S. Small Business Administration (SBA) definition of a small business. Business type will be verified by NAICS Code, location will be verified via Google maps search results, business registration will be confirmed by required submission of a current tax clearance certificate and small business status will be verified using the business' NAICS Code and annual gross revenue, evidenced by submission of its most recent Federal income tax filing, as compared to the SBA Table of Small Business Size Standards.

The e-commerce/digital marketing consulting services offered will consist of the following, with maximum not to exceed hours for each service:

Service	Business Type	Key Features of End Product	Estimated Hours Min-Max Not to Exceed the Maximum Hours Listed

A. Web Page Design, Development, and Implementation	All	● URL registration ● Fully functional web landing page which includes key information about the business, its services/ product offering, contact information, etc. **Use of pre-built website hosting platforms (e.g., Squarespace, WordPress) is encouraged.*	1-4 hours
B. Online Ordering Implementation	Restaurant	● Integrates with business' website ● Online ordering capabilities, including menu for selections and a "sold out" indicator ● Delivery or take-out options ● Online payment capability **Use of existing online ordering platform (e.g., Olo, Otter) is encouraged.*	1-4 hours
C. Online Appointment Booking Implementation	Personal Care	● Integrate with business' website ● Online menu of service options ● Online appointment booking capability **Use of existing scheduling management platform (e.g., MindBody, Vagaro) is encouraged.*	1-4 hours
D. E-commerce Platform Design, Development, and Implementation	All	● Product listing, including photos, descriptions, prices and links to back-end inventory system ● Customer account set-up capability ● Online shopping cart feature ● Online check-out and payment capability **Use of existing e-commerce platform (e.g., WooCommerce, Shopify, Wix, BigCommerce) is encouraged.*	1-40 hours
E. Website and E-commerce Platform Adaptation/ Migration	All	● Modern, easily accessible and user-friendly web landing page and/or e-commerce platform	1-10 hours
F. Online Marketing	All	Customizable by client	1-10 hours
G. Training and Post-delivery Remote Assistance	All	● One (1) hour of training for business owner and staff ● Up to two (2) additional hours of remote assistance for two (2) weeks following completion of project ● Debugging, if applicable, for two (2) weeks following completion of project	1-3 hours
H. Troubleshooting with advanced approval	All	● Up to five (5) additional hours of troubleshooting assistance ● Proposer shall obtain prior approval for all troubleshooting from the Designated Contract Manager before any work can begin	1-5 hours

Services provided and hours expended by the Contractor will be tailored to meet the needs of each individual client. Not all clients will receive all of the services listed.

The Contract will also cover the initial cost of any apps, hosting and/or domain registrations that may be purchased to develop or enhance client's website and/or e-commerce capabilities (i.e., Squarespace, Wordpress, Olo, Otter, Mindbody, Vagaro, WooCommerce, Shopfly, Wix, BigCommerce). The business owner will be responsible for all subsequent, ongoing costs/fees associated with these apps and services.

Services will be provided up to a maximum value per completed project for each type of business as follows:

- Restaurants maximum per completed project = $11,400
- Retail stores maximum per completed project = $10,800
- Personal care maximum per completed project = $11,400

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

1. Identify the client's digitization needs by performing an initial intake, introductory diagnostic and developing and presenting a proposal.
2. Obtain proposal approval from the client and the Authority prior to beginning work on any project.
3. Build and implement the needed solution(s), working remotely and completing the project within four (4) weeks of the Authority's approval of the proposal; the Contractor will:
    a. Work with the client to gain an understanding of the business owner's preferences for website e-commerce platform and digital marketing design and layout;'
    b. Build a customer-facing digital interface and back-end solution based on the client's needs using client input and feedback on design, layout and content and updating the client on progress frequently throughout the process.
    c. Implement the solution, delivering a live, fully functional web page, e-commerce platform, food ordering plug-in, appointment booking and/or social media marketing plan or other solution based on the client's needs.
4. Provide client training and ongoing assistance, the Contractor will:
    a. Training the business owner and staff to use and maintain the new platform(s) effectively to increase sales and/or establish an online presence and track website traffic and customer engagement.
    b. Offer on-demand remote assistance for questions and debugging.

Once the project is fully completed, the Contractor will submit its final invoice to the Authority, accompanied by a copy of the signed proposal and evidence of the completed work (e.g., photos, screenshots, weblinks, documents, etc.). The Contractor's invoice will include the initial cost of any apps, hosting and/or domain registrations that may be purchased to develop or enhance client's website and/or e-commerce capabilities. The business owner will be responsible for all subsequent, ongoing costs/fees associated with these apps and services. The Authority will issue final payment upon receipt and review of the final invoice and after confirming that the client is satisfied with the work, as evidenced by a customer satisfaction survey completed by the client.

Approval Process

In recognition of the anticipated volume of requests for assistance under this product and the limited discretion staff has in reviewing requests under the product parameters, the Members are requested to approve Delegation to the Authority's Chief Executive Officer to approve individual requests for assistance under the product, up to a maximum of eleven thousand four hundred dollars ($11,400) in accordance with the terms set forth in the attached product specifications.

Contractor Procurement Process

The Procurement Department issued a Request for Proposals, #2022-RFP-130, for E-commerce/Digital Marketing Services on August 31, 2022. The RFP was duly advertised in two (2) newspapers for one (1) day and posted on both the Authority's website and the NJ State Business Portal. Additionally, five hundred twenty-five (525) firms were notified of the solicitation via e-mail.

The RFP sought to solicit proposals from consulting firms experienced in the development of websites, e-commerce platforms and digital marketing plans to provide E-commerce/Digital Marketing Services to New Jersey restaurants, retail stores and personal care businesses in any or all of the Northern, Central and Southern New Jersey regions and provided for award of contracts to up to three (3) responsible Proposers in each of the three (3) geographic regions for two (2) year terms, with two (2) one (1) year extension options to be exercised at the sole discretion of the Authority. The total combined budget for these services is $1 million for the entire term of the contracts including all potential extension options.

Proposals were due on October 3, 2022, and 13 proposals were received by the due date. IPM staff reviewed all proposals for responsiveness. All proposals were deemed responsive and forwarded to an Evaluation Committee comprised of qualified Authority staff for review and evaluation. As set forth in the RFP, proposals were evaluated and scored by the Evaluation Committee members based on:

- Personnel qualifications and experience
- Experience demonstrated on projects of a similar size and scope
- Ability to complete the scope of work based on the technical proposal

Fee schedules were not provided to the Evaluation Committee. The Authority's Procurement staff evaluated and scored the pricing, applied the weighting percentages to all criteria, then compiled and completed the overall scoring for each Proposal. The following firms were recommended for contract award to market the program and conduct outreach to generate their own leads in any of the three (3) designated geographic regions throughout the State:

Rank	Proposer	Score	Comment
1	Beyond Media Global, LLC	4.4	Proposal met threshold score of 3.0
2	New Frontier	4.2	Proposal met threshold score of 3.0
3	Masterpiece Design	3.8	Proposal met threshold score of 3.0
4	Tara Dowdell Group, LLC	3.6	Proposal met threshold score of 3.0, lower ranked price
5	Positive Solutions, LLC	3.6	Proposal met threshold score of 3.0, higher ranked price
6	360 Marketing and PR	3.5	Proposal met threshold score of 3.0
7	eGrove Systems Corporation	3.3	Proposal met threshold score of 3.0

The Authority will provide leads to firms by awarded geographic region, on a rotating basis starting with the highest scored firm in each geographic region as follows:

Northern New Jersey Region		
Rank	**Proposer**	**Score**
1	Beyond Media Global, LLC	4.4
2	New Frontier	4.2
3	Masterpiece Design	3.8

Central New Jersey Region		
Rank	**Proposer**	**Score**
1	Beyond Media Global, LLC	4.4
2	Masterpiece Design	3.8
3	Positive Solutions, LLC	3.6

Southern New Jersey Region		
Rank	**Proposer**	**Score**
1	Beyond Media Global, LLC	4.4
2	Masterpiece Design	3.8
3	360 Marketing & PR	3.5

Budget and Payment

The one million dollar ($1,000,000) contract award will be expended incrementally, spread unevenly between Contractors over the Contract term as services are provided. Following project approval, the Authority will pay the Contractor fifty percent (50%) of the estimated project cost. Final payment will be issued upon successful completion of the project, as evidenced by photographs of completed work and completed customer feedback form.

Recommendation

The Members of the Board are requested to approve: (1) Creation of the Small Business E-commerce Support Program – a pilot product under the Main Street Recovery Finance Program that will offer up to one million dollars ($1,000,000) in e-commerce/digital marketing consulting services to be provided to eligible New Jersey restaurants, retail stores and personal care businesses (e.g., barbershops, hair salons, nail salons, etc.) that are situated in a commercial location and meet the U.S. Small Business Administration (SBA) definition of a small business, to assist with the development of websites, e-commerce platforms and digital marketing plans; (2) Utilization of up to one million dollars ($1,000,000) from the Main Street Recovery Finance Program to fund the Small Business E-commerce Support Program, with delegation to the Authority's Chief Executive Officer to increase funding up to a total of four million dollars ($4,000,000) in the event the demand exceeds the one million dollars ($1,000,000); and (3) Delegation to the Authority's Chief Executive Officer to approve individual requests for an Small Business E-commerce Support in accordance with the terms set forth in the attached product specifications, to decline requests, based solely on non-discretionary reasons and for final administrative decisions on appeals of non-discretionary declinations based solely on non-discretionary reasons.

Tim Sullivan, CEO

Prepared by: Christina Fuentes
Appendix A – Product Specifications

Appendix A

Small Business E-commerce Support Program
Product Specifications
December 21, 2022

Funding Source	$1 million Main Street Recovery Finance Program (NJ Economic Recovery Act 2020), with delegation to CEO to increase funding up to $4 million.
Product Expiration	Assistance will be offered until funding is exhausted.
Product Purpose	The Small Business E-commerce Support Program supports the growth and success of New Jersey small businesses in the restaurant, retail and personal care industry by offering up to one million dollars ($1,000,000) in e-commerce/digital marketing consulting services to assist with the development of websites, e-commerce platforms and digital marketing plans at no cost to the business. This funding was awarded via RFP and will be administered via 3rd party consultants.
Eligible Recipients	• Business must be a restaurant, retail store or personal care business (e.g., barbershop, hair salon, nail salon, etc.) as described in the applicant's intake form. • Final determination of businesses eligibility to receive services by a contractor is determined by NJEDA. • Business must be situated in a commercial location • Business must have a physical store front in the State. • Business must meet the U.S. Small Business Administration (SBA) definition of a small business. • Business must be currently registered to do business in New Jersey. • Business must complete an intake form. • Business must provide a current tax clearance certificate prior to approval. • Business must provide a current Federal income tax filing. • Ineligible businesses include businesses that: conduct or purveyance of "adult" (that is, pornographic, lewd, prurient, obscene, or otherwise similarly disreputable) activities, services, products, or materials (including nude or semi-nude performances or the sale of sexual aids or devices); any auction, bankruptcy, fire, "lost-our-lease," "going-out-of-business," or similar sale; sales by transient merchants, Christmas tree sales, or other outdoor storage; or any activity constituting a nuisance.

Eligible Assistance Types	• Web Page Design, Development, and Implementation • Online Ordering Implementation • Online Appointment Booking Implementation • E-commerce Platform Design, Development, and Implementation • Website and E-commerce Platform Adaptation/Migration • Online Marketing • Training and Post-delivery Remote Assistance • Troubleshooting
Maximum Project Costs	Consulting services provided at no cost to businesses, up to a maximum cost per project as follows: • Restaurants maximum per completed project = $11,400 • Retail stores maximum per completed project = $10,800 • Personal care maximum per completed project = $11,400
Contractor Responsibilities	• Market product • Outreach to businesses • Initial intake • Introductory diagnostic • Develop proposal • Obtain approval • Obtain business owner input • Build solution(s) • Implement solution(s) • Training • Ongoing assistance • Obtain client feedback
Approval Process	The Authority will be responsible for reviewing and approving project proposals under Delegated Authority. Delegated approvals come from the CEO.
Funding Disbursement	The Authority will pay the Contractor fifty percent (50%) of the estimated project cost following project approval and upon receipt of invoice. The Authority will issue final payment upon receipt and review of the final invoice and after confirming that the client is satisfied with the work, as evidenced by a customer satisfaction survey completed by the client.

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Recommendation for Additional Funding for the Small Business Improvement Grant (SBIG)

Summary:

The Members are asked to approve:

1. The utilization of additional funding in the amount of $15 million from the Main Street Recovery Finance Program for the Small Business Improvement Grant (SBIG) to bring the total funding for this product to $45 million. Forty percent (40%) of that additional amount, or $6 million, will be set aside for grants to Opportunity Zone eligible census tracts, increasing the total set aside for the product to $18 million.

2. The utilization of an additional $500,000 of Main Street Recovery Finance Program funding to cover costs to maintain the existing temporary staff provided by 22nd Century Technologies, Inc. to continue processing applications for another year if needed.

3. The utilization of an additional three percent (3%) administrative fee in the amount of $450,000 from the Main Street Recovery Finance Program to support the NJEDA costs to administer the additional $15 million to be dedicated to this product.

4. Delegation of authority to the Chief Executive Officer (CEO) to increase funding for SBIG by an additional $15 million, totaling $30 million in additional funding from the Main Street Recovery Finance Program, in the event that demand for the SBIG product exceeds available funding. If this delegation of authority is exercised, the standard 40% (up to $6 million) will be set aside for Opportunity Zone census tracks and an additional 3% (up to $450,000) allocated from the Main Street Recovery Finance Program to cover the administrative fee.

Background:

On August 11, 2021, the NJEDA Board approved the utilization of $15 million of Main Street Recovery Finance Program funding to create the Small Business Improvement Grant Program – a grant product that reimburses small businesses fifty percent (50%) of eligible project costs, with a maximum grant award not to exceed $50,000, associated with making capital improvements or the purchase and/or installation of new furniture, fixtures and equipment. The CEO was also granted delegated authority to increase funding to a total of $30 million in the event that demand exceeds the $15 million in available funding.

On the same date, the Board also approved $500,000 of Main Street Recovery Finance Program funding to be used by the Authority to hire temporary staff through 22nd Century Technologies Inc. to process applications for both grant products (Small Business Improvement Grant and Small Business Lease Grant).

On September 16, 2022, due to the demand of this product, the CEO under delegated authority approved an increase in funding of $15 million, bringing funding total to $30 million. This increased the set aside for the Opportunity Zone eligible census tracts to $12 million, and allowed for NJEDA to utilize an additional administrative fee of 3% ($450,000) as well.

As of December 2, 2022, NJEDA has received 3414 applications that total to a request over $75 million, and NJEDA is progressively taking in more applications on a weekly basis. So far there have been 847 grant approvals for this product that exceed $21 million in total. Of the awards to date, 36% or $7.3 million, has been awarded to businesses in Opportunity Zone eligible census tracts. Staff has processed 1,654 (48%) of the applications received and currently is processing over 1,700 applications that total over $42 million. This product had an initially high demand at time of launch in February of 2022 and is still progressively taking in 20 to 30 new applications a week. NJEDA is now in a steady pace of doing approvals, close to $3 million per month, and it is anticipated that at this current rate the existing funding will be exhausted prior to the end of Q1 2023. To ensure the necessary funding is in place, and because there is no January Board meeting scheduled, staff is requesting the additional funding in advance. This additional funding will allow staff to maintain the approval process and ensure the product is funded beyond February 2023.

At this time, the $500,000 initially approved to cover the costs to hire temporary employees provided by 22nd Century Technologies Inc. to process grant applications will be nearly exhausted by the end of Q4 2022. Additional funding in the amount of another $500,000 is needed to cover continued costs beyond December, 2022. This would allow for NJEDA to continue to utilize temporary staff for another year if needed to process grant applications.

Staff has evaluated funding for all the Main Street products and considers additional allocation to the Small Business Improvement Grant to be a prudent allocation of funding. Exhibit A, attached, illustrates funding, balances, and application activity through December 2, 2022, for all the Main Street products. The current balance in the Main Street Recovery Finance Program is $57,700.000 (assuming approval of the E-commerce Technical Assistance product by the Board). Upon approval of this SBIG funding increase, the remaining balance in the Main Street Fund will be $41,750,000.

This additional funding is essential to ensure SBIG applicants that have applied are able to be funded, and NJEDA can continue to take in more applications. This will allow NJEDA to continue supporting NJ small businesses during this time of need.

Recommendation:

1. The Members of the Board are asked to approve (1) Additional funding in the amount of $15 million from the Main Street Recovery Finance Program for the Small Business Improvement Grant (SBIG) program to bring the total funding for this product to $45 million with a supplemental 40% set aside of $6 million to increase the total set aside to $18 million. (2) The utilization of an additional $500,000 of Main Street Recovery Finance Program funding to cover costs to maintain the existing temporary staff provided by 22nd Century Technologies, Inc. to process applications for another year if needed. (3) The utilization of an additional 3% administrative fee, or $450,000 not to exceed $900,000, from the Main Street Recovery Finance Program to cover NJEDA's costs to administer the $15 million of supplemental funding being requested. (4) Delegation of authority to the CEO to increase funding by an additional $15 million from the Main Street Recovery Finance Program. If exercised, the standard 40% of this funding will be set aside for Opportunity Zone census tracks and an additional 3% administrative fee (up to $450,000) allocated from the Main Street Recovery Finance Program.

Tim Sullivan, CEO

Prepared by: Christina Fuentes

Exhibit A – SBIG Approvals
Exhibit B - SBIG Board Memo and Specifications
Exhibit C – Main Street Recovery Finance Program Product Summary

ATTACHMENT A

New Jersey Economic Development Authority Main Street Recovery Finance Program
Small Business Improvement Grant- Approved Grants

Entity	Approval Date	Grant Amount	City	County	Eligible Opportunity Zone
Purdy Mechanical, Inc.	7/15/2022	$ 5,169.02	Absecon	Atlantic County	Yes
Inlet Public Private Association, Inc.	10/14/2022	$ 8,314.00	Atlantic City	Atlantic County	Yes
Dougherty RB, LLC	10/28/2022	$ 50,000.00	Atlantic City	Atlantic County	Yes
North Beach Mini Golf LLC	8/4/2022	$ 50,000.00	Atlantic City	Atlantic County	Yes
Brigantines Freshery LLC	8/11/2022	$ 17,314.83	Brigantine City	Atlantic County	Yes
Niclex Industries LLC	9/9/2022	$ 25,179.49	Egg Harbor	Atlantic County	No
Guthrie Glass & Mirror, Inc.	10/31/2022	$ 22,194.54	Egg Harbor	Atlantic County	Yes
4340 Fabrication, LLC	11/30/2022	$ 23,293.50	Folsom Borough	Atlantic County	No
Garmardor Inc	8/4/2022	$ 13,529.65	Galloway	Atlantic County	No
Zen Health and Wellness Center Limited Liability Company	11/9/2022	$ 3,028.69	Hammonton Town	Atlantic County	No
Shirley Grasso LLC	10/31/2022	$ 6,323.00	Hammonton Town	Atlantic County	No
Geller Brewing LLC	9/14/2022	$ 24,912.05	Hammonton Town	Atlantic County	Yes
Kies Motorsports LLC	8/18/2022	$ 31,979.28	Hammonton Town	Atlantic County	No
SCOTT L BROWN	8/4/2022	$ 15,960.12	Hammonton Town	Atlantic County	Yes
White Horse Winery LLC	7/1/2022	$ 23,475.00	Hammonton Town	Atlantic County	No
DiDonato's Bowling Center Inc.	5/15/2022	$ 49,405.21	Hammonton Town	Atlantic County	No
JDJ Pets Inc	11/3/2022	$ 7,558.69	Mays Landing	Atlantic County	Yes
Heather M. Clark, D.M.D., P.C.	11/21/2022	$ 11,705.25	Northfield City	Atlantic County	No
A2K2 LLC	11/14/2022	$ 22,087.64	Northfield City	Atlantic County	No
INDEPENDENCE FINANCIAL SERVICES LLC	8/11/2022	$ 4,470.04	Northfield City	Atlantic County	No
Network Construction Co., Inc.	10/21/2022	$ 14,320.93	Pleasantville City	Atlantic County	Yes
shop162inc.	11/3/2022	$ 2,799.50	Pleasantville City	Atlantic County	Yes
LISA YANOSCHAK LLC	7/7/2022	$ 9,488.21	Smithville	Atlantic County	No
ksc cleaners inc	3/22/2022	$ 11,248.94	Allendale Borough	Bergen County	No
O. DiBella Music, Inc	8/24/2022	$ 8,440.44	Bergenfield Borough	Bergen County	No
Nunnbetter NJ Ltd	5/15/2022	$ 8,607.58	Bergenfield Borough	Bergen County	No
Manning Brothers LLC	5/18/2022	$ 30,344.98	Bogota Borough	Bergen County	No
DICK MARTIN SPORTS INC	10/24/2022	$ 23,655.00	Carlstadt Borough	Bergen County	No
TJ Rocco Enterprises LLC	8/16/2022	$ 11,857.81	Carlstadt Borough	Bergen County	No
Idaho Farmers Market LLC	9/23/2022	$ 50,000.00	Cliffside Park Borough	Bergen County	Yes
Beyoglu-Grill Corpration	8/18/2022	$ 3,463.66	Cliffside Park Borough	Bergen County	No
Erica Donuts II, Inc.	8/5/2022	$ 49,822.43	Closter Borough	Bergen County	No
Myung Ga Tofu Enterprise LLC	5/15/2022	$ 3,634.49	Closter Borough	Bergen County	No
Closter Performing Arts	5/26/2022	$ 50,000.00	Closter Borough	Bergen County	No
Marge Perry Inc	10/21/2022	$ 16,191.84	Cresskill Borough	Bergen County	No
Bergen Dental Care at Dumont	7/1/2022	$ 33,480.25	Dumont Borough	Bergen County	No
Dream Snack Of Nj Inc	9/27/2022	$ 50,000.00	East Rutherford Borough	Bergen County	No

mrs fields of american dream nj llc	5/18/2022	$	42,872.18	East Rutherford Borough	Bergen County	No
RDC Wine Inc	5/27/2022	$	39,091.68	East Rutherford Borough	Bergen County	No
International Auto Tech INC	9/2/2022	$	10,334.39	Edgewater Borough	Bergen County	No
JACKS EDGEWATER GOURMET LLC	9/1/2022	$	13,503.74	Edgewater Borough	Bergen County	No
Dor-Win Manufacturing Co.	6/2/2022	$	50,000.00	Elmwood Park Borough	Bergen County	No
Sprinkles & Cones LLC	7/19/2022	$	24,861.31	Emerson Borough	Bergen County	No
US Standard Products Corp	9/9/2022	$	50,000.00	Englewood City	Bergen County	Yes
Space Odyssey Group LLC	7/14/2022	$	20,109.38	Englewood City	Bergen County	Yes
Red White & Pasta LLC	6/16/2022	$	24,630.38	Englewood City	Bergen County	Yes
The Artistic Group, Inc.	7/27/2022	$	50,000.00	Englewood City	Bergen County	Yes
aaron brody dmd llc	11/9/2022	$	31,318.94	Englewood City	Bergen County	Yes
Khosla Capital LLC	8/24/2022	$	16,606.81	Englewood City	Bergen County	Yes
Chic Sugars LLC	10/4/2022	$	50,000.00	Englewood City	Bergen County	Yes
Women's Rights Information Center	6/16/2022	$	14,785.00	Englewood City	Bergen County	Yes
MDR Gelato LLC	8/4/2022	$	44,439.82	Englewood City	Bergen County	Yes
LARRY BRAD DRUCKER INC	10/28/2022	$	9,094.26	Englewood City	Bergen County	Yes
SREW ENTERPRISES, LLC	6/2/2022	$	4,800.00	Englewood City	Bergen County	Yes
Headliners Barbershop and Salon	7/1/2022	$	7,555.00	Englewood City	Bergen County	No
Print Solutions LLC	5/20/2022	$	23,174.30	Englewood City	Bergen County	Yes
EY GROUP LLC	10/26/2022	$	7,711.83	Englewood Cliffs Borough	Bergen County	No
JAMES D.J. SUH, CPA LIMITED LIABILITY COMPANY	9/1/2022	$	2,937.10	Englewood Cliffs Borough	Bergen County	No
E'NOM LLC	9/13/2022	$	19,604.40	Englewood Cliffs Borough	Bergen County	No
JONG TAEG LEE	8/24/2022	$	9,354.19	Englewood Cliffs Borough	Bergen County	No
JOOASOO LLC	6/2/2022	$	21,000.00	Englewood Cliffs Borough	Bergen County	No
AG Psychotherapy and Counseling Services LLC	11/4/2022	$	3,253.47	Fair Lawn Borough	Bergen County	No
Auto Sumser, Inc.	10/28/2022	$	9,479.68	Fair Lawn Borough	Bergen County	No
SEMFL Enterprises, LLC	10/19/2022	$	7,647.50	Fair Lawn Borough	Bergen County	No
Uncle Jimmy's Cheesecakes LLC	11/7/2022	$	3,399.06	Fairview Borough	Bergen County	Yes
TBT Fitness Studios LLC	8/22/2022	$	44,545.67	Fort Lee Borough	Bergen County	No
Ruth Stage Inc	10/18/2022	$	2,532.41	Fort Lee Borough	Bergen County	No
DDX USA Inc	8/11/2022	$	21,660.00	Fort Lee Borough	Bergen County	No
SAIGON KITCHEN LLC	9/8/2022	$	10,376.08	Fort Lee Borough	Bergen County	No
ANNA SHIN DDS INC	6/9/2022	$	7,598.92	Fort Lee Borough	Bergen County	Yes
Mplus Creative Production & Media Corp	8/22/2022	$	19,633.52	Fort Lee Borough	Bergen County	No
Nkisoy Yoga LLC	8/24/2022	$	3,288.70	Fort Lee Borough	Bergen County	No
Studio Z Photo Booths LLC	4/13/2022	$	8,532.50	Fort Lee Borough	Bergen County	No
Marty's Burger	9/9/2022	$	12,797.30	Fort Lee Borough	Bergen County	No
kaie salon, LLC	7/7/2022	$	16,719.91	Fort Lee Borough	Bergen County	No

New Jersey Economic Development Authority Main Street Recovery Finance Program
Small Business Improvement Grant- Approved Grants

Barre-ista Inc	7/29/2022	$ 50,000.00	Franklin Lakes Borough	Bergen County	No
Silver Strong & Associates LLC	5/20/2022	$ 6,851.91	Franklin Lakes Borough	Bergen County	No
Saker OMS, PA	9/9/2022	$ 50,000.00	Glen Rock Borough	Bergen County	No
KOSHER NOSH	8/11/2022	$ 13,292.64	Glen Rock Borough	Bergen County	No
Santas Dominican Beauty Salon LLC	11/14/2022	$ 28,044.73	Hackensack City	Bergen County	No
H VAK Mechanical Corp.	10/3/2022	$ 24,584.18	Hackensack City	Bergen County	Yes
N&R. Divine Cleaning Services LLC	11/30/2022	$ 4,022.58	Hackensack City	Bergen County	Yes
Pro Auto Repair Inc	8/4/2022	$ 50,000.00	Hackensack City	Bergen County	Yes
Superb Diagnostics LLC	11/23/2022	$ 50,000.00	Hackensack City	Bergen County	Yes
Hirox-USA, Inc.	7/7/2022	$ 6,623.34	Hackensack City	Bergen County	Yes
42 Clinton Place Associates LLC	8/19/2022	$ 23,786.44	Hackensack City	Bergen County	Yes
Alexander anderson real estate group, inc	8/30/2022	$ 24,673.96	Hackensack City	Bergen County	Yes
AACG 235 Main LLC	9/27/2022	$ 17,208.61	Hackensack City	Bergen County	Yes
Apex Copy & Print LLC	9/2/2022	$ 32,358.39	Hackensack City	Bergen County	Yes
Some's Uniforms Inc.	5/16/2022	$ 5,250.00	Hackensack City	Bergen County	Yes
Elidan Corporation	5/15/2022	$ 50,000.00	Hackensack City	Bergen County	Yes
Good Morning Dental LLC	4/25/2022	$ 50,000.00	Hackensack City	Bergen County	Yes
KPD Accounting Services LLC	5/26/2022	$ 3,272.70	Hackensack City	Bergen County	Yes
Cute Smiles LLC	6/20/2022	$ 50,000.00	Hasbrouck Heights Boroug	Bergen County	No
RYMER PETER DDS	11/4/2022	$ 18,991.09	Hillsdale Borough	Bergen County	No
Caleb & Tyler Kim DDS LLC	11/14/2022	$ 50,000.00	Ho-ho-kus Borough	Bergen County	No
Gio Photography and Design Inc	8/11/2022	$ 2,580.24	Leonia Borough	Bergen County	No
Kim's Beauty Form LLC	5/26/2022	$ 3,950.00	Leonia Borough	Bergen County	No
J&J TIRES AND WHEELS LIMITED LIABILITY COMPANY	8/4/2022	$ 7,112.83	Little Ferry Borough	Bergen County	Yes
Family Touch Inc	11/9/2022	$ 24,150.00	Little Ferry Borough	Bergen County	Yes
Brix City Brewing, LLC	6/9/2022	$ 37,119.19	Little Ferry Borough	Bergen County	Yes
Julie Trading LLC	11/21/2022	$ 13,718.00	Little Ferry Borough	Bergen County	No
Boys & Girls Clubs of Lower Bergen County	8/5/2022	$ 50,000.00	Lodi Borough	Bergen County	Yes
M & J POINT CORPORATION	11/15/2022	$ 4,523.92	Lodi Borough	Bergen County	Yes
Joseph M. Lane Post 136 American Legion Lodi INC.	11/17/2022	$ 5,630.80	Lodi Borough	Bergen County	No
Premium Wine Liquor LLC	6/8/2022	$ 7,520.86	Lodi Borough	Bergen County	Yes
ONDEMAND PRINT GROUP	4/29/2022	$ 22,515.97	Lyndhurst	Bergen County	No
SHOCK TECH, INC.	8/18/2022	$ 50,000.00	Mahwah	Bergen County	No
SQ PIZZA LLC	5/20/2022	$ 50,000.00	Mahwah	Bergen County	No
Van Natta Mechanical Corp.	6/2/2022	$ 33,402.95	Mahwah	Bergen County	No
Krishi LLC	11/9/2022	$ 50,000.00	Maywood Borough	Bergen County	No
Arya Realty Holdings LLC	11/1/2022	$ 50,000.00	Maywood Borough	Bergen County	No
Bonchon America Inc	7/7/2022	$ 10,500.00	Midland Park Borough	Bergen County	No

Midland Park NK Cleaners LLC	6/16/2022	$	11,995.00	Midland Park Borough	Bergen County	No
Ohana Dental LLC	5/15/2022	$	19,492.02	Midland Park Borough	Bergen County	No
I & C Cycle LLC	7/19/2022	$	8,358.08	Montvale Borough	Bergen County	No
Decision Drivers L.L.C.	9/1/2022	$	30,000.00	Montvale Borough	Bergen County	No
S Begonias Corp	6/24/2022	$	18,975.84	Montvale Borough	Bergen County	No
Flexi Printing Plate Company, Inc.	5/3/2022	$	13,692.95	Moonachie Borough	Bergen County	No
Cakemom & J LLC	4/29/2022	$	9,873.14	New Milford Borough	Bergen County	No
Jonathan H Feder DMD PC	9/9/2022	$	50,000.00	North Arlington Borough	Bergen County	No
K9 Nanni LLC	10/4/2022	$	50,000.00	North Arlington Borough	Bergen County	No
HB Dance LLC	7/7/2022	$	5,367.37	Norwood Borough	Bergen County	No
LD Gelato LLC	5/27/2022	$	49,979.11	Norwood Borough	Bergen County	No
Ruga Restaurant LLC	10/28/2022	$	12,969.17	Oakland Borough	Bergen County	No
Laser Dentistry of North Jersey, LLC	10/18/2022	$	50,000.00	Oakland Borough	Bergen County	No
Sang Yun Ro DDS PC	7/19/2022	$	9,199.18	Old Tappan Borough	Bergen County	No
NORU & RABBIT CORP	10/3/2022	$	9,040.00	Palisades Park Borough	Bergen County	Yes
HANA MUSIC LLC	7/29/2022	$	19,192.50	Palisades Park Borough	Bergen County	Yes
FANCY AVE LLC	10/6/2022	$	14,786.58	Palisades Park Borough	Bergen County	No
NEW SPACE DESIGN LLC	11/9/2022	$	7,125.00	Palisades Park Borough	Bergen County	Yes
DELICE GLOBAL INC	7/15/2022	$	50,000.00	Palisades Park Borough	Bergen County	Yes
DELICE USA INC	8/4/2022	$	50,000.00	Palisades Park Borough	Bergen County	Yes
Kaka Bar Inc	10/14/2022	$	31,920.54	Palisades Park Borough	Bergen County	Yes
MUNS BEAUTY SALON INC	4/17/2022	$	24,929.57	Palisades Park Borough	Bergen County	Yes
NEW KOKO LOKO LLC	7/27/2022	$	10,950.00	Palisades Park Borough	Bergen County	Yes
Neo-Toto Inc	5/20/2022	$	18,868.70	Palisades Park Borough	Bergen County	Yes
Endodontic Associates of Bergen County Limited Liability Company	11/14/2022	$	43,963.68	Paramus Borough	Bergen County	No
Guerrilla Fitness III LLC	11/18/2022	$	14,063.47	Paramus Borough	Bergen County	No
Center for Dermatology & Skin Surgery LLC	10/14/2022	$	25,314.39	Paramus Borough	Bergen County	No
Giovatto Advertising, Inc.	7/7/2022	$	32,621.92	Paramus Borough	Bergen County	No
Dream Dessert of New Jersey Inc.	7/7/2022	$	41,345.34	Paramus Borough	Bergen County	No
LRF Investments LLC	7/29/2022	$	13,326.44	Paramus Borough	Bergen County	No
Forte Piano Music Co.	8/24/2022	$	13,320.02	Paramus Borough	Bergen County	No
Town Title Agency, LLC	8/16/2022	$	44,691.43	Paramus Borough	Bergen County	No
Kaplan, Plavin & Steinhardt, LLP	9/1/2022	$	32,673.54	Park Ridge Borough	Bergen County	No
Silver Fountain Inc	6/2/2022	$	37,309.62	Park Ridge Borough	Bergen County	No
Paper Street Play LLC	6/24/2022	$	11,449.50	Park Ridge Borough	Bergen County	No
OLD CASTLE FINE FOODS LLC	10/27/2022	$	21,428.55	Ridgefield Borough	Bergen County	No
Hanwool Tax & Accounting LLC	9/9/2022	$	50,000.00	Ridgefield Borough	Bergen County	No
Salon J. El LLC	6/24/2022	$	5,196.18	Ridgefield Borough	Bergen County	No

AC Art and Mirrors Inc	6/8/2022	$	28,120.31	Ridgefield Borough	Bergen County	No
SEJONG, LIMITED LIABILITY PARTNERSHIP	7/28/2022	$	9,081.95	Ridgefield Park Village	Bergen County	Yes
HRCap, Inc.	6/8/2022	$	15,732.31	Ridgefield Park Village	Bergen County	Yes
SUNG W SEO CPA LLC	3/26/2022	$	5,741.96	Ridgefield Park Village	Bergen County	No
LITTLE CRANE MONTESSORI SCHOOL	10/27/2022	$	4,064.21	Ridgewood Village	Bergen County	No
PAMM Cleaners LLC	11/14/2022	$	9,325.00	Ridgewood Village	Bergen County	No
Stretch Recovery Lounge LLC	11/17/2022	$	13,908.96	Ridgewood Village	Bergen County	No
Anthony Passerino CPA	8/24/2022	$	3,527.64	Ridgewood Village	Bergen County	No
Yeraz Brands LLC	7/7/2022	$	12,717.04	Ridgewood Village	Bergen County	No
NL ACCOUNTING CORP	7/15/2022	$	6,906.73	River Edge Borough	Bergen County	No
The Law Office of Joseph A. DiPiazza, LLC	11/4/2022	$	3,821.10	River Vale	Bergen County	No
Ristorante Nani Fine Italian Cuisine Inc	8/26/2022	$	42,771.27	Rochelle Park Township	Bergen County	No
Park Academy LLC	11/17/2022	$	32,570.64	Rutherford Borough	Bergen County	No
Bubbles and Cream LLC	11/15/2022	$	11,552.61	Rutherford Borough	Bergen County	No
Rutherford JD, LLC	5/13/2022	$	50,000.00	Rutherford Borough	Bergen County	No
Djerdan Burek Corp	7/7/2022	$	35,870.00	South Hackensack	Bergen County	Yes
Solène Inc	11/17/2022	$	24,942.74	Teaneck	Bergen County	No
Teaneck Speedway LLC	11/21/2022	$	27,100.63	Teaneck	Bergen County	No
Teaneck Dentist LLC	11/4/2022	$	50,000.00	Teaneck	Bergen County	No
735 Cedar Lane Laundry Inc	11/14/2022	$	24,616.04	Teaneck	Bergen County	No
CAFE METRO LLC	9/19/2022	$	22,881.03	Teaneck	Bergen County	No
BDinelli for Hair LLC	11/14/2022	$	16,390.45	Teaneck	Bergen County	No
jon/son, inc	7/15/2022	$	50,000.00	Teaneck	Bergen County	Yes
Diamond 5 Math Tutoring LLC	7/19/2022	$	5,577.71	Teaneck	Bergen County	Yes
BF Dental Professionals PC	7/7/2022	$	15,652.33	Teaneck	Bergen County	No
The Therapy Gym LLC.	6/16/2022	$	50,000.00	Teaneck	Bergen County	Yes
Plaza Dental Arts, LLC	7/14/2022	$	32,588.13	Teaneck	Bergen County	Yes
KUDO SOCIETY TEANECK LLC	5/19/2022	$	24,714.98	Teaneck	Bergen County	No
PARNOSAH, INC.	5/27/2022	$	23,431.56	Teaneck	Bergen County	Yes
PENELOPE CHANG DDS PC	5/19/2022	$	50,000.00	Tenafly Borough	Bergen County	No
Erica Donuts III Inc.	11/15/2022	$	22,995.65	Waldwick Borough	Bergen County	No
Heuer & Company	10/14/2022	$	50,000.00	Waldwick Borough	Bergen County	No
Power Lines, Inc.	10/24/2022	$	3,089.50	Wallington Borough	Bergen County	Yes
Rise Up Together LLC	10/4/2022	$	16,022.20	Westwood Borough	Bergen County	No
WWD Fondue Inc	8/22/2022	$	31,248.04	Westwood Borough	Bergen County	No
Clemente Orthodontics of Woodcliff Lake LLC.	9/22/2022	$	50,000.00	Woodcliff Lake Borough	Bergen County	No
Z3 Fitness Reinvented LLC	9/22/2022	$	12,800.00	Wyckoff	Bergen County	No
Klive International Corp	9/22/2022	$	7,290.00	Wyckoff	Bergen County	No

Bordentown Dental Arts LLC	12/4/2022	$	13,415.80	Bordentown	Burlington County	No
Joyce G. Parker & Co., Inc	9/14/2022	$	33,503.52	Bordentown City	Burlington County	No
I AM UNIQUE A SELF RESTORATION WORKSHOP A NJ NONPROFIT CO	11/30/2022	$	3,318.76	Burlington	Burlington County	No
Jersey Marketing Inc	10/31/2022	$	18,552.99	Burlington	Burlington County	No
Silver Dental Associates, LLC	7/7/2022	$	50,000.00	Burlington	Burlington County	No
Ryde Spin and Fitness LLC	8/16/2022	$	14,881.57	Burlington	Burlington County	Yes
Jersey Electrical Testing Corp.	8/26/2022	$	17,393.19	Burlington	Burlington County	No
Szul's Landscapes, Inc.	5/20/2022	$	3,077.00	Chesterfield	Burlington County	No
Clarence Jackson Skills Academy Limited Liability Company	3/18/2022	$	50,000.00	Evesham	Burlington County	No
Health Goals Chiropractic Center, Inc.	11/25/2022	$	50,000.00	Marlton	Burlington County	No
shri hari om llc	7/19/2022	$	14,114.65	Marlton	Burlington County	No
DeLorenzo's ASP The Image Factory LLC	5/18/2022	$	14,250.00	Mcguire Afb	Burlington County	No
Tooth Patrol LLC	11/1/2022	$	23,324.22	Moorestown	Burlington County	No
AFL Restaurants LLC	11/18/2022	$	20,450.00	Moorestown-lenola	Burlington County	No
Train Wreck Distillery LLC	11/23/2022	$	18,078.89	Mount Holly	Burlington County	Yes
Still Waters Therapeutic Massage LLC	6/20/2022	$	5,574.06	Mount Holly	Burlington County	Yes
OMRUT INC	8/10/2022	$	27,177.25	Mount Laurel	Burlington County	No
Harikrishna Liquors Inc	9/22/2022	$	24,000.00	Palmyra Borough	Burlington County	Yes
VALENZANO WINERY, L.L.C.	9/14/2022	$	50,000.00	Shamong	Burlington County	No
Springfield Family Chiropractic, PA	9/22/2022	$	17,537.84	Springfield	Burlington County	No
Gaur Lila LLC	6/16/2022	$	50,000.00	Westampton	Burlington County	No
All Things Are Possible Foundation Incorporated	10/14/2022	$	49,265.31	Willingboro	Burlington County	No
MLS Direct Real Estate Inc	6/8/2022	$	18,078.81	Barclay-kingston	Camden County	No
TPAM Inc	10/18/2022	$	48,504.68	Barrington Borough	Camden County	No
Tonewood Brewing, LLC	7/15/2022	$	50,000.00	Barrington Borough	Camden County	No
Mercer Rubber Company	5/19/2022	$	50,000.00	Bellmawr Borough	Camden County	Yes
Grey Squirrel Digital, LLC	11/9/2022	$	17,371.03	Berlin	Camden County	Yes
GraphiX & Design Inc.	7/14/2022	$	5,000.00	Berlin	Camden County	No
HARE KRISHNA SUB LLC	10/21/2022	$	14,594.04	Berlin	Camden County	Yes
Renaissance M&G Corporation	10/4/2022	$	50,000.00	Blackwood	Camden County	Yes
Robert and Dorothy Earle, Inc.	11/4/2022	$	45,339.55	Blackwood	Camden County	Yes
WE ARE LEGENDS LLP	11/23/2022	$	3,250.00	Blackwood	Camden County	No
Southern New Jersey Development Council	9/1/2022	$	4,796.30	Blackwood	Camden County	No
Wyatt's Torch Inc.	11/17/2022	$	50,000.00	Camden City	Camden County	Yes
VASUDEV LIQUORS TWO INC	8/11/2022	$	8,048.84	Camden City	Camden County	Yes
Cooperative Business Assistance Corporation	10/11/2022	$	5,365.00	Camden City	Camden County	Yes
Humanity Pictures LLC	6/2/2022	$	5,388.03	Camden City	Camden County	Yes
Paddock Partners LLC	9/8/2022	$	7,559.72	Cherry Hill	Camden County	No

New Jersey Economic Development Authority Main Street Recovery Finance Program
Small Business Improvement Grant- Approved Grants

Belliard's Hair Design Studio & Spa Inc.	10/26/2022	$	39,138.59	Cherry Hill	Camden County	No
Dr. Charles J Ricciardi DDS	8/11/2022	$	16,086.85	Cherry Hill	Camden County	No
TKMZ LLC	11/14/2022	$	9,595.67	Cherry Hill	Camden County	No
Forgotten Boardwalk Brewing LLC	10/14/2022	$	9,273.85	Cherry Hill	Camden County	No
MRFG CHILL LLC	8/24/2022	$	50,000.00	Cherry Hill	Camden County	No
Artists In Motion Dance Studio, LLC	10/26/2022	$	18,382.72	Cherry Hill	Camden County	No
The Cub and Bunny Inc	8/4/2022	$	37,775.15	Cherry Hill Township	Camden County	Yes
Gusmo, LLC	9/1/2022	$	26,615.40	Clementon Borough	Camden County	No
Collingswood Architectural Millwork, Inc.	9/21/2022	$	32,207.50	Collingswood Borough	Camden County	Yes
Zena American Mediterranean Cuisine LLC	8/22/2022	$	11,250.00	Collingswood Borough	Camden County	Yes
PARKVIEW HOLDINGS INVESTOR LLC	6/16/2022	$	11,545.36	Collingswood Borough	Camden County	Yes
Pronto Ship & Print LLC	8/16/2022	$	11,941.01	Collingswood Borough	Camden County	No
Patriot Car Wash of Gloucester City LLC	9/21/2022	$	34,951.07	Gloucester City	Camden County	No
Wink Lash & Nails LLC	6/8/2022	$	3,162.36	Haddon Heights Borough	Camden County	No
BRAM Dental Group LLC	8/18/2022	$	50,000.00	Haddon Heights Borough	Camden County	No
Wells Appel, Inc.	11/4/2022	$	15,674.78	Haddonfield Borough	Camden County	No
Puff Wealth Management LLC	11/30/2022	$	35,922.18	Haddonfield Borough	Camden County	No
CASEY,THOMAS	10/31/2022	$	6,947.92	Haddonfield Borough	Camden County	No
Range Life LLC	7/19/2022	$	11,011.09	Haddonfield Borough	Camden County	No
Agatsu Dojos LLC	11/25/2022	$	13,890.60	Laurel Springs Borough	Camden County	No
Clementon Groceries International LLC	7/14/2022	$	11,824.53	Lindenwold Borough	Camden County	Yes
A. Rowan Photo LLC	9/27/2022	$	50,000.00	Merchantville Borough	Camden County	No
Accu Wash, Inc	11/25/2022	$	50,000.00	Mount Ephraim Borough	Camden County	No
Four Hundred And One Spirits, LLC	9/1/2022	$	14,986.95	Oaklyn Borough	Camden County	No
SISTERS SPOT LLC	11/23/2022	$	14,123.42	Pennsauken Township	Camden County	No
Werko Machine Co, Inc.	10/4/2022	$	50,000.00	Pennsauken Township	Camden County	No
Pine Hill Tavern	6/24/2022	$	50,000.00	Pine Hill Borough	Camden County	Yes
Image Unisex LLC	9/1/2022	$	7,825.62	Sicklerville	Camden County	Yes
House of Beauty The Next Level Multicultural Salon LLC	10/27/2022	$	16,405.93	Somerdale Borough	Camden County	No
Dr Patricia C OBrien PC	11/9/2022	$	12,366.65	Stratford Borough	Camden County	Yes
Ink About It, LLC	11/18/2022	$	7,298.19	Turnersville	Camden County	No
Valenzano and Friends LLC	7/28/2022	$	13,101.97	Waterford	Camden County	No
Dock Mikes Inc	8/12/2022	$	50,000.00	Cape May City	Cape May County	No
Luther Ogden Inn, LLC	8/16/2022	$	13,504.24	Cape May City	Cape May County	No
Cape May County Chamber of Commerce	10/28/2022	$	50,000.00	Cape May Court House	Cape May County	No
COHO BREWING LLC	8/22/2022	$	12,807.65	Cape May Court House	Cape May County	Yes
Cheryl Ward CPA PC	7/14/2022	$	50,000.00	Marmora	Cape May County	No
McMullan Family LLC	10/26/2022	$	30,724.51	North Wildwood City	Cape May County	Yes

KAPA Inc	10/18/2022	$	37,235.32	North Wildwood City	Cape May County	Yes
Youschak Properties LLC	9/16/2022	$	50,000.00	North Wildwood City	Cape May County	Yes
PLYMOUTH INN, INC.	9/16/2022	$	8,828.71	Ocean City	Cape May County	No
Mallon's Homemade Sticky Buns Inc	9/21/2022	$	50,000.00	Ocean City	Cape May County	Yes
SJO Lindsay LLC	8/11/2022	$	20,888.60	Ocean City	Cape May County	No
Swell Cafe LLC	8/24/2022	$	39,358.68	Ocean City	Cape May County	No
Kavitha Battula DMD LLC	8/31/2022	$	23,377.21	Sea Isle City	Cape May County	No
Wilbraham Partnership	11/15/2022	$	24,664.58	West Cape May Borough	Cape May County	No
SHERRETTA LATAYSHA K	11/30/2022	$	3,503.03	Wildwood City	Cape May County	Yes
Admiral Resort, Inc	9/1/2022	$	50,000.00	Wildwood Crest Borough	Cape May County	Yes
6201 Atlantic Avenue LLC	12/1/2022	$	50,000.00	Wildwood Crest Borough	Cape May County	Yes
Beau Rivage Beach Resort Inc	8/4/2022	$	50,000.00	Wildwood Crest Borough	Cape May County	Yes
Chank's USA LLC	9/23/2022	$	50,000.00	Bridgeton City	Cumberland County	Yes
Apex Automotive Sales and Service LLC	9/1/2022	$	21,317.24	Maurice River	Cumberland County	No
Mission Spirits LLC	6/8/2022	$	29,307.95	Millville City	Cumberland County	Yes
Glasstown Brewing LLC	5/3/2022	$	16,808.78	Millville City	Cumberland County	No
South Jersey Pediatric Dental LLC	9/16/2022	$	50,000.00	Vineland City	Cumberland County	Yes
ABCO Insurance Agency, Inc.	9/23/2022	$	11,641.76	Vineland City	Cumberland County	Yes
Parrish Sign Co., Inc.	8/19/2022	$	50,000.00	Vineland City	Cumberland County	Yes
James Hoffman Funeral Home Inc.	9/2/2022	$	16,226.52	Vineland City	Cumberland County	Yes
Beyond Painting Inc	5/20/2022	$	9,342.50	Vineland City	Cumberland County	Yes
Communication Continuity Inc.	9/27/2022	$	50,000.00	Belleville	Essex County	Yes
Delavan Auto Body, Inc.	8/24/2022	$	50,000.00	Belleville	Essex County	Yes
Yeh Dental LLC	7/15/2022	$	50,000.00	Bloomfield	Essex County	No
Goodeliving LLC	6/8/2022	$	11,664.52	Bloomfield	Essex County	No
Jersey Girl Caterers	8/30/2022	$	17,030.38	Fairfield	Essex County	No
The Cutting Board Limited Liability Company	8/30/2022	$	8,553.30	Fairfield	Essex County	No
Edward B. De Leo Co., Inc.	11/30/2022	$	13,341.83	Fairfield	Essex County	No
The LAB Performance & Sports Science LLC.	10/26/2022	$	17,763.35	Fairfield	Essex County	No
Northern Rock, LLC.	8/30/2022	$	50,000.00	Fairfield	Essex County	No
Parkway Eye Care Center, LLC	10/6/2022	$	35,452.33	Irvington	Essex County	Yes
Jersey Plastic Molders, Inc	10/18/2022	$	35,254.61	Irvington	Essex County	Yes
Kim, Chong Tae & Sue Y	6/16/2022	$	32,802.74	Irvington	Essex County	Yes
PHASE Associates, LLC	9/23/2022	$	15,692.26	Livingston	Essex County	No
Exceptional Explorers LLC	9/9/2022	$	45,457.54	Livingston	Essex County	No
The Miller Center for Esthetic Excellence LLC	11/1/2022	$	11,951.27	Livingston	Essex County	No
Maplewood Business Services	9/16/2022	$	15,500.00	Maplewood	Essex County	Yes
UpperSchelon Luxury Hair Emporium	8/24/2022	$	13,998.22	Maplewood	Essex County	Yes

Bhakti Barn Yoga, LLC	10/28/2022	$	17,799.10	Millburn	Essex County	No
Springbone Millburn LLC	10/24/2022	$	50,000.00	Millburn	Essex County	No
FOOTNOTES, INC.	9/1/2022	$	4,450.00	Millburn	Essex County	No
Premier Fitness Holdings, LLC	8/24/2022	$	50,000.00	Millburn	Essex County	No
Sports Information Media LLC	10/27/2022	$	4,001.32	Millburn	Essex County	No
The Presidents Club Barber Shop LLC	7/28/2022	$	25,277.04	Millburn	Essex County	No
MILLBURN KIDS LLC	5/20/2022	$	50,000.00	Millburn	Essex County	No
DC FITNESS LLC	9/13/2022	$	8,657.43	Montclair	Essex County	No
Proven Poke Co Montclair LLC	11/15/2022	$	6,813.78	Montclair	Essex County	No
East Side Mags Limited Liability Company	7/7/2022	$	9,794.86	Montclair	Essex County	No
ROYAL BAGEL 1 INC	10/26/2022	$	35,400.00	Montclair	Essex County	No
Ride It Cycling LLC	6/8/2022	$	18,716.41	Montclair	Essex County	No
SL Ridgewood 2015 LLC	11/17/2022	$	16,334.23	Montclair	Essex County	No
LCDG, LLC	11/25/2022	$	50,000.00	Montclair	Essex County	No
Brittany Ostrov Photography, LLC	10/26/2022	$	6,630.62	Montclair	Essex County	No
HANNA NAILS NJ LLC	6/24/2022	$	6,300.00	Montclair	Essex County	No
Sasha Acupuncture & Herbal Medicine LLC	6/16/2022	$	32,884.34	Montclair	Essex County	No
Mattarello LLC	10/26/2022	$	40,730.97	Montclair	Essex County	No
RR Bakery Group LLC	6/8/2022	$	50,000.00	Montclair	Essex County	No
61 New Street LLC	10/6/2022	$	6,950.00	Newark City	Essex County	Yes
Bongiorno Productions Inc.	10/28/2022	$	3,223.37	Newark City	Essex County	Yes
MICHRINIK TECHNOLOGIES LIMITED LIABILITY COMPANY	11/30/2022	$	21,375.00	Newark City	Essex County	Yes
Qava LLC	11/25/2022	$	23,750.00	Newark City	Essex County	Yes
W. B. LAW & SON	7/7/2022	$	50,000.00	Newark City	Essex County	Yes
Dowco inc	11/4/2022	$	15,678.66	Newark City	Essex County	Yes
Durden, Lisa	7/1/2022	$	5,101.02	Newark City	Essex County	Yes
Highland Nail & Spa LLC	10/18/2022	$	10,396.07	Newark City	Essex County	Yes
Diber Web Services Llc	8/18/2022	$	7,883.00	Newark City	Essex County	Yes
Broadview Technologies, Inc.	10/11/2022	$	17,416.44	Newark City	Essex County	Yes
Brilliant Smiles Pediatric Dentistry, LLC	9/21/2022	$	21,618.31	Newark City	Essex County	Yes
Destiny Awakening Healthcare Services LLC, DBA Destiny Caregivers	10/27/2022	$	12,347.42	Newark City	Essex County	Yes
RyArMo Photography Studio LLC	8/4/2022	$	10,021.68	Newark City	Essex County	Yes
Carmen B G Limited Liability Corporation	7/7/2022	$	6,433.69	Newark City	Essex County	Yes
Comito Associates PC Architecture	8/24/2022	$	18,212.17	Newark City	Essex County	Yes
BLACC SENSE, LLC	5/19/2022	$	23,735.81	Newark City	Essex County	No
Suburban Orthopaedic and Medical Center LLC	11/21/2022	$	17,265.05	Newark City	Essex County	Yes
Salonsi LLC	9/27/2022	$	39,256.06	Nutley	Essex County	No
Kurly Kurtosh LLC	7/7/2022	$	50,000.00	Nutley	Essex County	No

Jon-Gru LLC	11/30/2022	$	9,771.86	Nutley	Essex County	No
TRIO & COMPANY	3/31/2022	$	8,250.00	Nutley	Essex County	No
BRWL Studio LLC	7/22/2022	$	23,418.93	Orange	Essex County	Yes
Bailey Li Interiors LLC	8/25/2022	$	19,908.44	Orange	Essex County	Yes
Juris Consulting Services LLC	10/4/2022	$	5,030.28	Orange	Essex County	Yes
Housing and Neighborhood Development Services, Inc.	10/31/2022	$	14,616.45	Orange	Essex County	Yes
Crossover Solutions LLC	7/21/2022	$	23,681.84	South Orange	Essex County	No
Rocky's Crystals and Minerals Limited Liability Company	7/1/2022	$	13,044.85	South Orange	Essex County	Yes
DM Restaurant Ventures I LLC	11/30/2022	$	13,797.00	South Orange	Essex County	No
Bistro d'Azur LLC	7/19/2022	$	12,655.95	South Orange	Essex County	No
CINEMA LAB LLC	8/24/2022	$	50,000.00	South Orange	Essex County	No
Northern New Jersey Eye Institute PA	5/20/2022	$	8,000.00	South Orange	Essex County	No
Polkan Dental PC	7/27/2022	$	15,189.60	Verona	Essex County	No
Lash District LLC	8/11/2022	$	8,213.52	West Orange	Essex County	Yes
Shree Nilkanthvarni LLC	9/21/2022	$	16,606.05	Deptford	Gloucester County	No
Antara Corp	6/9/2022	$	10,751.49	Deptford	Gloucester County	Yes
Death of the Fox Brewing Company	9/23/2022	$	22,010.38	East Greenwich	Gloucester County	No
Axe & Arrow Brewing LLC	8/24/2022	$	50,000.00	Glassboro Borough	Gloucester County	Yes
Waterline Glassboro LLC	6/16/2022	$	50,000.00	Glassboro Borough	Gloucester County	Yes
Strategic Tax Advice, LLC	7/19/2022	$	2,895.52	Glassboro Borough	Gloucester County	No
Rossiter Holdings LLC	10/14/2022	$	39,723.95	National Park Borough	Gloucester County	Yes
Auto Shine Express, LLC	8/12/2022	$	50,000.00	Paulsboro Borough	Gloucester County	No
Boho House LLC	8/5/2022	$	34,256.68	Pitman Borough	Gloucester County	No
Cabinet Transformations LLC	9/8/2022	$	3,500.58	Sewell	Gloucester County	No
Wagonhouse Winery, LLC	11/9/2022	$	18,535.32	South Harrison	Gloucester County	No
Gattso LLC	10/14/2022	$	9,909.95	Wenonah Borough	Gloucester County	No
South Jersey Storage LLC	8/24/2022	$	50,000.00	Williamstown	Gloucester County	Yes
Morris Graphics Inc.	9/27/2022	$	15,530.00	Woodbury City	Gloucester County	Yes
HAI CAO	11/17/2022	$	4,593.50	Bayonne City	Hudson County	No
Decor by Liz LLC	11/30/2022	$	24,336.83	Bayonne City	Hudson County	Yes
Amicis Food Services Inc	8/5/2022	$	4,750.00	Bayonne City	Hudson County	No
L & S PLASTICS INC.	6/8/2022	$	50,000.00	Bayonne City	Hudson County	No
Hudackos Pharmacy Inc	6/16/2022	$	17,175.76	Bayonne City	Hudson County	Yes
Max Home Furniture LLC	4/17/2022	$	4,625.43	Bayonne City	Hudson County	Yes
Bayonne Eats LLC	4/13/2022	$	12,125.68	Bayonne City	Hudson County	Yes
Appleview Early Learning Center II, LLC	8/16/2022	$	50,000.00	Guttenberg Town	Hudson County	No
M&W Liquors Inc.	10/19/2022	$	7,140.00	Guttenberg Town	Hudson County	Yes
Jane DO Hoboken Corp.	8/26/2022	$	13,698.49	Hoboken City	Hudson County	No

Michael Frinzi Productions, L.L.C.	11/14/2022	$	12,095.38	Hoboken City	Hudson County	No
Panello Limited Liability Company	11/30/2022	$	3,047.62	Hoboken City	Hudson County	No
Tearsheet llc	9/22/2022	$	16,112.66	Hoboken City	Hudson County	No
Limitless Leaf LLC	7/1/2022	$	9,376.54	Hoboken City	Hudson County	No
Celebrate Life at Home LLC	6/16/2022	$	9,275.00	Hoboken City	Hudson County	No
John Nastasi Architects PC	11/4/2022	$	6,420.36	Hoboken City	Hudson County	No
The Wildflower Group LLC	7/1/2022	$	15,095.95	Hoboken City	Hudson County	No
Finnegan's Pub LLC	5/27/2022	$	10,339.00	Hoboken City	Hudson County	No
Revival Vintage Boutique Corporation	9/27/2022	$	7,749.43	Hoboken City	Hudson County	No
Summerfield Inc.	6/8/2022	$	9,170.18	Hoboken City	Hudson County	No
JERSEY DENTAL ARTS PA	11/22/2022	$	15,869.01	Jersey City	Hudson County	Yes
74 LAFAYETTE INC	11/25/2022	$	19,917.50	Jersey City	Hudson County	Yes
Torta Truck LLC	9/16/2022	$	21,593.82	Jersey City	Hudson County	Yes
Tinos Artisan Pizza of JC Inc	10/14/2022	$	38,566.54	Jersey City	Hudson County	No
HAMILTON PARK MONTESSORI SCHOOL, A NEW JERSEY NON-PROFIT	11/30/2022	$	44,952.62	Jersey City	Hudson County	No
Lisch & Lisch LLC	9/13/2022	$	3,453.09	Jersey City	Hudson County	No
JLM Collective LLC	9/14/2022	$	16,336.59	Jersey City	Hudson County	Yes
French Cafe Gourmand Corp	10/14/2022	$	8,369.30	Jersey City	Hudson County	No
NG Trade LLC	11/21/2022	$	21,112.52	Jersey City	Hudson County	No
Saigon Bistro JC LLC	9/1/2022	$	5,651.34	Jersey City	Hudson County	Yes
SANON GLOBAL LLC	10/3/2022	$	22,966.39	Jersey City	Hudson County	Yes
Jane DO Jersey City	6/24/2022	$	28,228.11	Jersey City	Hudson County	No
New Life Dream Academy A NJ Nonprofit Corporation	6/8/2022	$	19,640.66	Jersey City	Hudson County	Yes
Pilgrim Foods LLC	7/7/2022	$	21,014.50	Jersey City	Hudson County	Yes
Jersey City Dental Care LLC	7/1/2022	$	9,100.10	Jersey City	Hudson County	Yes
Caven Point Service Center, Inc	7/19/2022	$	26,598.25	Jersey City	Hudson County	Yes
Jersey North LLC	9/13/2022	$	13,965.07	Jersey City	Hudson County	Yes
Mint Market LLC	7/1/2022	$	6,416.91	Jersey City	Hudson County	No
Liberty Physical Therapy PC	9/22/2022	$	50,000.00	Jersey City	Hudson County	No
Boutique Realty LLC	10/14/2022	$	28,413.57	Jersey City	Hudson County	No
Cavany Foods LLC	10/4/2022	$	44,182.83	Jersey City	Hudson County	No
Rabble & Lion Coffee LLC	7/19/2022	$	20,885.91	Jersey City	Hudson County	No
HERITAGE FINANCIAL CORPORATION	7/19/2022	$	39,020.94	Jersey City	Hudson County	Yes
Equipoise Physical Therapy LLC	8/26/2022	$	18,904.50	Jersey City	Hudson County	Yes
VIJAY SAMMY CPA LLC	7/27/2022	$	4,809.75	Jersey City	Hudson County	Yes
Exchange Place Eye Associates LLC	5/3/2022	$	18,953.10	Jersey City	Hudson County	No
NonLinear Knitting, LLC	6/24/2022	$	7,302.78	Jersey City	Hudson County	Yes
SNR NAIL SPA INC	10/11/2022	$	15,795.00	Kearny Town	Hudson County	No

Rujack, Inc.	8/24/2022	$	16,977.18	Kearny Town	Hudson County	No
Dental Comfort Associates, LLC	8/22/2022	$	2,820.50	Kearny Town	Hudson County	No
Hudson Kitchen, LLC	6/8/2022	$	28,237.84	Kearny Town	Hudson County	Yes
A. L. Wilson Chemical Company	7/7/2022	$	9,004.63	Kearny Town	Hudson County	Yes
Souha Hanna DDS LLC	8/11/2022	$	39,608.09	Kearny Town	Hudson County	Yes
OM VITHTHAL LLC	10/26/2022	$	43,473.37	North Bergen	Hudson County	Yes
Chic Massage LLC	11/15/2022	$	12,369.12	North Bergen	Hudson County	Yes
Arnold Travel & Tours LLC.	8/18/2022	$	23,452.19	North Bergen	Hudson County	Yes
Appleview Early Learning Center, LLC	8/4/2022	$	50,000.00	North Bergen	Hudson County	No
ONE STOP RESTAURANT SUPPLY CORP.	5/20/2022	$	19,747.01	North Bergen	Hudson County	Yes
Falcon Wireless Cafe Limited Liability Company	10/6/2022	$	2,880.16	North Bergen	Hudson County	Yes
XMG Inc	7/21/2022	$	4,709.29	Secaucus Town	Hudson County	No
URBAN PERFUMES CORP	8/22/2022	$	9,690.33	Secaucus Town	Hudson County	No
IT CLEANERS INC	6/20/2022	$	29,638.75	Union City	Hudson County	Yes
Reino Magico Child Care Center LLC	6/9/2022	$	30,587.50	Union City	Hudson County	Yes
DA VINCI FILMS LIMITED LIABILITY COMPANY	11/15/2022	$	4,346.03	Union City	Hudson County	Yes
Griffin Concepts LLC	9/16/2022	$	13,353.05	Union City	Hudson County	Yes
Shine Day Care, LLC	9/1/2022	$	9,418.35	Union City	Hudson County	Yes
S Chang Tax Consulting LLC	7/7/2022	$	3,012.53	Union City	Hudson County	Yes
R & C Cleaners, LLC	4/29/2022	$	18,392.63	West New York Town	Hudson County	Yes
The River View at Clinton Falls Village, LLC	7/27/2022	$	50,000.00	Clinton	Hunterdon County	No
Pro-Activity Central Enterprise, LLC	6/24/2022	$	10,111.50	Clinton	Hunterdon County	No
Sidirounda LLC	9/1/2022	$	21,144.23	Clinton Town	Hunterdon County	No
JSK taekwondo Inc	7/15/2022	$	4,015.50	Flemington Borough	Hunterdon County	No
ISACAL LLC	11/23/2022	$	23,080.00	Flemington Borough	Hunterdon County	No
BK Brewing LLC	5/18/2022	$	50,000.00	Flemington Borough	Hunterdon County	Yes
New Jersey SHARES, Inc.	8/29/2022	$	8,487.50	Flemington Borough	Hunterdon County	No
Curtain Up Productions	8/16/2022	$	6,804.61	Lambertville City	Hunterdon County	No
Provenance Organic Farm LLC	6/16/2022	$	29,602.24	Lebanon Borough	Hunterdon County	No
Donlon Brew Works, LLC	4/24/2022	$	27,247.50	Lebanon Borough	Hunterdon County	No
LibbyBeansLLC	11/23/2022	$	13,402.22	Milford Borough	Hunterdon County	No
Dreamweaver Equine Center Corp	4/17/2022	$	24,124.18	Ringoes	Hunterdon County	No
Odd Bird Brewing LLC	9/1/2022	$	9,456.12	Stockton Borough	Hunterdon County	No
LE SPA NJ LIMITED LIABILITY COMPANY	3/26/2022	$	16,866.66	White House Station	Hunterdon County	No
GMC Precision Machine LLC	8/16/2022	$	10,692.20	Cranbury	Mercer County	No
The Jewish Community Center of the Delaware Valley	6/8/2022	$	8,200.00	East Windsor	Mercer County	No
The Glow Room LLC	10/31/2022	$	4,015.90	Ewing	Mercer County	No
Smart Stitch LLC	7/7/2022	$	36,203.80	Ewing	Mercer County	No

Jae Lenee, LLC	8/24/2022	$	6,539.98	Ewing	Mercer County	No
Urge Fitness Limited Liability Company	10/14/2022	$	35,123.68	Ewing	Mercer County	Yes
Grounds For Sculpture, Inc.	9/9/2022	$	48,625.83	Hamilton	Mercer County	Yes
Enterprise Solutions Accounting LLC	8/31/2022	$	20,225.65	Hamilton	Mercer County	Yes
Kuser Family Dental LLC	7/29/2022	$	50,000.00	Hamilton	Mercer County	No
Rainbow Academy	10/31/2022	$	12,576.08	Hamilton	Mercer County	No
Hera Nail LLC	8/11/2022	$	7,500.00	Hamilton	Mercer County	No
Capital Title Agency, Inc.	7/14/2022	$	13,950.88	Hamilton	Mercer County	Yes
GEOPONICA GREENS LLC	9/8/2022	$	16,065.03	Hamilton	Mercer County	Yes
Hamilton Square Dental LLC.	7/14/2022	$	39,247.60	Hamilton	Mercer County	No
NAMI Mercer NJ, Inc.	6/16/2022	$	7,210.48	Hamilton	Mercer County	No
Stripped Wax Bar LLC	9/13/2022	$	6,112.50	Hamilton	Mercer County	No
SPOK & R Corp.	8/24/2022	$	42,350.00	Hamilton	Mercer County	No
Ridder's Custom Woodwork, LLC	8/24/2022	$	13,669.24	Hamilton	Mercer County	Yes
COMMUNITY ACTION SERVICE CENTER INC	9/2/2022	$	48,505.02	Hightstown Borough	Mercer County	Yes
ECOSEP LLC	9/19/2022	$	12,632.00	Hopewell	Mercer County	No
The Learning Center TLC LLC	11/29/2022	$	29,496.78	Lawrenceville	Mercer County	No
Limitless Behavioral Services and Consulting LLC	8/4/2022	$	7,538.94	Lawrenceville	Mercer County	No
Stephen Furs, L.L.C.	11/30/2022	$	18,611.14	Lawrenceville	Mercer County	No
JACSEK Enterprises Inc.	7/19/2022	$	50,000.00	Mercerville	Mercer County	No
Mani Corporation of NJ	10/19/2022	$	47,960.94	Mercerville	Mercer County	No
Pixie Salon LLC	7/28/2022	$	16,155.83	Pennington Borough	Mercer County	No
Bamboo Shoots LLC	9/21/2022	$	2,879.86	Princeton Borough	Mercer County	No
Princeton Senior Resource Center	7/29/2022	$	21,372.33	Princeton Borough	Mercer County	No
Apart, Together in Motion	7/8/2022	$	14,860.31	Princeton Borough	Mercer County	No
AMAR DENTAL ASSOCIATES LLC	11/3/2022	$	50,000.00	Princeton Borough	Mercer County	No
BANC 3, INC.	10/26/2022	$	50,000.00	Princeton Junction	Mercer County	No
PRINCETON AIR CONDITIONING, INC	10/3/2022	$	8,174.07	Princeton Junction	Mercer County	No
The Drop-In Princeton LLC	7/1/2022	$	17,310.46	Princeton Junction	Mercer County	No
Yunayev Medical PC	6/8/2022	$	50,000.00	Princeton North	Mercer County	No
Bijou Salon, LLC	9/22/2022	$	36,341.14	Robbinsville	Mercer County	No
CHESTNUT MONTESSORI LLC	10/18/2022	$	50,000.00	Robbinsville	Mercer County	No
Kutz & Stylez LLC	10/27/2022	$	4,990.50	Trenton City	Mercer County	Yes
Kmiec Enterprises LLC	10/3/2022	$	8,791.52	Trenton City	Mercer County	Yes
Krispy Krisp LLC	7/28/2022	$	18,400.00	Trenton City	Mercer County	Yes
DOL DONUTS LLC	10/21/2022	$	45,103.49	Trenton City	Mercer County	Yes
1911 SMOKE HOUSE GROUP CORPORATION	5/15/2022	$	50,000.00	Trenton City	Mercer County	Yes
Superclean Laundromat LLC	6/20/2022	$	36,250.00	Trenton City	Mercer County	Yes

Laundry Care 365 LLC	7/1/2022	$	20,000.00	Trenton City	Mercer County	Yes
PETER KOTSOPEY, DMD, LLC	5/20/2022	$	41,170.97	Trenton City	Mercer County	Yes
Forge Performance Limited Liability Company	8/11/2022	$	13,194.86	West Windsor	Mercer County	No
The Harwill Corporation	4/27/2022	$	35,467.00	Windsor	Mercer County	No
LAS VICTORIAS LLC	10/4/2022	$	13,804.16	Carteret Borough	Middlesex County	Yes
Waves of Wine	9/1/2022	$	50,000.00	Carteret Borough	Middlesex County	Yes
Carrano Air HVAC Contractors LLC	10/27/2022	$	47,004.93	Dayton	Middlesex County	No
AC Dental NJ, P.C.	9/21/2022	$	3,672.00	East Brunswick	Middlesex County	No
Brunswick Monarch Group, LLC	11/30/2022	$	44,343.34	East Brunswick	Middlesex County	No
Now Im Fit LLC	11/21/2022	$	2,850.00	East Brunswick	Middlesex County	No
ELITE Fitness Alliance LLC	8/18/2022	$	13,804.34	East Brunswick	Middlesex County	No
Laszlo Center 4 Hope & Healing Limited Liability Company	10/3/2022	$	29,928.73	East Brunswick	Middlesex County	No
Math Logic, LLC	9/8/2022	$	21,617.50	Edison	Middlesex County	No
Bakery & Life Style Inc	10/18/2022	$	7,988.65	Edison	Middlesex County	No
Jersey Anesthesia and Pain Management Consultants, LLC	11/3/2022	$	49,404.41	Edison	Middlesex County	No
Ultimate Collision Repair Inc.	10/4/2022	$	50,000.00	Edison	Middlesex County	No
Friday Films LLC	6/8/2022	$	10,184.68	Edison	Middlesex County	No
Gyaan, LLC	10/14/2022	$	50,000.00	Edison	Middlesex County	No
Kwality Foods LLC	8/18/2022	$	50,000.00	Edison	Middlesex County	No
Temple Emanu El Foundation, Inc	9/21/2022	$	20,193.68	Edison	Middlesex County	No
Bliss Wellness Edison Center P.C.	5/20/2022	$	6,447.79	Edison	Middlesex County	No
ART & FRAME XPRESS INC	3/31/2022	$	24,928.40	Edison	Middlesex County	No
Redline Speed Worx, LLP	9/13/2022	$	16,964.69	Green Brook	Middlesex County	No
E. A. Boniakowski Agency, Inc.	8/18/2022	$	14,765.69	Green Brook	Middlesex County	No
YSSE LLC	7/14/2022	$	29,722.68	Highland Park Borough	Middlesex County	No
Shreeji Limousine Services LLC	10/3/2022	$	3,250.89	Iselin	Middlesex County	No
Sheikh Foods LLC	11/9/2022	$	50,000.00	Metuchen Borough	Middlesex County	No
Parking and Mobility LLC	5/26/2022	$	5,103.19	Metuchen Borough	Middlesex County	No
Dragonfly Woodbridge Inc.	4/13/2022	$	50,000.00	Metuchen Borough	Middlesex County	No
Shanti 59 LLC	10/4/2022	$	50,000.00	Middlesex Borough	Middlesex County	No
Ashton Brewing Company, LLC	6/8/2022	$	38,203.64	Middlesex Borough	Middlesex County	Yes
Dick Hart's Auto Body, Inc.	5/20/2022	$	13,400.00	Middlesex Borough	Middlesex County	Yes
Monroe Dental Group LLC	8/24/2022	$	18,380.75	Monroe	Middlesex County	Yes
Concordia Nails Limited Liability Company	11/30/2022	$	8,634.00	Monroe	Middlesex County	Yes
SARI KLERER, DMD, PA	8/16/2022	$	50,000.00	Monroe	Middlesex County	No
Akshar Ap LLC	11/9/2022	$	50,000.00	Monroe	Middlesex County	No
Bhumi Global Business LLC	8/16/2022	$	33,722.89	Monroe	Middlesex County	No
Design Ideas Group Architecture and Planning, LLC	11/9/2022	$	44,783.12	New Brunswick City	Middlesex County	Yes

Kilmer Eatery LLC	8/12/2022	$	27,746.30	New Brunswick City	Middlesex County	Yes
Indochine Restaurant LLC	5/19/2022	$	16,939.35	New Brunswick City	Middlesex County	Yes
E&G Hospitality LLC	8/31/2022	$	23,525.23	New Brunswick City	Middlesex County	Yes
Delta's Soulfood, Inc	5/26/2022	$	50,000.00	New Brunswick City	Middlesex County	Yes
Eyet Law LLC	12/4/2022	$	32,878.65	New Brunswick City	Middlesex County	Yes
Jewish Family and Vocational Service of Middlesex County, Inc	11/21/2022	$	14,861.26	North Brunswick Townshi	Middlesex County	No
SICSIN 360 INC.	10/11/2022	$	16,000.00	North Brunswick Townshi	Middlesex County	No
BioAegis Therapeutics Inc.	9/16/2022	$	34,577.49	North Brunswick Townshi	Middlesex County	No
Sunshine Hill Academy, LLC	10/28/2022	$	5,759.16	Old Bridge	Middlesex County	No
Tots & Blocks School LLC	11/30/2022	$	7,825.00	Old Bridge	Middlesex County	No
J.KIM DENTAL LABORATORY,INC	9/9/2022	$	25,468.98	Old Bridge	Middlesex County	No
3 boys limo service llc	7/1/2022	$	12,697.41	Old Bridge	Middlesex County	No
ABC Family Smiles LLC	11/1/2022	$	50,000.00	Perth Amboy City	Middlesex County	Yes
D Elegance Salon Spa LLC	11/1/2022	$	11,146.04	Perth Amboy City	Middlesex County	Yes
South Amboy Kitchen LLC	11/25/2022	$	50,000.00	South Amboy City	Middlesex County	No
Reliable Autoworks, LLC	8/16/2022	$	4,187.92	South Amboy City	Middlesex County	No
madura rx llc	5/15/2022	$	12,085.08	South Amboy City	Middlesex County	No
Eagle"s Landing Day Camp LLC	11/30/2022	$	50,000.00	South Brunswick	Middlesex County	No
Twin City Pharmacy, Inc.	7/7/2022	$	50,000.00	South Plainfield Borough	Middlesex County	No
Deeper Change: Personal Growth & Counseling Group, LLC	9/13/2022	$	8,656.65	South Plainfield Borough	Middlesex County	No
Plainfield Clippers Inc.	5/18/2022	$	9,777.81	South Plainfield Borough	Middlesex County	No
Portuguese Venture, Inc.	7/7/2022	$	50,000.00	South River Borough	Middlesex County	No
Aberdeen Innkeepers, Inc.	9/19/2022	$	20,489.99	Aberdeen	Monmouth County	No
GK Bridal LLC	8/11/2022	$	8,260.72	Allentown Borough	Monmouth County	No
TALKING HEADS BARBERSHOP LLC	8/11/2022	$	19,369.00	Asbury Park City	Monmouth County	Yes
MADEBYMOGO, LLC	8/4/2022	$	32,179.71	Asbury Park City	Monmouth County	Yes
Steinbach Liquor License LLC	10/6/2022	$	31,156.78	Asbury Park City	Monmouth County	Yes
Asbury Awning Manufacturing & Installation , Inc	8/5/2022	$	30,250.00	Asbury Park City	Monmouth County	Yes
YM EAST POINTE CLEANERS LLC	9/22/2022	$	6,660.00	Atlantic Highlands Boroug	Monmouth County	No
Charles J. Koehler Realty L.L.C.	7/14/2022	$	2,774.64	Avon-by-the-sea Borough	Monmouth County	No
Summer Beach Inc	11/4/2022	$	20,081.43	Belmar Borough	Monmouth County	No
Body Alchemy LLC	10/27/2022	$	7,022.79	Bradley Beach Borough	Monmouth County	No
TEC Logrippo Corp	7/15/2022	$	6,999.50	Brielle Borough	Monmouth County	No
SMART FITNESS LLC	8/11/2022	$	43,843.28	Brielle Borough	Monmouth County	No
Colts Neck Center for Invisalign and Orthodontics P.C.	11/30/2022	$	38,130.02	Colts Neck	Monmouth County	No
AGN DENTAL PRACTICES, PC	10/14/2022	$	42,393.61	Eatontown Borough	Monmouth County	Yes
AOS Thermal Compounds WI LLC	6/8/2022	$	25,640.00	Eatontown Borough	Monmouth County	No
Cutler's Dream Acres Farm, LLC	8/16/2022	$	23,116.74	Farmingdale Borough	Monmouth County	No

J & G Innkeepers, Inc.	8/4/2022	$	45,124.91	Freehold Borough	Monmouth County	Yes
THE PRESTON-FORGE GROUP, INC	9/14/2022	$	24,750.00	Howell	Monmouth County	No
ABS Human Resources Corp	8/26/2022	$	50,000.00	Howell	Monmouth County	No
Shoe Palace LLC	9/2/2022	$	43,371.01	Howell	Monmouth County	No
Haim V. Cohen and Eyes on 9 Inc.	5/26/2022	$	50,000.00	Howell	Monmouth County	No
Keyport Diner Corp.	10/14/2022	$	17,128.21	Keyport Borough	Monmouth County	No
3BR Distillery LLC	11/15/2022	$	50,000.00	Keyport Borough	Monmouth County	No
Maria A Dunn	9/1/2022	$	8,156.90	Keyport Borough	Monmouth County	No
T&E Hess, LLC	11/17/2022	$	50,000.00	Long Branch City	Monmouth County	Yes
Exceptional Security Solutions, LLC	6/16/2022	$	17,429.12	Long Branch City	Monmouth County	Yes
Griffys Organics LLC	7/28/2022	$	41,189.58	Long Branch City	Monmouth County	Yes
Park Avenue Ophthalmology Retina Consultants LLC	11/9/2022	$	46,250.00	Manalapan	Monmouth County	No
THE DAVIS CENTER FOR ADVANCED DENTISTRY LLC	9/22/2022	$	50,000.00	Manalapan	Monmouth County	No
Entertainment Xtreme Event Group, LLC	11/30/2022	$	18,333.05	Manalapan	Monmouth County	No
OMCAGR Incorporated	5/20/2022	$	50,000.00	Manalapan	Monmouth County	No
ConstBrothers Inc.	11/9/2022	$	28,750.00	Manasquan Borough	Monmouth County	No
Algonquin Arts A NJ Non Profit Corporation	11/15/2022	$	50,000.00	Manasquan Borough	Monmouth County	No
SHREE GOKULESH LLC	8/4/2022	$	15,750.00	Manasquan Borough	Monmouth County	No
Alyssa Tamara Beauty LLC	10/11/2022	$	23,186.14	Matawan Borough	Monmouth County	No
MULLANEY TIRE SERVICE INC	10/4/2022	$	26,076.47	Matawan Borough	Monmouth County	No
SPECIALTY SURGERY OF MIDDLETOWN LLC	10/4/2022	$	50,000.00	Middletown	Monmouth County	No
Vaspro LLC	9/22/2022	$	23,500.00	Millstone	Monmouth County	No
Shore Systems Group, LLC	5/3/2022	$	18,905.80	Millstone	Monmouth County	No
Genius Kids Inc	8/11/2022	$	23,501.12	Morganville	Monmouth County	No
DJG Inc.	6/16/2022	$	50,000.00	Morganville	Monmouth County	No
National Police Defense Foundation	10/27/2022	$	2,733.71	Morganville	Monmouth County	No
Southpaw Gym LLC	11/1/2022	$	6,975.95	Neptune	Monmouth County	No
Ocean CrossFit LLC	9/27/2022	$	7,764.27	Neptune City Borough	Monmouth County	Yes
Michael Serico, CPA, LLC	7/14/2022	$	16,762.50	Neptune City Borough	Monmouth County	Yes
GretchenBrew LLC	4/14/2022	$	16,074.76	Neptune City Borough	Monmouth County	Yes
ASU Food Store LLC	5/15/2022	$	50,000.00	Ocean	Monmouth County	No
The Voyagers' School Inc.	11/3/2022	$	12,470.83	Oceanport Borough	Monmouth County	No
Nikkisnips LLC	3/28/2022	$	11,984.23	Old Bridge	Monmouth County	No
Riyazali Hassam DMD PA	8/30/2022	$	41,436.59	Red Bank Borough	Monmouth County	No
Melonhead Cafe 2 LLC	7/28/2022	$	41,536.88	Red Bank Borough	Monmouth County	No
KITCH Organic, LLC	5/27/2022	$	6,523.90	Red Bank Borough	Monmouth County	Yes
L.A. Bikini of Sea Girt, LLC	8/18/2022	$	23,731.72	Sea Girt Borough	Monmouth County	No
Aboudi Printing LLC	7/27/2022	$	45,897.50	Wall	Monmouth County	No

Lubischer's Burn and Blast Training LLC	9/1/2022	$	32,708.87	West Long Branch	Monmouth County	No
PLANET HEALTH PHARMACY CORP	11/21/2022	$	11,543.24	Boonton	Morris County	No
Perfect Finish Ortho Lab, Inc.	9/9/2022	$	50,000.00	Budd Lake	Morris County	No
Flying Connected Inc	9/21/2022	$	50,000.00	Butler Borough	Morris County	No
Fitbarber Studio LLC	11/15/2022	$	3,227.76	Chester	Morris County	No
WeWrench LLC	11/17/2022	$	21,692.10	Chester Borough	Morris County	No
Amscot Structural Products Corporation	8/11/2022	$	34,774.25	Dover Town	Morris County	Yes
Fabi-Saa Inc.	7/15/2022	$	32,257.87	East Hanover	Morris County	No
Blown Away Blow Out Bar LLC	8/11/2022	$	17,729.50	East Hanover	Morris County	No
Saraswatikun Enterprise Inc	7/21/2022	$	50,000.00	Florham Park Borough	Morris County	No
Advanced Injury Care II, Inc	10/24/2022	$	7,629.10	Lincoln Park Borough	Morris County	No
Nino Burrito 1 LLC	5/27/2022	$	50,000.00	Lincoln Park Borough	Morris County	No
ASL Group LLC	7/14/2022	$	24,224.00	Long Hill Township	Morris County	No
Grateful Donuts LLC	9/13/2022	$	8,772.81	Madison Borough	Morris County	No
GR Productions LLC	9/22/2022	$	3,708.50	Madison Borough	Morris County	No
Community Supports Network, LLC.	11/9/2022	$	50,000.00	Montville	Morris County	No
ABC's of Learning- Montville, Inc.	8/26/2022	$	6,202.97	Montville	Morris County	No
Alfre, Inc.	11/9/2022	$	30,493.68	Morristown	Morris County	No
The Sikora Group LLC	11/17/2022	$	15,689.51	Morristown	Morris County	No
Lakeland Hills Family YMCA	10/26/2022	$	50,000.00	Mountain Lakes Borough	Morris County	No
Spice Route NJ	9/9/2022	$	21,750.00	Parsippany-troy Hills	Morris County	No
Michael Worthing Co., Inc.	6/24/2022	$	21,991.44	Pine Brook	Morris County	No
S&W Enterprise LLC	8/22/2022	$	10,244.51	Pine Brook	Morris County	No
ELITE TOMA MARTIAL ARTS, INC.	6/8/2022	$	6,526.49	Randolph	Morris County	No
Vegas NJ LLC	5/19/2022	$	40,000.00	Randolph	Morris County	No
Inspiration Dance Academy LLC	11/30/2022	$	7,102.13	Riverdale Borough	Morris County	No
HIGHGRADE LABS OF NEW JERSEY LLC	8/12/2022	$	50,000.00	Riverdale Borough	Morris County	No
New Nail Art Plus LLC	10/27/2022	$	6,600.00	Rockaway Borough	Morris County	No
CHJS Rockaway Holding LLC	11/30/2022	$	39,962.80	Rockaway Borough	Morris County	No
New Blood Music LLC	11/3/2022	$	19,575.06	Rockaway Borough	Morris County	No
Northeast Communications, Inc	9/2/2022	$	20,943.86	Wharton Borough	Morris County	Yes
JASON ENTERPRISE LLC	8/24/2022	$	50,000.00	Whippany	Morris County	No
Blue Wave Car Wash and Quick Lube LLC	10/4/2022	$	50,000.00	Barnegat	Ocean County	No
Theresa's South LLC	11/23/2022	$	21,152.80	Bay Head Borough	Ocean County	No
Sundance Kids of Berkeley LLC	11/30/2022	$	46,300.43	Bayville	Ocean County	No
Polly's Dock, LLC	11/23/2022	$	47,777.41	Beach Haven Borough	Ocean County	No
Oceans of Dreams LLC	10/27/2022	$	23,887.61	Beach Haven Borough	Ocean County	No
Museum of New Jersey Maritime History, Inc.	7/1/2022	$	10,550.00	Beach Haven Borough	Ocean County	No

AFJ,LLC	7/19/2022	$	4,565.00	Brick	Ocean County	No
Teka Eyewear Soho NY LLC	7/7/2022	$	48,820.75	Brick	Ocean County	No
Education Lab Architects LLC	10/11/2022	$	3,333.09	Dover Beaches North	Ocean County	Yes
Polar 3 Products LLC	7/27/2022	$	5,895.27	Island Heights Borough	Ocean County	No
Safer Orthodontics LLC	8/26/2022	$	39,997.50	Jackson	Ocean County	No
NJ RESPITE & RIDING LLC	10/31/2022	$	9,200.26	Jackson	Ocean County	No
Chana Birnbaum LLC	11/4/2022	$	3,328.75	Jackson	Ocean County	No
Mr. Price, Inc.	12/4/2022	$	40,734.08	Lakewood	Ocean County	No
A BREEZE LAUNDRY AND RENTAL LLC	11/25/2022	$	32,027.63	Lakewood	Ocean County	Yes
PEEK-A-BOO CHILDCARE II LLC	8/24/2022	$	50,000.00	Lakewood	Ocean County	Yes
Innovative Supply Group LLC	10/4/2022	$	50,000.00	Lakewood	Ocean County	Yes
Richard A Marcus DMD PA	8/16/2022	$	18,427.91	Lakewood	Ocean County	Yes
Zada Rehab LLC	9/21/2022	$	50,000.00	Lakewood	Ocean County	Yes
Center for Holistic & Oriental Medicine PC	9/16/2022	$	46,014.15	Lakewood	Ocean County	Yes
Steven Bresler Dental LLC	9/23/2022	$	15,986.94	Lakewood	Ocean County	Yes
Platinum Uniforms LLC	7/21/2022	$	33,647.72	Lakewood	Ocean County	Yes
Elemeno LLC	8/22/2022	$	49,244.16	Lakewood	Ocean County	Yes
BooksSmart	7/19/2022	$	20,909.89	Lakewood	Ocean County	Yes
Leider Enterprises Inc.	9/16/2022	$	25,000.00	Lakewood	Ocean County	Yes
Diamant & Associates LLC	11/30/2022	$	21,342.23	Lakewood	Ocean County	No
Coco Blanc LLC	11/9/2022	$	3,276.15	Lakewood	Ocean County	Yes
Sprinkles of Lakewood II LLC	11/4/2022	$	16,445.00	Lakewood	Ocean County	Yes
Sprinkles of Lakewood LLC	11/22/2022	$	24,825.17	Lakewood	Ocean County	Yes
Prime Images LLC	11/17/2022	$	14,206.52	Lakewood	Ocean County	Yes
Forward Thinking Therapy LLC	8/24/2022	$	10,856.99	Lakewood	Ocean County	Yes
Cross Fitness LLC	8/22/2022	$	36,278.44	Lakewood	Ocean County	Yes
Hands to Feet Therapy LLC	9/1/2022	$	15,065.42	Lakewood	Ocean County	Yes
SPOT SPEECH & OT LLC	8/24/2022	$	15,000.00	Lakewood	Ocean County	Yes
TSC Group LLC	7/15/2022	$	12,764.76	Lakewood	Ocean County	Yes
Myst Management LLC	9/19/2022	$	24,280.99	Lakewood	Ocean County	Yes
Judaica Mall LLC	11/15/2022	$	31,560.66	Lakewood	Ocean County	Yes
BabyBreath LLC	8/11/2022	$	4,150.00	Lakewood	Ocean County	Yes
Evergreen Organic Cleaners Inc.	8/26/2022	$	43,658.94	Lakewood	Ocean County	Yes
Yad Healthcare LLC	7/19/2022	$	50,000.00	Lakewood	Ocean County	Yes
Silverstone Management LLC	8/16/2022	$	19,365.92	Lakewood	Ocean County	Yes
AGA ImportsLLC	7/19/2022	$	11,730.13	Lakewood	Ocean County	Yes
Sterling Property and Casualty Inc.	8/24/2022	$	22,617.83	Lakewood	Ocean County	Yes
New Lines NJ, LLC	8/12/2022	$	49,246.76	Lakewood	Ocean County	Yes

His Place in Lakewood Inc	10/28/2022	$	50,000.00	Lakewood	Ocean County	Yes
His Place Junior LLC	9/22/2022	$	50,000.00	Lakewood	Ocean County	Yes
Jersey City Equity Group LLC	6/16/2022	$	20,662.53	Lakewood	Ocean County	Yes
CHAI LIFELINE INC	10/28/2022	$	50,000.00	Lakewood	Ocean County	Yes
CROWN FLOORING NJ LLC	10/28/2022	$	44,236.91	Lakewood	Ocean County	Yes
IYH Investments LLC	7/14/2022	$	26,542.00	Lakewood	Ocean County	Yes
Arrow Locksmiths and Security INC.	9/2/2022	$	11,209.26	Lakewood	Ocean County	Yes
Seven Stone Capital LLC	10/4/2022	$	50,000.00	Lakewood	Ocean County	Yes
Stitch and Sew LLC	11/17/2022	$	46,259.94	Lakewood	Ocean County	Yes
Imperial J & Y llc	10/26/2022	$	50,000.00	Lakewood	Ocean County	Yes
Kliger and Zoldan PC	5/26/2022	$	36,369.09	Lakewood	Ocean County	Yes
Meat and Board LLC	5/26/2022	$	8,903.57	Lakewood	Ocean County	Yes
H&R Healthcare, L.P.	9/15/2022	$	45,328.12	Lakewood	Ocean County	Yes
Wigs By Chayala LLC	10/31/2022	$	50,000.00	Lakewood	Ocean County	Yes
Harold R Henrich INC	5/26/2022	$	50,000.00	Lakewood	Ocean County	Yes
Kosher Crunchy Inc	3/31/2022	$	13,231.35	Lakewood	Ocean County	Yes
RNL Enterprises LLC	7/15/2022	$	50,000.00	Lanoka Harbor	Ocean County	No
Pinelands Brewing LLC	10/6/2022	$	21,564.16	Little Egg Harbor	Ocean County	Yes
Sweeney Enterprises LLC	6/20/2022	$	35,123.21	Long Beach	Ocean County	No
The Coral Hammer LLC	11/21/2022	$	18,392.53	Manahawkin	Ocean County	No
Jetty Life, LLC	6/8/2022	$	50,000.00	Manahawkin	Ocean County	No
Bam Bam Burgers LLC	11/1/2022	$	50,000.00	Point Pleasant Beach Boro	Ocean County	No
Angie Lombardi Photo LLC	9/13/2022	$	4,166.23	Seaside Heights Borough	Ocean County	Yes
The Merk, Inc.	9/14/2022	$	32,487.44	Seaside Heights Borough	Ocean County	Yes
Pyour Core Inc	7/15/2022	$	44,567.14	Ship Bottom Borough	Ocean County	No
Okies Butcher Shop, Inc.	7/7/2022	$	23,271.69	Surf City Borough	Ocean County	No
KS Fitness Center, Inc.	10/18/2022	$	15,576.53	Toms River	Ocean County	No
SUGO LLC	10/4/2022	$	47,614.23	Toms River	Ocean County	No
USA SPA N NAILS LLC	7/15/2022	$	7,618.50	Toms River	Ocean County	No
Morph Mentoring LLC	7/7/2022	$	11,218.44	Toms River	Ocean County	No
Double J Management Inc	9/16/2022	$	46,149.38	Toms River	Ocean County	No
City Nail Tr Inc	8/4/2022	$	10,750.00	Toms River	Ocean County	No
Clamtown CrossFit LLC	10/26/2022	$	12,443.06	Tuckerton Borough	Ocean County	No
Grape Apes LLC	10/18/2022	$	50,000.00	Tuckerton Borough	Ocean County	No
G & M Custom Kitchens and Baths LLC	11/22/2022	$	42,707.17	West Creek	Ocean County	No
A&J Consulting Engineering Services, P.C.	11/30/2022	$	50,000.00	Clifton City	Passaic County	No
COVAX LLC	11/21/2022	$	22,031.37	Clifton City	Passaic County	No
Yossi United Insurance Agency, LLC	11/4/2022	$	9,682.41	Clifton City	Passaic County	No

New Jersey Economic Development Authority Main Street Recovery Finance Program
Small Business Improvement Grant- Approved Grants

Main Ave Cleaners Service LLC	11/21/2022	$	9,487.50	Clifton City	Passaic County	No
Healthy Happy Children Medical Services, PC	7/28/2022	$	3,766.69	Clifton City	Passaic County	No
NB Bookbinding, Inc.	4/17/2022	$	15,306.25	Clifton City	Passaic County	No
PINK NAIL 237 LLC	3/28/2022	$	4,890.46	Clifton City	Passaic County	No
Hello Dental LLC	8/11/2022	$	12,487.19	Haledon Borough	Passaic County	Yes
Michael A Benetatos OD LLC	10/3/2022	$	19,403.58	Haskell	Passaic County	No
The Kitchen and Beer Bar LLC	9/19/2022	$	3,811.35	Haskell	Passaic County	No
PAUL'S Motors 1920 LLC	3/31/2022	$	5,914.84	Hawthorne Borough	Passaic County	No
Eco-Plug-System LLC	3/31/2022	$	6,345.00	Hewitt	Passaic County	No
AIM Orthopedics LLC	10/24/2022	$	5,700.38	Little Falls	Passaic County	No
Woodhull Crossing, Inc.	11/14/2022	$	50,000.00	Little Falls	Passaic County	No
Palazzone1960 LLC	10/3/2022	$	50,000.00	Little Falls	Passaic County	No
Parkview Dental & Prosthodontics	9/14/2022	$	47,966.94	North Haledon Borough	Passaic County	No
Unique & Victoria LLC	11/9/2022	$	13,764.16	Passaic City	Passaic County	Yes
3FORTY GROUP INC	11/25/2022	$	23,860.00	Passaic City	Passaic County	Yes
Van Houten Plumbing & Heating Supply Co.	9/19/2022	$	10,085.84	Passaic City	Passaic County	Yes
REAP Cupcakes LLC.	6/8/2022	$	15,232.50	Passaic City	Passaic County	Yes
Gourmet Dairy LLC	10/3/2022	$	49,000.00	Paterson City	Passaic County	Yes
Bendita Arepa Llc	9/2/2022	$	39,831.92	Paterson City	Passaic County	Yes
Vital Plus Pharmacy, Inc	7/14/2022	$	2,500.00	Paterson City	Passaic County	Yes
Chosen Generation Community Corporation	7/1/2022	$	8,735.82	Paterson City	Passaic County	Yes
Custom Laminations, Inc.	7/27/2022	$	50,000.00	Paterson City	Passaic County	Yes
The Highlands Nature Friends, Inc.	7/28/2022	$	12,312.00	Ringwood Borough	Passaic County	No
Dautaj inc	8/4/2022	$	10,049.88	Ringwood Borough	Passaic County	No
Nino Burrito 2, LLC	8/12/2022	$	50,000.00	Totowa Borough	Passaic County	No
Se7te Woodfired Pizzeria LLC	8/24/2022	$	24,900.00	Totowa Borough	Passaic County	No
3point14 Marketing Group, Inc.	8/29/2022	$	32,049.50	Totowa Borough	Passaic County	No
AlphaGraphics	11/30/2022	$	3,865.16	Totowa Borough	Passaic County	No
Sun Tao Studio llc	7/19/2022	$	3,220.95	Wanaque Borough	Passaic County	No
Heritage Hospitality Group LLC	10/26/2022	$	22,624.93	Wayne	Passaic County	No
Esthetics Studio LLC	9/2/2022	$	22,318.28	Wayne	Passaic County	No
Jeffrey B. Wise, M.D. LLC	9/21/2022	$	43,183.13	Wayne	Passaic County	No
Milkyway Education Center Inc.	6/24/2022	$	50,000.00	Wayne	Passaic County	No
Terry Enterprises Inc.	6/16/2022	$	23,602.07	Wayne	Passaic County	Yes
Growers Choice, LLC	9/8/2022	$	24,761.35	West Milford	Passaic County	No
Union Taverne LLC	11/9/2022	$	14,980.41	Woodland Park Boro	Passaic County	No
Iannone Design LLC	7/28/2022	$	5,083.53	Elmer Borough	Salem County	No
Salem Country Club, LLC	10/18/2022	$	14,558.76	Elsinboro	Salem County	No

Micro Enterprises LLC	10/18/2022	$	50,000.00	Pennsville	Salem County	Yes
PLAGGE ENTERPRISES, L.L.C.	10/6/2022	$	18,932.28	Pennsville	Salem County	No
PLAGGE FITNESS INC.	10/3/2022	$	24,634.35	Pennsville	Salem County	No
First National Brewing Company LLC	11/21/2022	$	50,000.00	Woodstown Borough	Salem County	No
Tiny Turtle Academy LLC	8/24/2022	$	7,024.02	Basking Ridge	Somerset County	No
NJ Floats, Inc.	7/14/2022	$	25,000.00	Bedminster	Somerset County	No
Gerico Inc	9/8/2022	$	10,945.18	Bridgewater	Somerset County	No
Taida Orchids Inc	7/29/2022	$	16,817.66	Bridgewater	Somerset County	No
Franklins Grace Resource Center Inc	10/18/2022	$	10,116.50	Franklin	Somerset County	No
Dan C Pullen DDS PA	10/6/2022	$	30,002.93	Hillsborough	Somerset County	No
Advanced Pod Systems LLC	7/1/2022	$	10,695.70	Hillsborough	Somerset County	No
FLOUNDER BREWING CO., LLC	6/8/2022	$	50,000.00	Hillsborough	Somerset County	No
CW Brewing and Distilling LLC	5/26/2022	$	50,000.00	Hillsborough	Somerset County	No
Principessa, L.L.C.	11/30/2022	$	15,659.45	Kingston	Somerset County	No
D D NUTRITION INC	9/8/2022	$	9,250.00	Manville Borough	Somerset County	Yes
Tropiano & Son ltd.	11/30/2022	$	14,737.63	Raritan Borough	Somerset County	No
Tarca LLC	6/2/2022	$	23,939.84	Skillman	Somerset County	No
Nail Boutique II LLC	3/16/2022	$	10,180.00	Skillman	Somerset County	No
THE ART OF DENTISTRY, L.L.C.	11/25/2022	$	50,000.00	Somerset	Somerset County	No
Select Global Foods LLC	9/2/2022	$	21,325.00	Somerset	Somerset County	Yes
Sankalpexp food LLC	8/11/2022	$	18,043.36	Somerset	Somerset County	No
Luca's Ristorante Inc.	8/22/2022	$	50,000.00	Somerset	Somerset County	No
Desi Food Galaxy LLC	10/19/2022	$	10,356.08	Somerset	Somerset County	No
Primo Pharmatech LLC	6/8/2022	$	4,476.47	Somerset	Somerset County	No
Fresh Restorations LLC	9/16/2022	$	3,855.00	Somerville Borough	Somerset County	Yes
MFI Enterprises LLC	8/11/2022	$	9,335.00	Somerville Borough	Somerset County	No
Gaea LLC	11/22/2022	$	50,000.00	Warren	Somerset County	No
Optical Associates/The Eye Center	10/26/2022	$	40,107.59	Warren	Somerset County	No
DeBoer's Auto Inc.	11/25/2022	$	8,553.28	Hamburg Borough	Sussex County	No
Ames Rubber Corporation	7/1/2022	$	3,823.65	Hamburg Borough	Sussex County	No
Angry Erik Brewing, LLC	8/26/2022	$	30,164.36	Hampton	Sussex County	No
Web-Cote, Ltd.	7/1/2022	$	50,000.00	Hardyston	Sussex County	No
Best Dental Care NJ LLC	11/21/2022	$	30,562.15	Newton Town	Sussex County	Yes
Midtown Collision LLC	8/24/2022	$	21,200.00	Newton Town	Sussex County	No
CP Engineers LLC	11/30/2022	$	44,172.68	Sparta	Sussex County	No
Fairclough Enterprises Inc.	8/11/2022	$	8,105.46	Sparta	Sussex County	No
Bella Bella Nail Spa Incorporated	10/18/2022	$	5,540.00	Berkeley Heights	Union County	No
Jai Jinendra LLC	7/1/2022	$	50,000.00	Berkeley Heights	Union County	No

Fyzical Therapy & Balance Center	8/26/2022	$	27,625.00	Clark	Union County	No
Signature Impressions	4/25/2022	$	5,279.36	Cranford	Union County	No
Smiline Dental NJ LLC	10/26/2022	$	4,568.94	Elizabeth City	Union County	Yes
CERA BEAUTY SUPPLY LLC	8/31/2022	$	15,612.40	Elizabeth City	Union County	Yes
MR PAN RESTAURANT & BAKERY CORPORATION	11/9/2022	$	28,700.00	Elizabeth City	Union County	Yes
International Communication Solutions, Inc.	8/11/2022	$	21,243.51	Elizabeth City	Union County	Yes
Halal zone grill and fried llc	7/28/2022	$	11,925.48	Elizabeth City	Union County	Yes
Fanwood Family and Cosmetic Dentistry LLC	10/28/2022	$	50,000.00	Fanwood Borough	Union County	No
Zenith Events LLC	7/19/2022	$	5,840.30	Garwood Borough	Union County	No
Feehan Industries, LLC	7/14/2022	$	50,000.00	Garwood Borough	Union County	No
Dragonfly Linden Inc.	5/20/2022	$	50,000.00	Linden City	Union County	Yes
New Providence Orthodontics LLC	8/4/2022	$	15,993.22	New Providence Borough	Union County	No
Sproutlings Educational Childcare Center LLC	8/22/2022	$	22,281.88	New Providence Borough	Union County	No
BioRepository Resources, LLC	8/22/2022	$	48,955.56	New Providence Borough	Union County	No
The Bass Corp	7/7/2022	$	50,000.00	New Providence Borough	Union County	No
Michael Anthony Auto Sales, Inc.	10/19/2022	$	3,615.94	Plainfield City	Union County	Yes
Blushh Beauty Bar LLC	9/13/2022	$	20,918.43	Plainfield City	Union County	Yes
Pro Beaute Salon Corp	10/6/2022	$	10,850.00	Plainfield City	Union County	Yes
DAWN TO DUSK CHRISTIAN CHILDCARE &LEARNING CENTER	9/1/2022	$	9,733.32	Plainfield City	Union County	Yes
The Drop-In Plainfield LLC	5/18/2022	$	39,199.31	Plainfield City	Union County	Yes
Arch Angels NJ LLC	11/15/2022	$	24,375.00	Rahway City	Union County	No
ES BUILDERS GROUP LLC	10/18/2022	$	50,000.00	Rahway City	Union County	Yes
Scooter Group LLC	11/23/2022	$	2,797.80	Rahway City	Union County	No
Dr. Gregg S Schneider	11/3/2022	$	10,917.13	Rahway City	Union County	Yes
Liligeo Trading Corp	7/27/2022	$	5,929.51	Rahway City	Union County	Yes
Melao Cafe & Creamery LLC	9/21/2022	$	4,338.54	Rahway City	Union County	No
Studio 107 Barbershop LLC	10/31/2022	$	14,976.13	Springfield	Union County	No
Yuenme Corporation	7/29/2022	$	14,407.71	Springfield	Union County	No
Tracy Beveridge CPA LLC	8/4/2022	$	12,921.69	Springfield	Union County	No
Smith & Schwartzstein LLC	11/22/2022	$	17,762.45	Summit City	Union County	No
All My Friends, LLC	8/30/2022	$	50,000.00	Summit City	Union County	No
The Inghilleri Group Inc	10/4/2022	$	5,120.00	Union	Union County	No
Revved Up Performance, LLC	7/28/2022	$	14,734.82	Union	Union County	Yes
Powdhar CM Consulting LLC	7/14/2022	$	50,000.00	Union	Union County	No
Cannaboy Treehouse, LLC	8/24/2022	$	11,123.86	Union	Union County	No
Eston Auto Service LLC	9/16/2022	$	48,554.82	Union	Union County	No
RHS Hospitality I LLC	7/28/2022	$	50,000.00	Union	Union County	No
Union Sports Arena LLC	11/3/2022	$	22,951.95	Union	Union County	No

Beniak Enterprises, Inc.	5/20/2022	$	50,000.00	Union	Union County	No
F.A. DE ROSA LLC	10/26/2022	$	35,418.30	Westfield Town	Union County	No
Elements Interior Design Studio, LLC	8/4/2022	$	23,532.60	Westfield Town	Union County	No
Brunner Eye Care LLC	9/22/2022	$	49,534.43	Westfield Town	Union County	No
Stone Fitness LLC	9/19/2022	$	21,965.19	Westfield Town	Union County	No
New Jersey Workshop for the Arts, Inc.	9/27/2022	$	4,518.14	Westfield Town	Union County	No
Empire Design Studios, Inc	11/17/2022	$	9,106.22	Westfield Town	Union County	No
Princeton-Blairstown Center, Inc.	8/4/2022	$	50,000.00	Blairstown	Warren County	No
Robinson Aerial Surveys, Inc.	6/16/2022	$	15,886.09	Hackettstown Town	Warren County	No
Little Hill Foundation for the Rehabilitation of Alcoholics	8/30/2022	$	50,000.00	Hardwick	Warren County	No
YMCA Camp Ralph S. Mason Inc	6/8/2022	$	50,000.00	Hardwick	Warren County	No
Thunder Ridge Farms LLC	11/4/2022	$	47,761.09	Phillipsburg Town	Warren County	No
TOTAL	**847**	**$**	**21,037,618.15**			

Small Business Improvement Grant Specifications
August 2021

Funding Source	• $15 million Main Street Recovery Finance Program (NJ Economic Recovery Act), with delegation to CEO to increase funding to $30 million. • 40% of all funding ($6 million) will be set-aside for businesses located in eligible NJ Opportunity Zone census tracts.
Program Expiration	Applications will be accepted until funding is exhausted.
Program Structure Purpose	The Small Business Improvement Grant supports the growth and success of New Jersey small businesses by reimbursing business owners for costs associated with making interior or exterior building improvements or purchasing and installing new furniture, fixtures, and equipment. The grant will reimburse a small business, as defined in statute, for 50% of eligible total project costs incurred after March 9, 2020 but no more than 2 years at time of application, with a total grant amount not to exceed $50,000.
Eligible Applicants / Costs	• Businesses may be reimbursed for capital improvements, or purchase and/or installation of new furniture, fixtures, and equipment. • Business must rent or own and operate from facility. • Business must meet SBA definition of Small Business based on NAICS industry classification. • Project cost must be at least $5,000, and incurred on or after March 9, 2020 and commenced no more 2 years prior to application • Home-based businesses may only receive reimbursement for new equipment purchase and/or installation. Home-based businesses are not eligible for reimbursement for renovation or improvement projects. • Non-profits and for-profit businesses are eligible to apply. • Business must provide a current tax clearance certificate prior to approval • Business must be in good standing with Department of Labor • Business must be in good standing with DEP • Business must certify at time of application that they are not in default of any other EDA or State assistance. • Applicants are eligible to receive a Small Business Lease Grant and Small Business Improvement Grant for the same location. • Applicants are limited to one application per EIN. Applicants operating from multiple locations under a single EIN would be limited to one application under the sole EIN, but may pool project costs from multiple locations into a single application.
Local Approvals	Applicant must obtain and is responsible for all applicable local approvals like zoning and building permits. If renting space, the tenant will need the landlords written approval on improvements to the location.
Grant Amount	• Up to 50% of total project costs, which may include interior or exterior renovations, or purchase of new FFE, equipment and installation. Grant can reimburse both renovations and equipment costs as part of a single project. • Grant amount not to exceed $50,000 per EIN. Only one award is allowed per EIN for the life of the program. Applicants are eligible to receive a Business Improvement and Lease Incentive per EIN. With a cap of 1 award per program for each EIN. • Minimum project cost of $5,000.
Funding Disbursement	Funding will be fully disbursed upon approval of an application and receipt of

	documentation evidencing payment for project costs (i.e. paid invoices and/or canceled checks) associated with the building improvements and/ or equipment purchase and installation. Before any funding is disbursed, the applicant must certify that the project is complete.
Exclusions and Additional Requirements	• Green Buildings Standards will apply to projects over $50,000. • Affirmative action standards – currently applies to contractors with 4 or more employees. • Applicant must agree at time of application to opt into minimum wage requirements and to provide most recently filed WR-30, payroll information, or equivalent documentation to verify business owner is paying wages to all employees of at least $15/hour or 120% of the minimum wage rate (whichever is higher). Regularly tipped employees are not required to be paid $15/hour but must be paid at least 120% of the minimum wage rate. This would be required for the term of the grant agreement. • Applicant must remain in the location for at least two years for grants up to $25,000, or at least four years for all other grant award amounts. • Landlords are not eligible; grant is just for business owners. • Businesses that are engaged in the following are not eligible for funding directly from the Authority or through grants and loans to eligible microbusiness lenders: the conduct or purveyance of “adult” (i.e., pornographic, lewd, prurient, obscene or otherwise similarly disreputable) activities, services, products or materials (including nude or semi-nude performances or the sale of sexual aids or devices); any auction or bankruptcy or fire or “lost-our-lease” or “going-out-of-business” or similar sale; sales by transient merchants, Christmas tree sales or other outdoor storage; or any activity constituting a nuisance.
Application Process and Board Approval/ Delegated Authority	• Applications will be reviewed on a rolling basis, based on the availability of funding, until all funds are fully committed. • EDA staff will be responsible for reviewing applications and approving projects for assistance under Delegated Authority. Delegated approvals can come from the Director of Small Business Services, Managing Director of Community Development and Small Business Services, and Chief Community Development Officer.
Fees:	• Approval Fee: $100, payable at the time of approval and prior to execution of grant agreement

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: August 11, 2021

SUBJECT: Special Adopted New Rules and Concurrent Proposed New Rules
Main Street Recovery Finance Program (N.J.A.C. 19:31-5)

Request:

The Members are asked to approve:

1) The attached special adopted new rules and concurrent proposed new rules for the new Main Street Recovery Finance 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; and

2) The creation of the Main Street Recovery Finance Program, as initially authorized by the New Jersey Economic Recovery Act of 2020 (Sections 82 through 88 of P.L. 2020, c. 156) and later amended by Sections 40 through 43 of P.L. 2021 c.160, to fund individual financial assistance products that share the common purpose of supporting the growth and success of small businesses in New Jersey.

3) The utilization of $10 million of Main Street Recovery Finance Program funding to capitalize and enhance the Small Business Lease Assistance Grant – a grant product that will offset a portion of annual lease payments for small businesses leasing between 250-10,000 sq. ft. of new or additional space, with delegation to the Chief Executive Officer to increase funding to $20 million in the event that demand exceeds the $10 million in available funding.

4) The utilization of $15 million of Main Street Recovery Finance Program funding to capitalize and enhance the Small Business Improvement Grant – a grant product that will reimburse a small business for 50 percent of eligible project costs, with a maximum grant award not to exceed $50,000, associated with making building improvements or the purchase and/or installation of new furniture, fixtures and equipment, with delegation to the Chief Executive Officer to increase funding to $30 million in the event that demand exceeds the $15 million in available funding.

5) The utilization of $500,000 of Main Street Recovery Finance Program funding to be used by the Authority to cover administrative costs that are needed to administer both grant products, and approval to issue one or more purchase orders to 22nd Century Technologies Inc. to hire temporary employees to administer both grant products.

6) Delegation to Authority staff (Chief Community Development Officer, Managing Director – Community Development, or Director of Small Business Services) to approve individual applications to either the Small Business Lease Assistance Grant Program or Small Business Improvement Grant Program in accordance with the terms set forth in this memo and rule proposal, and as further detailed in the attached program specifications. Because the specifications are streamlined and will result in non-discretionary decisions, the delegated authority requested includes the authority to decline applications that do not meet eligibility requirements;

7) Delegation to Authority staff (Chief Legal & Strategic Affairs Officer, any Vice President, Director of Legal Affairs, Director of Business Operations) to issue final administrative decisions for appeals of non-discretionary declinations.

8) Delegation to the Chief Executive Officer to reallocate funding from the Small Business Lease Assistance Grant to the Small Business Improvement Grant, and vice versa, based on application demand.

New Jersey Economic Recovery Act:

On January 7, 2021, Governor Phil Murphy signed the New Jersey Economic Recovery Act of 2020 (ERA) into law. The ERA presents a strong recovery and reform package that will address the ongoing economic impacts of the COVID-19 pandemic and position New Jersey to build a stronger and fairer economy that invests in innovation, in our communities, and in our small businesses the right way, with the protections and oversight taxpayers deserve. Tax incentives and other investment tools are critical to economic development, and when used correctly they can drive transformative change that uplifts communities and creates new opportunities for everyone.

The ERA includes 15+ economic development programs, including:

- Tax credits to incentivize job creation and capital investment;
- Investment tools to support and strengthen New Jersey's innovation economy;
- Tax credits to strengthen New Jersey's communities including revitalization of brownfields and preservation of historic properties;

- Financial resources for small businesses, including those impacted by the COVID-19 pandemic;
- Support for new supermarkets and healthy food retailers in food desert communities;
- Additional tax credits for film and digital media.

On Friday July 7, 2021, Governor Murphy signed P.L. 2021 c.160 further improving the programs established under the New Jersey Economic Recovery Act of 2020.

The program being presented for the Members' approval in this memorandum is the Main Street Recovery Finance Program – one of the 15+ programs under the ERA. The Main Street Recovery Finance Program is a $100 million small business support program under which individual financial assistance products will be created, all of which will share a common purpose of supporting the growth and success of small businesses in New Jersey. This memorandum requests the Members' approval to create two initial products to be funded by the Main Street Recovery Finance Program – the Small Business Lease Assistance Grant and the Small Business Improvement Grant.

Both grant programs established in this memorandum are enhancements to existing pilot grant programs that the Authority has administered for some time. The Small Business Lease Assistance Grant is an expansion of the former Small Business Lease Assistance Program, which provided small businesses grant funding to help make annual lease payments in certain targeted cities. Under that program, the Authority has provided $125,000 in grant funding to small businesses in the cities of: Trenton, Camden, Paterson, Passaic, Atlantic City, Bridgeton, Jersey City, Millville, Mt. Holly, Phillipsburg, Plainfield, Salem, and Vineland. The Small Business Lease Assistance Grant presented for the Members' consideration today has expanded not only the program eligibility, but has also removed restrictions around eligible locations and will now support small businesses statewide.

The Small Business Improvement Grant is an expansion of the former Business Improvement Incentive, which provided grant funding to reimburse small businesses for costs associated with facility renovations and improvements. Under that program, the Authority provided $678,000 in grant funding to small businesses in the following cities: Trenton, Camden, Paterson, Passaic, and Atlantic City, before the program was discontinued in 2019. The Small Business Improvement Grant presented for the Members' consideration today has expanded not only the program eligibility but has also removed restrictions around eligible locations and will now support small businesses statewide.

This memorandum provides a summary about the Main Street Finance Recovery Program, Small Business Lease Assistance and Small Business Improvement Grant including, funding limits and general details about each product, eligibility criteria, specific requirements around the individual products and overarching program fund, and the application and review process. The specific details – and what will be promulgated and will govern the program – are included in the attached rules proposed for Board approval.

<u>Program Purpose and General Description</u>

The Main Street Recovery Finance Program will establish individual products – each with slightly different requirements and forms of financial assistance, but all products established under the Program share the common purpose of supporting small business growth in New Jersey.

Each individual product established under the Main Street Program will utilize slightly different eligibility criteria based on the form of financial assistance, the eligible uses of that assistance, and what types of businesses or entities are permitted to use the funding. However, to be eligible for most products under the Main Street Program, there are several overarching statutory requirements that businesses must meet, as further clarified in the proposed new rules:

- Businesses must comply with wage requirements following execution of a grant agreement with the Authority. Specifically, a business must commit to pay its employees (full-time and part-time) the greater of $15/hour or 120% of minimum wage. For tipped employees, the business must commit to paying 120% of minimum wage. The Authority will monitor grant recipients for compliance annually against this requirement.
- Businesses that receive grant funding under either the Small Business Lease Assistance Grant or the Small Business Improvement Grant must commit to remaining in the facility and meeting the wage requirements for a period of time following the execution of the grant agreement, subject to repayment of the grant to the Authority for non-compliance. For the Lease Grant, this means businesses must meet the wage requirements and remain in the facility for five years after the grant agreement. For the Improvement Grant, a business must meet the wage requirements and commit to remaining in the facility for up to four years after execution of the grant agreement.
- For the Small Business Improvement Grant, projects with total project cost of over $50,000 must adhere to green building standards. For the purposes of the Improvement Grant, this is applicable to mechanical and lighting improvements only. Additionally, when a business utilizes contractors with 4 or more employees (in total, not specific to the project), those contractors will be subject to affirmative action requirements.

Key Definitions

The following highlights certain key eligibility requirements for the Main Street Business Recovery Assistance Program. Full eligibility details are contained in the draft proposed rules in section 5 and the ERA in section 85.

Small Business – Eligibility for the Main Street Recovery Finance Program products are limited to businesses that meet the definition of a small business as defined in the proposed new rules, which utilizes the United States Small Business Administration's (SBA) definition of a small business, and is based solely on the applicant and with no consideration of any affiliates or other businesses related to the applicant. The business must also have a physical location in the State, which cannot be a residential location unless the location is a home-based business.

Home-based business - A business that does not have a separate entrance for commercial customers and that requires customers to enter the residential portion of the property in order to conduct business, provided that bed and breakfast establishments are not considered home-based businesses. Home-based businesses are eligible only for the Small Business Improvement Grant, which can only be used by home-based businesses for the purchase and installation of furniture, fixtures and/or equipment.

Capital Improvements – The Small Business Improvement Grant can be utilized by businesses to pay for up to 50% of costs associated with capital improvements, which the proposed new rules define as expenses that a business incurs for preparation and construction, repair, renovation, improvement, equipping, or furnishing on real property or of a building, structure, facility, or improvement to real property, site-related utility, including but not limited to, water, electric, sewer, and stormwater, and transportation infrastructure improvements, plantings, solar panels and components, energy storage components, installation costs of solar energy systems or other environmental components. Capital improvements may also include expenses that a business incurs for obtaining and installing furnishings and machinery, apparatus, or equipment.

Small Business Lease Assistance Grant

The Small Business Lease Grant provides grant funding to small businesses to offset a portion of the cost of annual lease payments, thereby enabling more small businesses to lease new or additional space and providing these businesses with liquidity. A total of $10 million of Main Street Recovery Finance Program funding will be utilized to capitalize the Small Business Lease Assistance Grant. Of this $10 million, 40 percent ($4 million) will be reserved for businesses located in a census tract that was eligible to selected as New Jersey Opportunity Zone (i.e. a New Market Tax Credit census tract). There are 715 census tracks that were eligible to be Opportunity Zones in New Jersey. Setting aside a portion of available funding under the Small Business Lease Assistance Grant to support entities in these census tracts further reinforces the State's commitment to helping to ensure all Opportunity Zone eligible tracts in New Jersey receive opportunities for investment that are equitable and inclusive.

To be eligible for the Lease Grant, both the small business and the lease under which the business is operating or intends to operate from must meet the product eligibility parameters.

The business must first meet the definition of a small business as outlined in the proposed new rules. Furthermore, the small business must be in substantial good standing with the NJ Department of Labor and Workforce Development, the NJ Department of Environmental Protection, and the Department of Treasury (as determined by each Department). If a compliance issue exists, the eligible business may have an agreement with the respective Department that includes a practical corrective action plan, as applicable. The eligible business must have no unpaid liability in excess of any threshold dollar amount(s) that may be established by each respective Department. Furthermore, the small business will be required to provide, prior to execution of a grant agreement, a valid tax clearance certificate from the NJ Division of Taxation within the NJ Department of Treasury. Small businesses must also certify, at the time of application, that they are not in default of any other program administered by the Authority or the State of New Jersey. Businesses applying for this product cannot be owned by the landlord from which they are leasing or intend to lease the facility. Applicants who have already expanded or renewed their lease, or who are seeking to expand or renew their presently leased space, must demonstrate that they are current on rent payments. This will be demonstrated by a standard certification form signed by the landlord that the Authority will require applicants to provide stating that rent payments are current.

For the small business to be eligible for the grant assistance, the lease must also meet the eligibility requirements of the product. The lease must a minimum of 250 sq. ft. of office, commercial space, or retail space. While there is no maximum square footage for eligible leases under this product, the Authority will only provide grant funding for 10,000 sq. ft. of office, commercial space, or retail space, meaning that leases with greater than 10,000 sq. ft. will only receive grant funding for 10,000 sq. ft. of the space.

The lease must be a new lease, lease amendment, or lease extension - new or amended space must be at least 250 sq. ft. larger than prior space. Because the purpose of the program is to help revitalize commercial corridors, the lease must include first-floor (street-level) space. A lease may include more than one floor, but one of the floors must be first-floor (street-level) space to be eligible.

The lease must also be a minimum of a five-year lease term, and cannot have been executed more than 12 months prior to the date of the product application. Finally, the lease must be a market-rate lease, which the Authority will review based on available commercial real estate information.

As stated before, the business must also commit to meeting the wage requirements and remaining in the facility for five years, which is the minimum term of any eligible lease. Businesses that do not comply with the wage or residency requirements, or default on their lease payments, must repay any grant funding received under this product to the Authority.

For businesses that are approved for a grant, the Authority would make two disbursements to the grantee. The first disbursement will be made after execution of the grant agreement, for an amount equal to 20% of the annual lease payment. The second disbursement will be made after 12 months of lease payments have been paid by the applicant, for an amount equal to 20% of the annual lease payment.

Applicants with multiple locations will be limited to one grant application per location. An applicant may apply for both a Small Business Lease Assistance Grant and a Small Business Improvement Grant.

Small Business Improvement Grant

The Small Business Improvement Grant provides reimbursement for costs associated with making building improvements or purchasing new furniture, fixtures and equipment. A total of $15 million of Main Street Recovery Finance Program funding will be utilized to capitalize the Small Business Improvement Grant. Of this $15 million, 40 percent ($6 million) will be reserved for businesses located in a census tract that was eligible to be selected as New Jersey Opportunity Zone (i.e. a New Market Tax Credit census tract). There are 715 census tracks that were eligible to be Opportunity Zones in New Jersey. Setting aside a portion of available funding under the Small Business Lease Assistance Grant to support entities in these census tracts further reinforces the State's commitment to helping to ensure all Opportunity Zone eligible tracts in New Jersey receive opportunities for investment that are equitable and inclusive.

To be eligible for the Improvement Grant, the small business must meet many of the same requirements as the Lease Grant. This includes meeting the definition of a small business, being in good standing with sister agencies, and providing a valid tax clearance certificate prior to the execution of a grant agreement. Small businesses must also certify, at the time of application, that they are not in default of any other program administered by the Authority or the State of New Jersey. Landlords are not eligible for the Small Business Improvement Grant, as the product is intended to directly support businesses operating from these facilities.

As stated before, the business must also commit to meeting the wage requirements and remaining in the facility. For grants of less than $25,000 the small business must commit to meeting these requirements for two years after the execution of a grant agreement. For grants of $25,000 or more, the small business must comply with these requirements for 4 years after the execution of a grant agreement. Businesses that do not comply with the wage or residency requirements, or default on their lease payments, must repay any grant funding received under this product to the Authority.

Grant funding under the Small Business Improvement Grant will reimburse the small businesses for 50 percent of costs associated with capital improvements as defined in the proposed new rules, with a maximum grant amount not to exceed $50,000. Home-based businesses are eligible for the Improvement Grant, but can only use the grant funding for the purchase and installation of furniture, fixtures and equipment. The grant can only be used to reimburse for capital improvements completed on or after March 9, 2020, but no more than 24 months prior to the date of application. Because this is a reimbursement, the applicant will be required to provide all documentation at the time of application demonstrating that the capital improvement costs have been completed. Acceptable documentation is expected to include invoices, statements, payments, or canceled checks. To be eligible, the capital improvement costs must be a minimum of $5,000, and the applicant is responsible for obtaining all applicable local approvals (i.e. zoning and building permits) as needed for the capital improvements. For applicants that are making capital improvements to leased space, the landlord's permission is required in order to make the capital improvements. As stated before in this memorandum, affirmative action requirements may apply to the contactor and green building standards may apply to the project, based on the specific details of the contractor and project.

Applicants under the Small Business Improvement Grant are limited to one application per Employer Identification Number (EIN). Applicants operating from multiple locations under a single EIN would be limited to one application under the sole EIN, but may pool project costs from multiple locations into a single product application. An applicant may apply for both a Small Business Lease Assistance Grant and a Small Business Improvement Grant.

Approval Process

In recognition of the volume of applications the Authority anticipates receiving under these products, and the limited discretion staff has in reviewing applications under the product parameters, the Members are requested to approve Delegation to Authority staff (Chief Community Development Officer, Managing Director – Community Development, or Director of Small Business Services) to approve individual applications to both the Small Business Lease Assistance Grant and the Small Business Improvement Grant, in accordance with the terms set forth in the attached program specifications.

The delegated authority requested for approval also includes the delegated authority to decline for any declinations based solely on non-discretionary reasons. For final administrative decisions based solely on non-discretionary reasons, delegated authority is requested for approval by a Senior Vice President, Vice President, Managing Director, or the Director Legal Affairs.

Additional Pilot Products

In addition to the Small Business Lease Assistance and Small Business Improvement grants, the Authority intends to pilot additional products to be funded by the Main Street Recovery Finance Program. While the proposed new rules provide some clarity around these anticipated pilot programs, staff will bring specific proposals for those pilot programs to the Members for consideration at a later date.

These products are anticipated to include financing to support microbusiness lenders, who will use that funding to increase capacity under their existing loan products or establish new micro business lending products with attractive terms. Statute defines a "microbusiness" as a business with less than $1.5 million in annual gross revenue and 10 or less employees. Eligible microbusiness lenders would include Community Development Financial Institutions (CDFIs), Minority Depository Institutions (MDIs), Zone Development Corporations in cities with a population of 100,000 or more, Community Development Corporations (CDCs), Economic Development Corporations (EDCs), and non-profit lenders with at least 10 years of lending experience to microbusinesses. Lenders will also receive a portion of the funding as technical assistance grants, to provide services to better position micro businesses to qualify for these loans. Technical support services are expected to include, but are not limited to credit repair services, assistance with writing business plans, assistance with preparing financial statements and projections, and other services.

Another product is anticipated to be an expansion of the Authority's existing Micro Business Loan Program to provided directly to micro businesses from NJEDA. Financing will be low-cost, with attractive terms and rates.

Rulemaking Process

The ERA authorizes the Authority to promulgate special adoption rules for the Main Street Recovery Finance Program, which will be effective immediately upon filing with the Office of Administrative Law and continue for 180 days. In addition, Staff proposes pursuing concurrently the proposal of long-term rules, which will include a 60-day public comment process pursuant to the Administrative Procedures Act rulemaking procedures.

Compliance with Executive Order 63

In accordance with the Executive Order 63 directive to ensure outreach efforts are made to the public and affected stakeholders for agency rulemaking, the Authority issued a news release advising the public that the draft Main Street Recovery Finance Program rules were available for review and of the opportunity to provide informal input.

The Authority staff convened three virtual public "Listening Sessions", which provided an overview of the Main Street Recovery Finance Program draft rules and the opportunity for the public feedback, on:

- Monday, July 12th, 2021 at 5:00 p.m.
- Tuesday, July 13th, 2021 at 2:00 p.m.
- Thursday, July 15th, 2021 at 10:00 a.m.

Additionally, the public were able to submit written feedback through the NJEDA's Economic Recovery Act transparency website (www.njeda.com/economicrecoveryact) or through the newly established email account (mainstreet@njeda.com) from July 7th through July 21st, 2021.

Chief Compliance Officer Certification of Draft Rule Proposal

Pursuant to Section 101(a) of the ERA, the Chief Executive Officer is required to appoint a Chief Compliance Officer (CCO) to, among other things, "review and certify that the provisions of program rules or regulations provide the authority with adequate procedures to pursue the recapture of the value of an economic development incentive in the case of substantial noncompliance, fraud, or abuse by the economic development incentive recipient, and that program rules and regulations are sufficient to ensure against economic development incentive fraud, waste, and abuse".

Bruce Ciallella has been designated the CCO. In that capacity, Mr. Ciallella has reviewed the proposed rules and regulations for the Main Street Recovery Finance Program and is prepared to sign the certification, subject to the Board taking action to approve the same for submission to the New Jersey Office of Administrative Law for publication in an upcoming issue of the New Jersey Register.

Fees

In recognition of the fact that the products under the Main Street Recovery Finance Program are intended to support small businesses, many of which are already financially struggling and emerging from difficult economic conditions resulting from the COVID-19 pandemic, the Authority is requesting the Members' approval to utilize 3 percent of the Main Street Recovery Finance Program funding to cover the administrative costs the Authority will incur in administering this program. The Authority typically supports its administrative costs in the form of fees that are charged to the applicant at various stages of a grant review, approval and disbursement. With this approval, the Authority will be able to operate the program without having to charge the applicant many of the fees that would otherwise be charged. Under the proposed new rules, the only fee that an applicant will be responsible for under either the Small Business Lease Grant or the Small Business Improvement Grant is a flat $100 approval fee, that is only paid if the applicant meets all product eligibility, and would be due at the time of approval and prior to execution of a grant agreement.

Program Evaluation Plan

Staff plans to establish a framework of key performance indicators (KPIs) to quantifiably measure over time how well the Main Street Recovery Finance Program will meet the NJEDA's operational and strategic goals. Along with assessing the goals and outcome of the program, the Authority will also track demographic information related to the businesses applying for the Main Street Recovery Finance Program, including demographic information with respect to the company's leadership. This is part of the Authority's ongoing efforts to measure to what extent its programs and services are serving New Jersey's diverse residents, communities, and businesses. Other metrics are anticipated to focus on the Main Street Recovery Finance Program's outreach efforts and volume of applicants, process and operational effectiveness, and economic development outcomes. The KPIs will provide valuable insight for staff and the Board to assess the effectiveness of the Main Street Recovery Finance Program. These KPIs are still under development.

Recommendation

The Members are requested to approve: (1) The attached special adopted new rules and concurrent proposed new rules for the new Main Street Recovery Finance 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) The creation of the Main Street Recovery Finance Program, as initially authorized by the New Jersey Economic Recovery Act of 2020 (Sections 82 through 88 of P.L. 2020, c. 156) and later amended by Sections 40 through 43 of P.L. 2021 c.160, to fund individual financial assistance products that share the common purpose of supporting the growth and success of small businesses in New Jersey (3) The utilization of $10 million of Main Street Recovery Finance Program funding to capitalize and enhance the Small Business Lease Assistance Grant – a grant product that will offset a portion of annual lease payments for small businesses leasing between 250-10,000 sq. ft. of new or additional space, with delegation to the Chief Executive Officer to increase funding to $20 million in the event that demand exceeds the $10 million in available funding; (4) The utilization of $15 million of Main Street Recovery Finance Program funding to capitalize and enhance the Small Business Improvement Grant – a grant product that will reimburse a small business for 50 percent of eligible project costs, with a maximum grant award not to exceed $50,000, associated with making building improvements or the purchase and/or installation of new furniture, fixtures and equipment, with delegation to the Chief Executive Officer to increase funding to $30 million in the event that demand exceeds the $15 million in available funding.(5) The utilization of up to $500,000 of Main Street Recovery Finance Program funding to be used by the Authority to cover administrative costs associated with administering both grant products, and approval to issue one or more purchase orders to 22nd Century Technologies Inc. to hire temporary employees to administer both grant products if needed; (6) Delegation to Authority staff (Chief Community Development Officer, Managing Director – Community Development, or Director of Small Business Services) to approve individual applications to either the Small Business Lease Assistance Grant Program or Small Business Improvement Grant Program in accordance with the terms set forth in this memo and rule proposal, and as further detailed in the attached program specifications. Because the specifications are streamlined and will result in non-discretionary decisions, the delegated authority requested includes the authority to decline applications that do not meet eligibility requirements; (7) Delegation to Authority staff (Chief Legal & Strategic Affairs Officer, any Vice President, Director of Legal Affairs, Director of Business Operations) to issue final administrative decisions for appeals of non-discretionary declinations; and (8) Delegation to the Chief Executive Officer to reallocate funding from the Small Business Lease Assistance Grant to the Small Business Improvement Grant, and vice versa, based on application demand.

Tim Sullivan
Chief Executive Officer

Prepared by**:** Christina Fuentes

Attachments:
Appendix A – Proposed New Rules – Main Street Recovery Finance Program
Appendix B – Small Business Lease Assistance Grant – Proposed Program Specifications
Appendix C – Small Business Improvement Grant – Proposed Program Specifications

New Jersey Economic Development Authority
Main Street Recovery Finance Program Product Summary

Main Street Products	Board Approved	Approvals	Approved Amount	Balance of Funding	Applications Under Review	Under Review Amount	Board Approval	Product Launch
Small Business Lease Grant	$ 20,000,000.00	297	$ 7,147,837.99	$ 12,852,162.01	49	$ 1,096,970.87	August of 2021	10/20/2021
EDA Admin Fee	$ 600,000.00							
Temp Funding	$ 250,000.00							
Total	**$ 20,850,000.00**							
Small Business Improvement Grant	$ 30,000,000.00	847	$ 21,037,618.15	$ 8,962,381.85	1764	$ 42,267,043.76	August of 2021	2/10/2022
EDA Admin Fee	$ 900,000.00							
Temp Funding	$ 250,000.00							
Total	**$ 31,150,000.00**							
Main Street Lenders Grant	$ 15,000,000.00	8	$ 11,700,000.00	$ 3,300,000.00	0	$ -	February of 2022	5/26/2022
EDA Admin Fee	$ 450,000.00							
Temp Funding	$ -							
Total	**$ 15,450,000.00**							
Main Street Micro Business Loan	$ 20,000,000.00	154	$ 7,568,028.18	$ 12,431,971.82	1707	$ 80,326,565.58	September of 2022	10/6/2022
EDA Admin Fee	$ 600,000.00							
Temp Funding	$ 250,000.00							
Total	**$ 20,850,000.00**							
E-commerce Technical Assistance	**$ 4,000,000.00**						December of 2022	February
(pendng December Board approval)								
Total of funds allocated to products	**$ 89,000,000.00**	**1306**	**$ 47,453,484.32**	**$ 37,546,515.68**	**3520**	**$ 123,690,580.21**		

***As of 12/2/22**

Total Main Street Appropriation	$ 150,000,000.00
Allocated to Programs	$ 89,000,000.00
Allocated to EDA Admin Fees	$ 2,550,000.00
Allocated to Temps	$ 750,000.00
Balance	**$ 57,700,000.00**

NJEDA

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Food Retail Innovation in Delivery Grant (FRIDG)

Request:

The Members are asked to approve:

1. The creation of the Food Retail Innovation in Delivery Grant (FRIDG), a pilot program that will provide grant funding of up to $250,000 to New Jersey food retailers to purchase self-contained, temperature-controlled lockers that must be placed within an Authority-designated Food Desert Community (FDC) that will be used for grocery delivery to expand food delivery opportunities and improve food access for FDC residents.

2. The utilization of $2,600,000 from the Fiscal Year 2022 (FY2022) Appropriations Act ("Act") for the purpose of "Food and Agriculture Innovation" to capitalize the FRIDG program and cover administrative costs that are needed to administer that program. Up to $100,000 of the $2,600,000 funding may be used by the Authority to cover administrative costs.

3. Delegation of authority to the Chief Executive Officer to approve individual applications for awards up to $250,000 in accordance with the terms set forth in this memo and the attached program specifications.

Background:

In 2021, Governor Phil Murphy signed the New Jersey Economic Recovery Act of 2020, P.L. 2020, c.156 (ERA) into law. One of the programs established under the ERA is the Food Desert Relief Act (FDRA), which directs the New Jersey Economic Development Authority (NJEDA or Authority) to address the food security needs of communities across New Jersey by providing up to $40 million per year for six years to increase access to nutritious foods and develop new approaches to alleviate food deserts. Through the FDRA, the Authority will award tax credits to establish and retain new supermarkets and grocery stores in food desert communities; offer technical assistance on best practices for increasing the accessibility of nutritious foods; provide grants and loans for food retailers of all sizes to fund equipment costs and technology costs associated with providing fresh food, technology costs associated with supporting Supplemental Nutrition Assistance Program (SNAP) and Supplemental Nutrition Program for Women, Infants, and Children (WIC) payments; and support innovative initiatives to ensure food security.

The FDRA required the Authority, in consultation with the Departments of Community Affairs and Agriculture, to designate up to 50 Food Desert Communities (FDCs) that have limited access to nutritious foods. On February 9, 2022, the Board formally adopted the 50 Food Desert Communities (FDCs) designation for the state of New Jersey, taking a critical step towards addressing challenges around food access, food availability and nutritional value. The total population of New Jerseyans residing in Food Desert Communities exceeds 1.5 million individuals across a diverse range of communities in all 21 New Jersey counties.

As the Authority works on regulations that allow for the implementation of the FDRA, the Authority received funds from an appropriation of $3,500,000 for "Food and Agriculture Innovation" in the Fiscal Year (FY) 2022 Appropriations Act. The Food Retailer Innovation in Delivery Grant ("FRIDG") would utilize up to $2,600,000 of the Food and Agriculture Innovation funds to improve food access in FDCs by providing grants to food retailers to purchase self-contained, temperature-controlled lockers and install them in FDCs, which will facilitate food delivery into FDCs to allow residents to access high quality groceries, including fresh produce. Refrigerated lockers represent an innovative solution to give FDC residents the ability to order online and have groceries delivered to a convenient central location without having to travel long distances to reach food retailers, as many FDC residents without a nearby grocer are currently forced to do. Under the model proposed under FRIDG, FDC residents will be able to avail themselves of this new and innovative solution to the last mile of grocery delivery.

Through the utilization of these lockers, the NJEDA would be able to increase availability of nutritional food in FDCs while assisting food retailers to adopt new business models that can help sustain their business. Through FRIDG, food retailers can subsidize the purchase of temperature-controlled locker units and will begin delivering to these units, which must be placed within an FDC, and may be placed near local organizations, such as food banks and community centers that are convenient for residents of the community and a place where residents facing food insecurity may already access services. In a prototypical example, a customer would place their orders online through a food retailer and select the locker as the grocery delivery point. Once the order is delivered to the locker, the customer would receive a notification via email or text, which would contain instructions on how to pick-up their order (e.g., unique QR code, PIN number). Once the order is picked up, the retailer would be notified through the locker's tracking system, indicating that there is an open space for a new delivery to the locker. This option presents an alternative to FDC residents who often must travel long distances or take multiple forms of transit to access groceries outside their community and leverages existing retailers' capacity to bring food into FDCs while increasing the reach and potential customer base for the retailer.

Although these types of lockers for grocery delivery have yet to become prevalent in the U.S., there are select models that the Authority is able to emulate while making a New Jersey a leader in pioneering a new approach to food access in partnership with food retailers. As an example, Ramsey's Market in southwest Iowa, focuses its locker placement on communities that do not have grocery stores. Their lockers consist of 30 spaces in which half are reserved for frozen goods. They guarantee that an order placed will be ready by 5pm the following day, but it is usually done so earlier. Consumers receive a notification when their order is complete, which they can then retrieve by inputting a unique code. This method has been touted as being convenient and cost-efficient for both the supermarket and the buyer. The program was successful enough that Ramsey's Market has expanded to three locations throughout the surrounding rural communities, the furthest being 50 miles from the store. Models like this can be instructive as the Authority looks to roll out the FRIDG program.

Program Details:

Eligibility:

Eligibility for the Food Retailer Innovation in Delivery Grant (FRIDG) will be limited to food retailers which, at the time of application, are authorized by the United States Department of Agriculture Federal Nutrition Service (USDA FNS) to accept Supplemental Nutrition Assistance Program (SNAP) benefits (formerly referred to as 'food stamps') for online ordering.[1] This requirement is critical to allow residents of Food Desert Communities (FDCs) to equitably access groceries using their SNAP Electronic Benefit Transfer (EBT) card in the same manner that individuals use a credit or debit card to purchase groceries online. This is a particularly acute need for FDC residents, where on average 23.5% of all households are enrolled in SNAP compared with 6.2% of non-FDC households, according to data compiled by the NJDCA.

Applicants must be independent supermarkets (single location with a single owner); independent supermarket operators (single location working with a third-party supplier or franchisor such as Sav-A-Lot or IGA); cooperative retailers (member of a cooperative with similar supermarket owners such as Shop-Rite, which is a member of the Wakefern Cooperative); chain supermarkets (ten or more supermarkets owned by a single corporate entity such as Stop & Shop or Acme); mass merchandisers (large retailers which operate full-service supermarkets within its retail locations such as Walmart); or warehouse clubs (large retailers where customers can buy large quantities wholesale, such as BJ's). All applicants, regardless of supermarket type, must have a physical retail location in New Jersey and can service and make deliveries to a locker located in an FDC, though the orders may be serviced from a non-retail location (e.g., distribution center). This program is not open to food retailers with no physical retail location in New Jersey.

In addition, applicants must comply with the following requirements:

- Be in good standing with the following New Jersey Departments:
    - Division of Taxation, as evidenced by a Tax Clearance Certificate
    - Department of Environmental Protection
    - Department of Labor and Workforce Development
- Commit to place and make deliveries to any locker purchased through FRIDG in an NJEDA-designated FDC[2] in an area that is accessible to the general public in an FDC (i.e., not in a restricted area such as an apartment building lobby open only to apartment residents) for a minimum of 12 hours per day, seven days per week

Diversity, Equity and Inclusion:

Funds for this program will be dedicated to improving food access in New Jersey FDCs, as designated by the NJEDA board on February 9, 2022. This designation was crafted with a significant lens on equity, considering racial demographics, economic factors, transit accessibility, among other community and individual level factors. Committing resources to addressing food insecurity in FDCs also addresses an issue that disproportionately impacts Black and Hispanic communities in the state. According to Feeding America, in 2020 (the most recently available data), and on average 7% of New Jerseyans were food insecure, but this rate was 17% for Black and Hispanic residents.

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[1] List of USDA FNS online SNAP authorized retailers in New Jersey can be found through the NJ Department of Human Services at https://www.nj.gov/humanservices/njsnap/recipients/benefits/

[2] Map of NJEDA-designated FDCs available at https://njdca.maps.arcgis.com/apps/webappviewer/index.html?id=cd59d206f39c40a691d6ba38598134fb

Eligible Funding Uses:

Applicants are limited to purchases of self-contained, temperature-controlled lockers that allow for flexible grocery delivery and pick-up. As part of the application, applicants must specify where they will site the locker within an NJEDA-designated FDC. Grants would cover between 30% and 50% of the total aggregated project cost (inclusive of equipment, delivery, and installation of the locker) up to $250,000. Contracts of $2,000 or more that include installation are subject to Authority prevailing wage and affirmative action requirements and reporting. Grants are limited to expenses related to the initial equipment purchase and locker installation; the applicant is responsible for ongoing operation and maintenance costs related to the locker.

FRIDG is intended to cover *prospective* costs for purchases not yet made. Projects where a contract has been signed, a purchase order placed, or a deposit made prior to application to the Authority will not be eligible for funding.

Grant awards will start at 30% of total project costs, with the ability to stack on bonuses to cover more of the costs for applicants that meet the following criteria, where no grant can exceed 50% of the total project costs or $250,000, whichever is the lesser of the two.

Stackable 5% Bonuses

- Locker located within an FDC ranked within the top ten (10) statewide[3]
- Applicant provides a Memorandum of Understanding, Letter of Support, Letter of Intent, or partnership contract or agreement with a social service organization (e.g., food pantry, soup kitchen, community center, library) to locate locker on-site with the organization in a manner that is accessible to the public in a location where community members may already access services
- Applicant commits to waive delivery fees for SNAP online purchases for deliveries made to the locker purchased through FRIDG

Stackable 10% Bonus

- Applicant commits to waive delivery fees for all deliveries made to locker, regardless of payment type

Application Process:

Applications for this pilot product will be available for 18 months from the date applications are made available to the public, or until the total funding pool is exhausted (whichever is sooner). Applications will not be re-opened if funding remains by the end of 18 months. In that case, staff anticipates seeking Board approval for the new use of funds.

Applications will be accepted on a rolling basis and reviewed as they are received. After initial review, staff may follow up with applicants if there are missing documents, or clarity or additional support documentation is needed. Applicants will have a limited window of time to respond to requests by staff for documentation and clarifying questions, or risk being deemed withdrawn as incomplete or unresponsiveness.

[3] FDC rankings available at https://www.njeda.com/wp-content/uploads/2022/02/Food-Desert-Communities-Designation-Final-2-9-22.pdf

As part of the application, retailers will be required to identify which FDC they will be placing the locker within. Retailers can submit only one application for each FDC they are placing a locker within. Retailers may submit more than one application if they wish to apply for locker purchases across multiple FDCs. There will be a limit of 1 grant award per FDC, awarded to the first completed application that meets all eligibility requirements. However, if there is still funding available after the application is closed, the Authority may approve additional applications received prior to the application closing within an already funded FDC. No single grant award may exceed $250,000.

At time of application, applicants will be required to provide a purchase quote, order pro forma, equipment listing, or other document from the vendor indicating the total project cost (equipment, delivery, and installation). Applicants will also have to provide evidence of agreement with the property owner or tenant for the placement of the locker, which may include, but is not limited to: a Letter of Intent (LOI), Memorandum of Understanding (MOU), or lease agreement. Evidence of any signed contract, purchase order, or deposit for the purchase of the temperature-controlled locker made prior to the date of application will result in declination.

Delegated Authority:

The Members are requested to approve delegated authority to the Chief Executive Officer to approve individual applications to FRIDG in accordance with the terms set forth in the attached product specifications. These approvals are appropriate for delegated authority because the maximum financial assistance under this program will not exceed $250,000 and the specifications are based on non-discretionary criteria. Additionally, this program is not competitive; each application will be reviewed on its own.

Post Approval:

The Authority will notify an approved applicant of the amount of funding committed to approved applicants and enter into an agreement prior to equipment purchase. The awardee will have 12 months from the date of grant execution for the delivery and installation of the equipment, with the option for up to two 6-month extensions at the request of the grantee and at the discretion of the Authority. The Authority will make one single award disbursement when proof of equipment delivery and installation is provided, along with any necessary permits or agreements for siting the locker in its designated location within the FDC.

Applicants will be required to provide annual reporting updates to the Authority with supporting documentation on the following information for three (3) years from the date of award disbursement:

- Confirmation of locker location
- Number of deliveries made to locker
- Percentage of deliveries to locker that were paid using SNAP
- If a grantee receives one or more of the above bonuses:
    - As applicable, status of partnership with social service organization
    - As applicable, number of delivery fees waived for individuals paying with SNAP
    - As applicable, number of delivery fees waived for all payment types

In addition, staff will confirm via USDA and/or the New Jersey Department of Human Services if the retailer is still authorized to accept SNAP online.

If a food retailer needs to move the locker due to unforeseen circumstances outside the grantee's control within three years following award disbursement, the grantee must notify the Authority prior to moving the locker with an identified a new location within the same FDC. The Authority must review and approve the plan prior to the locker being moved.

If within three (3) years of award disbursement, the awardee ceases grocery delivery to the locker, moves the locker outside of an NJEDA-designated FDC, or the retailer is no longer authorized to accept SNAP online, the authority may impose a scaled recapture of the award based on the scale outlined in Table 1.

If a grantee received additional funding through one or more of the bonuses and continues to make grocery deliveries the locker within the FDC and maintains eligibility to accept SNAP online but is in default of their bonus obligation(s), the Authority may choose to impose a scaled recapture of the bonus amount based on the scale outlined in Table 1.

Table 1. Recapture Scale

Defaults on obligations within:	Recapture Percentage of the Face Value
1 year of award disbursement	**100%**
2 years of award disbursement	**60%**
3 years of award disbursement	**30%**

The Authority understands that there may be circumstances outside the retailers' control that may impact the continuation of grocery delivery services to the locker purchased through FRIDG. As such, the applicant shall notify the Authority in writing (email or letter) of those circumstances and the Authority shall review and decide whether a grantee shall return or pay the amount of grant fund they received.

<u>Program Funding:</u>

Per the Appropriations Act for Fiscal Year 2022, the Authority received $3,500,000 in funding for the use of Food and Agriculture Innovation, of which Staff proposes using $2,600,000 for the Food Retailer Innovation in Delivery Grant (FRIDG). These funds will be deposited into the Economic Recovery Fund (ERF), which authorizes a grant as listed under N.J.S.A § 34:1B-7.13(a)(7) for:

> "programs and initiatives, which will support and invest in small and medium-size businesses and other entities engaged in economic, community, and workforce development that have the greatest potential for creating jobs and stimulating economic growth through such elements including, but not limited to…a fund to assist businesses, either directly or through a not-for-profit or for-profit entity with expansion or transition to a new business model in such areas including, but not limited to, manufacturing retooling to improve quality, to reduce production costs and to train employees to apply the latest technology."

The Food Desert Relief Act (FDRA), part of the Economic Recovery Act, delineated food access and food security an economic and community development imperative, and specifically designated supermarkets as a vehicle to achieve those community development aims, making them a critical community development entity to achieve the goals of food access through this program. Furthermore, these food delivery lockers located off-site of the store are a relatively new way of doing business for supermarkets. There are some interesting use cases around the country but have not yet been widely adopted. The purpose of the grant program would not only be to help accelerate the use of this delivery method for the grocery industry, but also to increase food access for food desert communities that do not have easy access to a grocery store.

Fees:

As listed in EDA's fee rules (N.J.A.C. 19:30-6.1), a non-refundable fee of $1,000 shall accompany every application.

Recommendation:

The Members are requested to approve: (1) The creation of the Food Retail Innovation in Delivery Grant (FRIDG), a pilot program that will provide grant funding of up to $250,000 to New Jersey food retailers to purchase self-contained, temperature-controlled lockers that must be placed within an Authority-designated Food Desert Community (FDC) that will be used for food storage and grocery delivery within Authority-designated Food Desert Communities (FDCs) to expand food delivery opportunities and improve food access for FDC residents; (2) The utilization of $2,600,000 from the Fiscal Year 2022 (FY2022) Appropriations Act ("Act") for the purpose of 'Food and Agriculture Innovation' to capitalize the FRIDG program and cover administrative costs that are needed to administer that program. Up to $100,000 of the $2,600,000 funding may be used by the Authority to cover administrative costs; and (3) Delegation of authority to the Chief Executive Officer to approve individual applications for FRIDG in accordance with the terms set forth in this memo and the attached program specifications.

Tim Sullivan, CEO

Prepared by**:** Emily Apple, Director, Economic Security
Brian Todd, Senior Advisor, Food Desert Relief
Rucha Gadre, Senior Advisor, Food Security & Innovation

Attachments
Attachment A—Program Specifications

Attachment A
Proposed Program Specifications
Food Retailer Innovation in Delivery Grant
December 20, 2022

Funding Source	$2,600,000 from the Appropriations Act for Fiscal Year 2022 for Food and Agriculture Innovation to capitalize the Food Retailer Innovation in Delivery Grant (FRIDG) program and cover administrative costs that are needed to administer the program. Up to $100,000 may be used by the Authority to cover administrative costs.
Program Purpose	To improve food access in New Jersey's Food Desert Communities (FDCs) by providing grants to food retailers to purchase temperature-controlled, food-safe refrigerated lockers, install them in FDCs, and facilitate food delivery into FDCs to allow residents to access high quality groceries, including fresh produce.
Eligible Applicants	Eligibility will be limited to food retailers which, at the time of application, are authorized by the United States Department of Agriculture Federal Nutrition Service (USDA FNS) to accept Supplemental Nutrition Assistance Program (SNAP) benefits for online ordering. Applicants must be independent supermarkets (single location with a single owner), independent supermarket operators (single location working with a third-party supplier or franchisor such as Sav-A-Lot or IGA), cooperative retailers (member of a cooperative with similar supermarket owners such as Shop-Rite, which is a member of the Wakefern Cooperative), chain supermarkets (ten or more supermarkets owned by a single corporate entity such as Stop & Shop or Acme), mass merchandisers (large retailers which operate full-service supermarkets within its retail locations such as Walmart), or warehouse clubs (large retailers where customers can buy large quantities wholesale, such as BJ's). All applicants, regardless of supermarket type, must have a physical retail location in New Jersey and can service and make deliveries to a locker located in an FDC, though the orders may be serviced from a non-retail location (e.g., distribution center). This program is not open to food retailers with no physical retail location in New Jersey. In addition, applicants must comply with the following requirements: • Be in good standing with the following New Jersey Departments: o Division of Taxation, as evidenced by a Tax Clearance Certificate o Department of Environmental Protection o Department of Labor and Workforce Development • Commit to place and make deliveries to any locker purchased through FRIDG in an NJEDA-designated FDC in an area that is accessible to the general public in an FDC (i.e., not in a restricted area such as an apartment building lobby open only to apartment residents) for a minimum of 12 hours per day, seven days per week

Attachment A **Proposed Program Specifications** **Food Retailer Innovation in Delivery Grant** **December 20, 2022**	
Eligible Uses	Applicants are limited to purchases of self-contained, temperature-controlled lockers to help expand food delivery opportunities and improve food access within Authority-designated in Food Desert Communities (FDCs). Lockers must be placed within an FDC in an area that is accessible to the general public for a minimum of 12 hours per day, seven days per week. FRIDG is intended to cover prospective costs for purchases not yet made.
Application Process and Board Approval/ Delegated Authority	• Online application. Applications will be accepted on a rolling basis, will be reviewed as they are received, and will proceed based on readiness and completion. • This pilot product will be available for 18 months from the date applications are made available to the public, or until the total funding pool is exhausted (whichever is sooner). • Delegation to the Chief Executive Officer (CEO) to approve individual applications to FRIDG in accordance with the terms set forth in the product specifications.
Grant Amounts	Grant awards will start at 30% of total project costs, with the ability to stack on bonuses to cover more of the costs for applicants that meet the following criteria, where no grant can exceed 50% of the total project costs or $250,000, whichever is the lesser of the two. **<u>Stackable 5% Bonuses</u>** • Locker located within an FDC ranked within the top ten (10) statewide • Applicant provides a Memorandum of Understanding, Letter of Support, Letter of Intent, or partnership contract or agreement with a social service organization (e.g., food pantry, soup kitchen, community center, library) to locate locker on-site with the organization in a manner that is accessible to the public in a location where community members may already access services • Applicant commits to waive delivery fees for SNAP online purchases for deliveries made to the locker purchased through FRIDG **<u>Stackable 10% Bonus</u>** • Applicant commits to waive delivery fees for all deliveries made to locker, regardless of payment type
Fees	As listed in EDA's fee rules (N.J.A.C. § 19:30-6.1), a non-refundable fee of $1,000 shall accompany every application
Funding Disbursement	The Authority will make one single award disbursement when proof of equipment delivery and installation is provided, along with any necessary

	permits or agreements for siting the locker in its designated location within the FDC.
Recapture Provision	If within the first 3 years award disbursement, the awardee ceases grocery delivery to the locker, moves the locker outside of an NJEDA-designated Food Desert Community, or the retailer is no longer authorized to accept SNAP online, the authority may impose a scaled recapture of the award based on the scale below. If a grantee received additional funding through one or more of the bonuses and continues to make grocery deliveries the locker within the FDC and maintains eligibility to accept SNAP online but is in default of their bonus obligation(s), the Authority may choose to impose a scaled recapture based on the scale outlined below only for the amount granted for the bonus (5-10% of total award). • 1 year = 100% recapture • 2 years = 60% recapture • 3 years = 30% recapture The Authority understands that there may be circumstances outside the retailers' control that may impact the continuation of grocery delivery services to the locker purchased through FRIDG. As such, the applicant shall notify the Authority in writing (email or letter) of those circumstances and the Authority shall review and decide whether a grantee shall return or pay the amount of grant fund they received.

MEMORANDUM

To: Members of the Authority

From: Tim Sullivan, Chief Executive Officer

Date: December 21, 2022

Subject: FY 2023 Fiscal Plan

Enclosed for your review and consideration is the proposed FY23 Fiscal Plan. It is the result of a collaborative effort by senior management and staff. Collectively, we believe our discussions have yielded a fiscally responsible plan in support of the Authority's role as a comprehensive development agency while best positioning the organization to support the strategic priorities of the statewide economic development plan, including investing in people, investing in communities, making New Jersey the State of Innovation, and making government work better to improve the State's competitiveness and business climate.

Underlying these goals are several key imperatives for the Authority: 1) to continue to support businesses adversely impacted by the COVID-19 pandemic; 2) to grow New Jersey's economy, with a focus on increasing broad-based equity and creating a pilot, learn, scale culture, supported by bank-like operations; 3) to advance a financially sustainable business platform, optimizing for a balance of State economic activity and fiscal stability of the Authority; and 4) to support our effectiveness through enhanced resources, infrastructure, and compliance. These imperatives are woven through the Fiscal Plan's revenue and program cost projections, and administrative expense constraints, respectively.

The proposed 2023 Fiscal Plan represents an ongoing investment in terms of staffing up for exciting, new initiatives; and, at the same time, maintaining our focus on critical assistance programs necessitated by COVID-19. Taking into consideration the Authority's organizational transformation, as well as the Murphy Administration's prioritized initiatives, we are projecting operating revenues and other cash infusions to exceed 2022 Plan, inclusive of state and federal reimbursements of administrative expenses. Relative to administrative expenses, the Authority is committed to accomplishing its strategic objectives and alignment with the statewide economic development plan in the most efficient manner possible. This includes the continued build out of new divisions of the Authority, to oversee the management and deployment of numerous state and federal appropriations across various programs. To that end, EDA core headcount will reflect an increase from 310 projected for FY22 to 335 by the end of FY23, including recruiting for positions related to the implementation of new projects and initiatives, and specific programmatic activity.

The FY 23 Plan is presented with planned net operating earnings of $5.2 million and anticipates various reimbursements from state and federal sources to effectuate completion of post-pandemic business assistance programs and other exciting new initiatives. Other significant, anticipated revenue infusions are related to the State's participation in the regional greenhouse gas initiative, and Authority efforts such as Offshore Wind, Strategic Innovation Centers, the Main Street program, as well as initiatives aimed at childcare and maternal and infant health. In many of these initiatives the Authority anticipates a combination of fee income or reimbursement of eligible personnel expenses directly related to the administration of specific programs.

Also reflected are the following benefit expense items:

- The EDA contribution to PERS is based on billing information from the Division of Pensions. Any amount that can be attributable to certain dedicated staff will be sought as a reimbursable fringe item;
- Health insurance premiums reflect an increase of up to 24% over 2022, depending on plan and level of coverage selected, however, approx one-third of total premiums are expected to be paid by employees, enabling the Authority to recapture over $1.7 million of this cost;
- For the third straight year, there is no anticipated contribution to the post-employment benefit trust, as the most recent actuarial valuation indicates the trust is sufficiently funded, creating a savings of approx $2 million from recent year's Plans.

Program Costs represent expenditures that align with specific programs, projects, and initiatives. At $10,740,000, the FY23 Plan provides an increase from FY22 Plan, related to asset management costs such as maintenance and repair of Authority owned properties, while continuing to provide for important compliance and incentive program audits as well as necessary outreach expenditures aimed at diversity and inclusion. Other program-specific costs are generally consistent with the prior year Plan. General and administrative expenses include support for professional development and training, necessary software and technology, and strategic initiatives aimed at improved business operations.

Consistent with prior years, the Plan also includes cash transactional items that may or may not be reimbursable; do not represent costs and expenses related specifically to current year production; or may not be within the scope of what the Authority typically does. These items are presented *below* the NOE for informational purposes. Included here are the reimbursable personnel expenses related to administration of Fort Monmouth, Office of Recovery, CSIT and Wind Port activity. Also reflected here are long-term projects such as the New Jersey Bioscience Center re-design and modification of specific EDA offices.

The compilation of the 2023 Fiscal Plan has been a collective process that interrelates with and supports the Authority's key strategic imperatives. At its meeting of December 8th, the Plan was reviewed by the Audit Committee which concurred it is fiscally responsible and supports the Authority's mission; accordingly, the Board's approval is requested.

Tim Sullivan, CEO

Prepared by: Richard LoCascio, CPA Controller

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2023 FISCAL PLAN

	2022 Fiscal Plan	2022 Projected Actual	Actual Over/(Under) Plan	% Variance	**2023 Fiscal Plan**	'23 Plan to '22 Plan % Variance
Operating Revenue:						
Financing Fees	$11,025,000	$4,457,000	($6,568,000)		**$9,360,000**	
Lease Revenue	8,144,000	9,203,000	1,059,000		**9,335,000**	
Interest from Notes	5,000,000	4,850,000	(150,000)		**4,850,000**	
Agency Fees	706,000	665,100	(40,900)		**711,000**	
Program Services	7,650,000	6,447,000	(1,203,000)		**7,917,000**	
Venture Fund Distributions/Warrants	3,930,000	214,600	(3,715,400)		**950,000**	
Real Estate Development Fees	895,000	1,084,000	189,000		**925,000**	
Late Fees and Other	50,000	75,000	25,000		**100,000**	
Total Operating Revenue	37,400,000	26,995,700	(10,404,300)	-27.8%	**34,148,000**	**-8.7%**
Non Operating Revenue:						
Interest from Cash Investments	3,500,000	5,750,000	2,250,000		**11,500,000**	
Federal/SFRF Reimbursements *	6,450,000	3,570,000	(2,880,000)		**9,550,000**	
Other Sources & Cash Infusions	4,710,000	10,507,300	5,797,300		**15,400,000**	
Total Non Operating Revenue	14,660,000	19,827,300	5,167,300	35.2%	**36,450,000**	**148.6%**
Total Revenue	52,060,000	46,823,000	(5,237,000)	-10.1%	**70,598,000**	**35.6%**
Administrative Expenses						
Personnel and Benefits	35,232,000	34,800,000	(432,000)		**43,845,000**	
General and Administrative	6,751,000	7,883,800	1,132,800		**10,813,000**	
Total Administrative Expenses	41,983,000	42,683,800	700,800	1.7%	**54,658,000**	**30.2%**
Program Specific Costs	10,077,000	8,663,000	(1,414,000)	-14.0%	**10,740,000**	**6.6%**
Total Expenses & Costs	52,060,000	51,346,800	(713,200)	-1.4%	**65,398,000**	**25.6%**
Net Operating Earnings		($4,523,800)	($4,523,800)		**$5,200,000**	

CASH TRANSACTIONAL ITEMS

	2022 Fiscal Plan	2022 Projected Actual	Actual Over/(Under) Plan	% Variance	**2023 Fiscal Plan**	'23 Plan to '22 Plan % Variance
Operating Revenue:						
FMERO Staff Reimbursement	$1,262,000	$1,297,500	$35,500		**$1,287,000**	
Loss recoveries		375,000	375,000			
Total Operating Revenue	1,262,000	1,672,500	410,500		**1,287,000**	
Administrative Expenses						
FMERO Personnel & Benefits	1,262,000	1,297,500	35,500		**1,287,000**	
Other Programs Personnel & Benefits	*3,073,000*	*2,614,300*	*(458,700)*		***3,253,000***	
**(Reimbursement due for Other Programs)*	*(3,073,000)*	*(2,614,300)*	*458,700*		***(3,253,000)***	
NJEDA Offices-Modifications/Reconfigurations	155,000	42,500	*(112,500)*		**280,000**	
Spruce Technology Consult		2,725,000	2,725,000		**2,000,000**	
Program Costs						
NJBC / Tech V Plan/Design	3,500,000	250,000	(3,250,000)		**4,500,000**	
Myer Center Pre-Development	100,000		(100,000)			
Technical Assistance	300,000	25,000	(275,000)		**25,000**	
Total Expenses & Costs	5,317,000	4,340,000	(977,000)		**8,092,000**	
Net Cash Transactional Items	($4,055,000)	($2,667,500)	$1,387,500		**($6,805,000)**	

*__Note__: Reimbursement due for Core EDA staff devoting time to certain activity is reflected as an increase to *net assets upon* receipt, and includes Windport, Wind Institute, CSIT, and Office of Recovery activity.
For calendar years 2022 and 2023, the EDA anticipates cash infusions through federal SFRF reimbursement and other eligible state appropriations for which the EDA administers programs for, solely for personnel expense.
These dollars are presented as a non-operating revenue item for Fiscal Plan purposes, although may be presented as an increase to net assets in the audited financial statements.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2023 FISCAL PLAN

Revenue Detail

	2022 Fiscal Plan	2022 Projected Actual	Actual Over/(Under) Plan	% Variance	**2023 Fiscal Plan**	'23 Plan to '22 Plan % Variance
Financing Fees						
Application Fees (All Programs)	$2,400,000	$1,900,000	($500,000)		**$2,500,000**	
Bond Closing Fees-Private	450,000	35,000	(415,000)		**250,000**	
Bond Closing Fees-State	300,000	150,000	(150,000)		**300,000**	
Bond refunding Fees-Private	125,000		(125,000)		**125,000**	
Bond refunding Fees-State	150,000		(150,000)			
Commitment Fees Credit	65,000	10,000	(55,000)		**75,000**	
Loan Closing Fees Credit	35,000	10,000	(25,000)		**50,000**	
New Incentive Activity	500,000		(500,000)			
Commitment Fees ERGG	1,000,000	200,000	(800,000)		**1,000,000**	
Closing Fees ERGG	225,000	100,000	(125,000)		**238,000**	
Aspire Tax Credit Approval Fees	1,210,000	75,000	(1,135,000)		**1,200,000**	
Aspire Tax Credit Issuance Fees					**200,000**	
Angel Tax Credit Approval Fees	500,000	300,000	(200,000)		**300,000**	
Film Tax Credit Approval Fees					**300,000**	
Film Tax Credit Studio Partners	100,000	60,000	(40,000)		**100,000**	
GROW NJ Issuance Fees	1,825,000	625,000	(1,200,000)		**725,000**	
Modification Fees	275,000	350,000	75,000		**325,000**	
NJ Emerge Tax Credit Approval Fees	1,365,000		(1,365,000)		**75,000**	
NJ Emerge Tax Credit Issuance Fees					**200,000**	
NOL Approval Fees	150,000	475,000	325,000		**500,000**	
Clean Energy Initiatives	300,000		(300,000)		**797,000**	
Other	50,000	167,000	117,000		**100,000**	
Total Financing Fees	11,025,000	4,457,000	(6,568,000)	-59.6%	**9,360,000**	**-15.1%**
Lease Revenue						
NJBC	6,195,000	7,145,000	950,000		**7,237,000**	
NJBC Step-Out Labs	1,003,000	1,064,000	61,000		**1,101,000**	
NJBC Incubator	850,000	897,000	47,000		**901,000**	
Camden Amphitheater Office	12,000	12,000			**12,000**	
SPF-Philadelphia 76ers	84,000	85,000	1,000		**84,000**	
Total Lease Revenue	8,144,000	9,203,000	1,059,000	13.0%	**9,335,000**	**14.6%**
Agency Fees						
Board of Public Utilities Clean Energy	85,000	84,000	(1,000)		**80,000**	
CSIT - Clean Tech Seed Program	170,000	130,000	(40,000)		**180,000**	
Historic Trust Fund	1,000	1,100	100		**1,000**	
NJ Local Development Financing Fund	450,000	450,000			**450,000**	
Total Agency Fees	706,000	665,100	(40,900)	-5.8%	**711,000**	**0.7%**
Program Services						
BEIP Service Fees	413,000	700,000	287,000		**784,000**	
BRRAG Service/Transfer Fees	122,000		(122,000)			
ERGG Service/Transfer Fees	290,000	285,000	(5,000)		**285,000**	
Evergreen Auction Proceeds		300,000	300,000		**375,000**	
Film Tax Credit Transfer Fees		4,000	4,000		**62,000**	
Grow Service/Transfer Fees	3,000,000	2,475,000	(525,000)		**2,836,000**	
HUB Annual Review/Tax Transfer Fees	75,000	82,000	7,000		**75,000**	
Windport Administrative Fees	3,700,000	2,568,000	(1,132,000)		**3,500,000**	
Other Program Services Fees	50,000	33,000	(17,000)			
Total Program Services	7,650,000	6,447,000	(1,203,000)	-15.7%	**7,917,000**	**3.5%**
Venture Fund Distributions/Warrants						
Venture Fund Distributions (All Funds)	3,930,000	206,600	(3,723,400)		**950,000**	
Warrant Income/Equity Distributions		8,000	8,000			
Total Distributions/Warrants	3,930,000	214,600	(3,715,400)	-94.5%	**950,000**	**-75.8%**
Real Estate Development and Mgt Fees						
Development Fees						
Camden Parking Projects - Various	45,000	25,000	(20,000)		**25,000**	
Parcel F-1 ROI/RWJ	310,000	309,000	(1,000)			
Total Development Fees	355,000	334,000	(21,000)	-5.9%	**25,000**	**-93.0%**
Management Fees						
Aquarium	540,000	750,000	210,000		**700,000**	
University Hospital					**200,000**	
Total Management Fees	540,000	750,000	210,000	38.9%	**900,000**	**66.7%**
Total RE Development & Mgt Fees	895,000	1,084,000	189,000	21.1%	**925,000**	**3.4%**

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2023 Fiscal Plan
Administrative Expenses

	2022 Approved Plan	2022 Projected Actual	Actual Over/(Under) Plan	% Variance	**2023 Fiscal Plan**	'23 Plan to '22 Plan % Variance
SALARY EXPENSE	$26,680,000	$26,100,000	($580,000)	-2.2%	$32,400,000	21.4%
FRINGE BENEFITS						
Social Security	1,995,000	1,935,000	(60,000)		2,316,000	
Pension Costs	2,800,000	3,300,000	500,000		3,900,000	
Non-health related Ins.	376,000	360,000	(16,000)		453,000	
Health Insurance	3,710,000	3,400,000	(310,000)		5,430,000	
Less: Employee Contribution	(1,280,000)	(1,190,000)	90,000		(1,750,000)	
Prescription Ins.	670,000	625,000	(45,000)		752,000	
Dental Care Ins.	245,000	235,000	(10,000)		281,000	
Vision Care	36,000	35,000	(1,000)		63,000	
TOTAL FRINGE BENEFITS	8,552,000	8,700,000	148,000	1.7%	**11,445,000**	33.8%
TOTAL PERSONNEL AND FRINGE	$35,232,000	$34,800,000	($432,000)	-1.2%	**$43,845,000**	24.4%
Total Salaried Employees	295	310	15		**335**	13.6%

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
2023 Fiscal Plan
Administrative Expenses

	2022 Approved Plan	2022 Projected Actual	Actual Over/(Under) Plan	% Variance	**2023 Fiscal Plan**	'23 Plan to '22 Plan % Variance
PERSONNEL RELATED						
Part-time Employees	$150,000	$150,000			**$250,000**	
Temporary Agencies	500,000	500,000			**1,200,000**	
Publications & Subscriptions	10,000	8,200	(1,800)		**10,000**	
Automobile	11,000	9,600	(1,400)		**12,000**	
Local Travel & Meetings	55,000	60,000	5,000		**85,000**	
Conference	40,000	45,000	5,000		**50,000**	
Professional Training/Development	295,000	208,000	(87,000)		**403,000**	
TOTAL PERSONNEL RELATED	1,061,000	980,800	(80,200)	-7.6%	**2,010,000**	89.4%
CONTRACT SERVICES						
Financial Audit & Actuarial Services	137,000	133,200	(3,800)		**134,000**	
COVID Testing	200,000	100,000	(100,000)			
Strategic Initiatives/Business Operations	345,000	1,366,000	1,021,000		**2,412,000**	
GAU/OAL Assessments	44,000	58,500	14,500		**65,000**	
TOTAL CONTRACT SERVICES	726,000	1,657,700	931,700	128.3%	**2,611,000**	259.6%
INFORMATION SYSTEMS						
System Maintenance	162,000	207,000	45,000		**332,000**	
System Software	1,143,000	1,317,000	174,000		**1,643,000**	
System Hardware	410,000	485,000	75,000		**575,000**	
CRMS	15,000	6,000	(9,000)		**6,000**	
Online Subscriptions	93,000	90,000	(3,000)		**95,000**	
Communications	481,000	446,000	(35,000)		**426,000**	
External Services Providers	122,000	108,000	(14,000)		**150,000**	
TOTAL INFORMATION SYSTEMS	2,426,000	2,659,000	233,000	9.6%	**3,227,000**	33.0%
OFFICE OPERATIONS						
Utilities	297,000	271,000	(26,000)		**297,000**	
Postage & Delivery	29,000	19,000	(10,000)		**27,000**	
Rent	642,000	883,000	241,000		**928,000**	
Insurance-liability & property	373,000	366,000	(7,000)		**410,000**	
Equipment Maintenance	25,000	17,800	(7,200)		**25,000**	
Furniture/Equipment lease/purchase	36,000	50,500	14,500		**41,000**	
Stationary & Supplies	48,000	34,000	(14,000)		**53,000**	
TOTAL OFFICE OPERATIONS	1,450,000	1,641,300	191,300	13.2%	**1,781,000**	22.8%
BUILDING MANAGEMENT						
Facility Management	141,000	141,000			**197,000**	
Buiding Security Guard	155,000	141,000	(14,000)		**160,000**	
Janitorial	203,000	154,000	(49,000)		**161,000**	
Taxes/PILOT	67,000	66,000	(1,000)		**72,000**	
Grounds	60,000	55,000	(5,000)		**60,000**	
Parking Lot	215,000	178,000	(37,000)		**232,000**	
Mechanical Maintenance	170,000	124,000	(46,000)		**210,000**	
TOTAL BUILDING MANAGEMENT	1,011,000	859,000	(152,000)	-15.0%	**1,092,000**	8.0%
GENERAL	77,000	86,000	9,000	11.7%	**92,000**	19.5%
TOTAL GEN'L & ADMIN. EXPENSE	$6,751,000	$7,883,800	$1,132,800	16.8%	**$10,813,000**	60.2%
TOTAL ADMINISTRATIVE (Excl FM/OR)	$41,983,000	$42,683,800	$700,800	1.7%	**$54,658,000**	30.2%

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2023 FISCAL PLAN

Program Cost Detail

	2022 Fiscal Plan	2022 Projected Actual	Actual Over/(Under) Plan	% Variance	**2023 Fiscal Plan**	'23 Plan to '22 Plan % Variance
Asset Management						
Maintenance and Repair	$1,842,000	$1,849,000	$7,000		**$2,362,000**	
Property Management	315,000	250,000	(65,000)		**336,000**	
Taxes and PILOT	1,217,000	1,225,000	8,000		**1,334,000**	
Tenant Billing System	9,000		(9,000)			
Utilities	1,020,000	1,157,000	137,000		**1,233,000**	
Total Asset Management	4,403,000	4,481,000	78,000	1.8%	**5,265,000**	**19.6%**
Outreach						
Marketing Contract	200,000	200,000			**200,000**	
Sponsorships	425,000	425,000			**425,000**	
EDA Hosted Events	20,000	25,000	5,000		**20,000**	
Advertising/Marketing/Promotional	140,000	140,000			**140,000**	
Booth Design	20,000	10,000	(10,000)		**20,000**	
Total Outreach	805,000	800,000	(5,000)	-0.6%	**805,000**	
Consultation/Legal						
Deputy AG Contracted Fees	1,200,000	1,250,000	50,000		**1,400,000**	
Other Litigation (External/Special Counsel)	675,000	300,000	(375,000)		**500,000**	
BBBR Challenge Grants	100,000		(100,000)			
Camden Waterfront Survey	20,000		(20,000)		**20,000**	
DEP/CCI/Brownfield MOU	600,000		(600,000)			
DEP/Licensed Site Remediation	10,000	5,000	(5,000)		**10,000**	
iDMS Programming	360,000	350,000	(10,000)		**360,000**	
Diversity DEI Initiatives	100,000		(100,000)		**100,000**	
Environmental Consultants	35,000		(35,000)		**35,000**	
EDA Compliance Audits	282,000	280,000	(2,000)		**282,000**	
EDA Incentive Programs Audit	150,000	150,000			**150,000**	
Legal Review/Due Diligence (BRG)	50,000	55,000	5,000		**60,000**	
Memberships (Various)	100,000		(100,000)			
NJBC PILOT Space Plng/Feas/Soft Costs					**350,000**	
NJBC Condo (Engineering/Architect)					**50,000**	
NJ Transit MOU					**100,000**	
Real Estate Advisory Services	100,000	87,000	(13,000)		**100,000**	
Waterfront Pavillion Ticket Audit					**30,000**	
Other RE New Project Consulting					**150,000**	
Other Economic Growth Program Costs	500,000		(500,000)		**250,000**	
Total Consultation/Legal	4,282,000	2,477,000	(1,805,000)	-42.2%	**3,947,000**	**-7.8%**
Services						
Appraisals of Collateral	30,000	5,000	(25,000)		**30,000**	
Credit Reporting Services	5,000	6,000	1,000		**10,000**	
Realtor Commissions	190,000	221,000	31,000		**250,000**	
Total Services	225,000	232,000	7,000	3.1%	**290,000**	**28.9%**
Insurance						
Property & Liability Insurance	269,000	265,000	(4,000)		**288,000**	
Total Insurance	269,000	265,000	(4,000)	-1.5%	**288,000**	**7.1%**
Other						
Filing Fees	3,000	8,000	5,000		**10,000**	
Program Related Travel & Meetings	40,000	50,000	10,000		**55,000**	
Searches-Titles, Liens, Property	30,000	25,000	(5,000)		**30,000**	
Other	20,000	325,000	305,000		**50,000**	
Total Other	93,000	408,000	315,000	338.7%	**145,000**	**55.9%**
Total Program Costs	$10,077,000	$8,663,000	($1,414,000)	-14.0%	**$10,740,000**	**6.6%**

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

RE: Purchase Order to 22nd Century Technologies Inc. for Temporary Staff, COVID Emergency Grant Programs

Summary

The Members are asked to approve the issuance of a Purchase Order to 22nd Century Technologies Inc. ("22nd Century") for the use of up to $500,000 in funds from the Coronavirus State Fiscal Recovery Fund (SFRF), enacted in the American Rescue Plan Act of 2021, for temporary staff to continue review and post approval compliance for the NJEDA Phase 4 Small Business Emergency Grant Program.

Background

On April 14, 2021 the members approved Phase 4 of the NJEDA Small Business Emergency Grant program and a sixth Amendment to the Memorandum of Understanding (MOU) with the New Jersey Department of the Treasury, whereby the NJEDA would accept $85 million in funds from the Coronavirus Relief Fund including administrative costs of up to $4,000,000 and agree to comply with federal requirements for the use of those funds, and delegation to the Chief Executive Officer to accept up to $200 million in total, if additional funds became available.

In addition, the members approved the issuance of a purchase order to 22nd Century to hire temporary employees to scale up operations and administer any phase of the grant program, or other COVID-19 program as needed, up to a maximum aggregate cost of $923,000. The funds associated with this purchase order will be exhausted by the end of January 2023.

Subsequently, on July 14, 2021 the members approved the use of an additional $125 million in funds from the Coronavirus State Fiscal Recovery Fund (SFRF), enacted in the American Rescue Plan Act of 2021, to support the NJEDA Phase 4 Small Business Emergency Grant Program, and the execution of the corresponding MOU with the Department of Community Affairs (DCA).

To date, 34,282 applications totaling $377.5 million have been approved for the Phase 4 program. The new Purchase Order will allow the NJEDA to retain the current temporary staff as well as add additional temporary staff, if necessary, to complete the remaining application and post-approval compliance reviews.

Recommendation

Approve the issuance of a new Purchase Order to 22nd Century for temporary staff for up to $500,000 in funds from the Coronavirus State Fiscal Recovery Fund.

Tim Sullivan, CEO

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: New Jersey Evergreen Innovation Fund: 2022 Program Auction Bid Approvals

SUMMARY

Staff is requesting the Members approve the award of tax credits to purchasers under the New Jersey Innovation Evergreen Program based on the results of an auction, subject to the execution by the purchasers of a tax credit purchaser contract.

BACKGROUND

The New Jersey Innovation Evergreen Act ("Act") was signed into law by Governor Murphy as part of the Economic Recovery Act of 2020. In April 2022, the Board of the Authority approved specially adopted and concurrently proposed Evergreen regulations. The Act established both the New Jersey Innovation Evergreen Fund ("NIEF", or "Evergreen Fund") and the New Jersey Innovation Evergreen Program ("Program"), which is a partnership with the private sector that raises and invests funds in high growth New Jersey-based companies. The Program will increase venture capital funding available to the State's innovation ecosystem and create the conditions necessary for entrepreneurs to succeed. The Act authorizes the NJEDA to sell up to $300 million of Corporation Business Tax (CBT) credits over the next five years through a series of competitive auctions, proceeds of which are to be deposited in the Evergreen Fund to be used for Program investments. Pursuant to the Act, via the auction corporations operating in New Jersey may purchase tax credits for a minimum price of 75% of face value to offset their CBT liability in the state by up to 25%. In addition, successful tax credit purchasers must provide a strategic commitment to support the State's innovation ecosystem. This year marks the inaugural year of the Evergreen Fund tax credit auction. Applications for the 2022 auction year opened August 1st and closed October 7th. The results of the auction are presented here for approval.

2022 AUCTION CYCLE

Pursuant to delegation granted by the Board on April 13, 2022, the Chief Executive Officer determined the 2022 auction timeline to optimize the participation in, and outcome of, the auction. The inaugural 2022 auction opened with an initial amount of $30 million in tax credits available for purchase. NJEDA subsequently increased the amount to $50 million due to early indications of high participant demand. The auction received eligible application bids from 8 companies requesting a total benefit amount of $62.3 million in tax credits, generating an oversubscription of approximately $12.3 million. Based on the outcome of the auction for the 2022 program year (as described below), participants will be able to purchase the $50 million of tax credits for an aggregate purchase price of $41.1 million. This represents an average purchase price of 82% of tax credit face value, 7% higher than the statutory requisite of 75%. In addition, when considering the $3.8 million cost of proposed strategic commitments that will benefit the innovation ecosystem in the State of New Jersey, the average benefit to the State further increases to 90% of tax credit face value.

Authority staff recommends the Board approve awardee purchases of prorated tax credit award amounts based on participant total scores, illustrated in Appendix A. To determine award allocations, each completed application bid was scored by a committee of Authority staff members following the April 2022 Board-approved methodology. Applicants' total scores are a composite of financial bid prices (the amount paid for a dollar of tax credits) and strategic commitment scores. Following the close of the application period, Authority staff members evaluated each bid to ensure eligibility, completeness, and compliance. As part of a completed application bid, applicants provided 10% of the desired purchase amount of tax credits to the Authority as a refundable deposit. During the diligence process 4 additional applicants withdrew from the auction. After initial scoring and ranking of complete application bids, applicants had the opportunity to increase their financial bid prices and/or strategic commitments through a best and final bid process conducted from November 4th through November 14th. Authority staff rescored all final bids to determine the recommended prorated amount of tax credits according to applicants' final scores and ranking.

Per program regulations, no tax credit purchaser will receive less than $500,000 of program tax credits following from submission of an eligible application bid. In keeping with the Board-approved process, tax credit requests above the program minimum were prorated based on applicants' total scores, as depicted in Appendix A.

If approved, Tax Credit Purchasers will be required to fulfill each of its proposed strategic commitments, as well as agree to participate on the New Jersey Innovation Evergreen Advisory Board. All tax credit purchasers must provide the Authority with annual progress reports on strategic commitments and a completion report which will include contractually agreed upon documentation to verify the completion of each strategic commitment. A failure to meet at least 80% of an approved strategic commitment will result in a payment to the Authority equal to the cost of the missed strategic commitment, as identified at the time of application bid. Tax credit purchasers will be granted a one-year cure period to return to compliance before payment is due. Additional terms and conditions of the purchase will be contained in a Tax Credit Purchaser Contract that each Tax Credit Purchaser must execute.

Appendix B describes the 8 recommended applicants' businesses, strategic commitments and bid scores. Applicants in the program, are household names and industry leaders based-in or with substantial operations in New Jersey. They represent a diverse array of industries, including the financial technology, telecommunications, information technology consulting, retail, pharmaceutical, transportation, and logistics sectors. Approvals of the application bids will initiate significant strategic contributions that will support the innovation ecosystem in the State of New Jersey. Summary examples of this support, include: contributions to support external mentorship programs; free shared workspace open to high growth startups; long-term commitments of education and training to support the futures of STEM students from underserved school districts in the State; forums that will bring world-class investors, enterprises and early-stage startups together in New Jersey; and more. Appendix C describes the strategic commitment scoring methodology approved by the Board of the Authority in April 2022.

If approved, the capital raised from the sale of the tax credits and deposited in the Evergreen Fund, will result in funding initial investments in 6-10 high growth businesses in the New Jersey in 2023, assuming some allocation is reserved for follow-on investment and associated management costs. In accordance with the program legislation, the Authority will utilize 75 basis points of the total funding amount deposited in the Evergreen Fund annually, $308,250 for the 2022 auction year, to administer additional programs that support the growth of innovation in the State, with specific consideration to promote high growth businesses based in opportunity zones.

RECOMMENDATION:

Based on the evaluation conducted by Authority staff, according to the criteria established by the legislation and the program regulations, tax credit award purchase approval is recommended for the applicants listed in Appendix A, conditioned on execution of Tax Credit Purchaser Contracts.

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Tim Sullivan, CEO

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

Attachments:

Appendix A – 2022 Auction Results

Appendix B – 2022 Auction Bid Details

Appendix C – Strategic Commitment Scoring Methodology

Appendix A – 2022 Auction Results

The requested amount of tax credits of $62,266,667 exceeds the 2022 tax credit availability of $50,000,000. Staff proposes the approval of the following tax credit awards, which are prorated based on applicant scores, in keeping with program regulations. Following the Board-approved process, qualified bids are ranked in sequential order from the highest to the lowest total score. Applicants' total scores are the sum of financial bid prices (the amount paid for a dollar of tax credits, or percent of face value) and strategic commitment scores. All qualified applicants receive the ability to purchase a $500,000 minimum amount of tax credits, along with a prorated amount of tax credits based on their total score.

The percentage allocation of credits available to each purchaser above the minimum $500,000 decreases in equal increments based on relative score of the purchaser. Higher ranked applicants will receive a greater proportion of their requested amount of tax credits, while the lower ranked applicants will receive a smaller award as percentage of the total requested. Based on the 2022 auction bids, each 0.01 difference of total score equates to a 4.2% incremental proration that reduces the amount of tax credits available for purchase relative to the applicant's desired purchase amount.

Applicant Name	**Total Score**	**Rank**	**Percent Awarded (Proration) ***	**Tax Credit Award**	**Purchase Price**
Verizon Communications, Inc.	1.17	1	100%	$20,000,000	$17,000,000
Comcast Cable Communications LLC	1.13	2	83%	$20,886,392	$17,231,274
CRB Group, Inc. (DBA Cross River Bank)	1.12	3	79%	$4,055,549	$3,041,662
Daiichi Sankyo, Inc.	1.07	4	58%	$790,122	$632,098
Interpool, Inc. (DBA TRAC Intermodal)	1.02	5	37%	$1,796,282	$1,347,211
CGI Technologies and Solutions	0.98	6	20%	$722,710	$542,033
GSK Consumer Healthcare (DBA Haleon)	0.97	7	16%	$526,748	$395,061
Holman	0.97	7	16%	$1,222,197	$916,648
				$50,000,000	**$41,105,986**

Note*: Percent of requested tax credits, above the $500,000 program minimum, awarded.

Appendix B – 2022 Auction Bid Details

CGI Technologies and Solutions

Company Description: Founded in 1976, CGI is among the largest IT and business consulting services firms in the world and is based in New Brunswick, New Jersey.

Strategic Commitment Total Cost: $160,000
Strategic Commitment Score: 0.23
Financial Bid Price: 0.75 or 75% of face value
Total Score: 0.98

Strategic Commitment Description: Work Force Development of Underserved Communities – CGI commits to partnership with the New Brunswick School District on the Pathways in Technology Early College High Schools (P-TECH) program, which provides New Jersey high-school students with the opportunity to earn both a high school diploma and a no-cost, two-year post-secondary degree in a STEM field. This program serves students from primarily underserved backgrounds, with no testing or grade requirements, and is a powerful demonstration of public-private partnership designed to help all students achieve at the highest levels. Students participate in a range of workplace experiences, including mentorship, worksite visits, and paid internships.

The company commits to investing $64,000 annually in the program over a 30-month period through in-kind services such as providing STEM camps, curriculum development, mentorship, guest speakers at events, work site visits, training websites, and internships. The program provides opportunities for underserved students in New Jersey schools to receive mentorship and exposure to technology fields at an early age, and earn local, high paying, technology-based jobs. Program activities will support the State's innovation economy by strengthening and improving diversity among the talent base and providing students with the skills needed for high paying technical jobs.

Comcast Cable Communications, LLC

Company Description: Comcast Corporation is the publicly traded parent of Comcast Cable (dba Xfinity), NBCUniversal, and Sky ("Comcast"). Comcast Cable and NBCUniversal have significant business operations in New Jersey. Comcast has over 4,900 employees in New Jersey (as of 2021) and has invested over $1 billion in the State's infrastructure over the last three-year period ending in 2021.

Strategic Commitment Total Cost: $1,000,000
Strategic Commitment Score: 0.30
Financial Bid Price: 0.825 or 82.5% of face value
Total Score: 1.13

Strategic Commitment Description: Fund Organizations Which Drive Technology Skills to Non-Traditional Recipient Groups - Comcast will provide $1,000,000 in grant funding to ten innovation ecosystem nonprofits with an active presence in New Jersey. Comcast will direct the funds to be used as listed below to enhance technology and innovation skills in traditionally underrepresented communities in New Jersey.

- *$50,000 to each of the Boys and Girls Club of Atlantic City, Jersey City, Trenton, and Union County ($200,000 total)* - The Boys & Girls Club is a 501(c)(3) nonprofit organization that serves as a safe haven for children ages 6 to 18, creating opportunities for young people to explore new careers, industries, cultures, and ideas. Boys & Girls Clubs are current Comcast partners, with programs focused on exposing youth to STEM opportunities.
- *$100,000 to the Camden Dream Center* - Camden Dream Center's is a nonprofit whose team of educators, researchers, and community activists create educational programs that not only engage students but also to prepare them for college and the IT workforce.
- *$150,000 to Hope Works (Camden)* - With a focus on skill development, real-world job experience, and trauma-informed care, Hopeworks provides workforce training in tech fields that propel young adults into long-term living wage careers that put them on the path for healing and financial stability.
- *$200,000 to NPower* - NPower creates pathways to economic prosperity by launching digital careers for military veterans and young adults from underserved communities including programs focused on women of color in technology.
- *$150,000 to Girls who Code* – Girls who Code reaches girls around the world in order to close the gender gap in new entry-level tech jobs by 2030.
- *$125,000 to Per Scholas (Newark)* - Per Scholas provides skills training and access to employer networks to individuals often excluded from tech careers. Over 17,000 graduates from their programs have launched successful careers in tech through their no-cost technical training.
- *$75,000 to the R&D Council of NJ* - The Research & Development Council of New Jersey works to advance research and development throughout New Jersey, advocating on behalf of research-driven companies and universities in the state. The organization bolsters New Jersey's STEM education and career pipeline and fosters collaboration among industry, academia, and government in line with the state's innovation initiatives.

CRB Group, Inc. (dba Cross River Bank)

Company Description: Cross River provides technology infrastructure powering the future of financial services. Leveraging its proprietary real-time banking core, Cross River delivers innovative and scalable embedded payments, cards, lending and crypto solutions to millions of consumers and businesses. Cross River is backed by leading investors and serves the world's most essential fintech and technology companies. Together with its partners, Cross River is reshaping global finance and financial inclusion.

Strategic Commitment Total Cost: $145,000
Strategic Commitment Score: 0.37
Financial Bid Price: 0.75 or 75% of face value
Total Score: 1.12

Strategic Commitment Description: Minority & Women's Mentorship Program — Cross River Bank will provide executive mentorship and support to a cohort of low income and underrepresented startup founders and small business owners in the State through a partnership with TechUnited, a New Jersey innovation ecosystem nonprofit. The mentorship cohort will receive 100 hours of mentoring from company executives including business advice, financial guidance, and paths for small business loans and access to capital. Four cohort members will also receive grants to present at the Propelify Innovation Festival. Cross River Bank will provide $145,000 in direct financial support to fund the commitment.

Daiichi Sankyo, Inc.

Company Description: Daiichi Sankyo is a pharmaceutical company with a U.S. headquarters in Basking Ridge, NJ. The company maintains 16,000 employees globally, with the goal to be an innovative global healthcare company contributing to the sustainable development of society by creating essential medicine for longer and better lives.

Strategic Commitment Total Cost: $220,000
Strategic Commitment Score: 0.27
Financial Bid Price: 0.80 or 80 % of face value
Total Score: 1.07

Strategic Commitment Description: Fellowship Program - Daiichi Sankyo commits to offering a U.S. Medical Affairs Fellowship to at least four New Jersey students through a partnership with Rutgers University to help PharmD students by providing first-hand experience in research and medical affairs. The goal is to provide real-world, hands-on experience in oncology across traditional functional areas of a Medical Affairs Department. Throughout their program, fellows will gain an in-depth understanding of Medical Affairs as well as cross-functional interdependencies within the pharmaceutical industry. The program is intended to prepare students to drive successful innovation in healthcare, which will help expand and develop the ecosystem in New Jersey area.

GSK Consumer Healthcare Holdings US Inc. (dba Haleon)

Company Description: Haleon is a global leader in consumer health, with brands trusted by millions of consumers globally, and is headquartered in Warren, New Jersey. The company employs over 22,000 people across 170 markets, who are united by Haleon's purpose - to deliver better everyday health with humanity. Haleon's product portfolio spans five major categories - Oral Health, Pain Relief, Respiratory Health, Digestive Health and Other, and Vitamins, Minerals and Supplements.

Strategic Commitment Total Cost: $10,506
Strategic Commitment Score: 0.22
Financial Bid Price: 0.75 or 75% of face value
Total Score: 0.97

Strategic Commitment Description: Rutgers Business School MBA Consulting Course – Haleon commits to partnering with the Rutgers Business School for the development and maintenance of an MBA consulting course focused on experiential learning. Two senior level employees will develop an innovation-related business problem for a small group of students (4-5 students) to work on over the course of the semester. The project will provide a real-life learning experience for the students, as well as insights and recommendations from the students for the company. Project leads from the company will work with the students over the course of the course, including a kick-off call and regular check-ins throughout, to guide the students and ensure they are on track to deliver actionable results. The students will present their final report and recommendations to a cross-functional group at the end of the semester. This program is meant to help Haleon and students discover and prepare for innovative changes to the retail market.

<u>Holman</u>

Company Description: Holman is a global automotive leader that serves both commercial and consumer clients. The Holman story began nearly a century ago as a single Ford dealership in New Jersey. Today, Holman, headquartered in Mount Laurel, New Jersey, is one of the largest family-owned automotive service organizations in North America with more than 6,500 employees across North America, the UK, and Germany.

Holman delivers a unique range of automotive-centric services including industry-leading fleet management and leasing; vehicle fabrication and upfitting; component manufacturing and productivity solutions; powertrain distribution and logistics services; commercial and personal insurance and risk management; and retail automotive sales as one of the largest privately owned dealership groups in the United States.

Strategic Commitment Total Cost: $45,000
Strategic Commitment Score: 0.22
Financial Bid Price: 0.75 or 75% of face value
Total Score: 0.97

Strategic Commitment Description: Holman Emerge Innovation Event — Holman commits to hosting an automotive and mobility industries innovation economy event in New Jersey that will bring together thought leaders from Holman, investment firms, startups, dealers, vendors, and partners, to network and learn about emerging trends and technologies shaping the future of the automotive and mobility industries. Event activities will include industry trend presentations, startup pitches, fireside chats, breakout sessions and general networking. The event will include New Jersey entrepreneurship students to attend to learn and network in-person with founders, investors, and companies. Prior innovation economy events hosted by the company have included over 150 registered attendees, and at least the same attendance is expected for the 2023 event.

<u>Interpool, Inc. (dba TRAC Intermodal)</u>

Company Description: TRAC Intermodal was formed in 1988 as an operating lessor servicing the intermodal transportation equipment industry, and is headquartered in Princeton, New Jersey. Current business lines include purchasing equipment directly from manufacturers and shipping lines as well as through lease agreements. As of December 31, 2021, the Company owned, leased-in or managed a fleet of approximately 177,000 chassis which are used carry intermodal containers in interstate commerce.

Strategic Commitment Total Cost: $90,000
Strategic Commitment Score: 0.27
Financial Bid Price: 0.75 or 75% of face value
Total Score: 1.02

Strategic Commitment Description: Monetary Support to established Innovation Ecosystems Partners – TRAC Intermodal will donate $90,000 to three established organizations in the New Jersey innovation ecosystem, to support operations in the State. $10,000 will be donated to each entity per year during the three-year period from 2023-2025. By partnering with these organizations, the company will help facilitate the promotion of startups and innovation by women and minorities within New Jersey.

- *Digital Undivided:* A social startup with a 501 (c)(3) status that merges data and heart to develop innovative programs and initiatives that catalyzes economic growth in Latina and Black women communities.
- *NJ Chapter of Golden Seeds:* The New Jersey Chapter of a national angel investment community seeking and funding high-potential, women-led businesses that create lasting impact.
- *Girls Who Code:* A nonprofit organization that is dedicated to closing the gender gap in technology and computer science. Their mission is to inspire more girls to become computer scientists and engineers.

Verizon Communications, Inc.

Company Description: Verizon Communications Inc. is one of the world's leading providers of technology and communications services, and is headquartered in Baskin Ridge, New Jersey. The company offers voice, data and video services and solutions on its networks and platforms, delivering on customers' demand for mobility, reliable network connectivity, security, and control.

Strategic Commitment Total Cost: $2,124,650
Strategic Commitment Score: 0.32
Financial Bid Price: 0.85 or 85% of face value
Total Score: 1.17

Strategic Commitment Description: Partnership with TechUnited: NJ and Better Future Labs – Verizon will partner with New Jersey Innovation Economy nonprofit TechUnited to provide direct financial support and in-kind services to the Better Future Labs startup studio program. Verizon will be a founding member of this program which is meant to harness the university and founder community in New Jersey to create new innovative companies and by providing supporting infrastructure. Verizon will directly contribute $750,000 to fund the program along with in-kind services such as mentorship hours, program marketing, and access to office space to host networking events and co-working space for New Jersey founders.

Appendix C – Strategic Commitment Scoring Methodology

The following New Jersey Innovation Evergreen Fund tax credit auction strategic commitment scoring methodology was approved by the Board of the Authority in April 2022 and is publicly available on the program website.

The strategic commitment scoring rubric is built to evaluate a myriad of potential open-ended scenarios put forward by applicant bidders. A strategic commitment is scored based on ten criteria with a maximum achievable raw score of 30 points. The strategic commitment score, when applied in the Board-approved scoring calculation, will represent a maximum of one-third of the aggregate final score, the majority of which is determined from the financial bid price (the percent of face value paid by the tax credit purchaser).

1. **External partners** (government agencies, corporations, municipalities, universities, trade groups, etc.) involved with the initiative - One of the main goals of the Evergreen program is ecosystem-building and the creation of a more robust innovation landscape in New Jersey. By partnering with existing entities that have a lasting and important role within New Jersey, it is expected that the value of the strategic commitment will multiply.
    - a. 1 point for no external partners
    - b. 2 points for 1 or 2 external partners (in addition to the bidder)
    - c. 3 points for 3+ external partners (in addition to the bidder)
    - d. An additional 2 points are achievable for those who are **working with established entities in the New Jersey innovation sector** (such examples are, trade-groups, entrepreneurship development programs, and annual pitch events)**.**

2. **Educational Institutions** – A strategic commitment that offers internships, apprenticeships, or on the job training to students at several NJ schools versus prioritizing a single campus has a larger reach and impacts more communities.
    - a. 1 point for <2 institutions
    - b. 2 points for 2-3 institutions
    - c. 3 points for 4+ institutions

3. **Opportunity Zone Outreach** - Commitments that are geographically focused on Opportunity Zones show a focus on underserved communities in New Jersey. As part of the Governor's Economic Development plan diversity, equity and inclusion are all key to building a stronger, fairer New Jersey.
    - a. 1 point for <2 opportunity zones
    - b. 2 points for 2-3 opportunity zones
    - c. 3 points for 4+ opportunity zones

4. **Duration of the strategic commitment** - A short term strategic commitment is useful, but a longer term commitment will have a more lasting impact to support a more robust innovation ecosystem.
    - a. 1 point for <1 year
    - b. 2 points for 1-2 years

c. 3 points for 3+ years

5. **Frequency of the strategic commitment** – Commitments have an opportunity to create a larger impact over multiple iterations versus fewer iterations. A strategic commitment that occurs multiple times has a potentially larger impact than those accomplished in a single instance.

a. 1 point for <1 time/year
b. 2 points for 2-3 times/year
c. 3 points for 4+ times/year

6. **Staff members involved in this initiative** – A greater allocation of staff by the corporate bidder shows that a strategic commitment is more meaningful to the company—allocated staff time also helps to support success of the strategic commitment.

a. 1 point for staff time of 10 hours monthly
b. 2 points for staff time of 40 hours monthly
c. 3 points for staff time of 100 hours monthly

7. **Investment Target** – A greater dollar investment into businesses in New Jersey (with no existing common ownership or control by the corporate bidder) indicates a more practical commitment to support innovation in New Jersey, regardless of the form of investment (grants, equity, loans).

a. 1 point for <$50,000
b. 2 points for $50,000-$125,000
c. 3 points for $125,000+

8. **Marketing Self-Valuation**– A greater attributable spend toward marketing New Jersey's innovation ecosystem indicates corporate buy-in to the program. The marketing self-valuation should be expressed in the application with rationale as to the assigned value.

a. 1 point for <$10,000
b. 2 points for $10-$20,000
c. 3 points for $20,000+

9. **Strategic Commitment Ratio** –The strategic commitment ratio can be calculated by dividing the strategic commitment value ($ cost of the strategic commitment) by the purchase offer. A greater ratio indicates higher strategic buy-in and significant value toward the innovation economy. (e.g., if a strategic commitment is worth $1M and a purchase offer is for $4M, $1M/$4M is 0.25)

a. 1 point for <0.1
b. 2 points for 0.1-0.3
c. 3 points for 0.3+

10. An additional point is achievable for those that have **never previously been approved for auction participation.** The objective is to support those new to the program and expand participation over time.

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: Stalwart Productions, LLC PROD-00305712

APPLICANT BACKGROUND:
Stalwart Productions, LLC is the production company responsible for the TV Drama Series - The Walking Dead: Dead City (fka Isle of the Dead). The Walking Dead: Dead City is a one-hour episodic TV project that sees Maggie (Lauren Cohan) and Negan (Jeffrey Dean Morgan) traveling into a postapocalyptic Manhattan long ago cut off from the mainland. The crumbling city is filled with the dead and denizens who have made New York City their own world full of anarchy, danger, beauty, and terror.

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

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

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

A. Total Film Production Expenses	$72,377,468.00
B. Total Post-Production Expenses	$7,009,549.00
C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses)	$56,469,997.00
Percentage Calculation = C/(A-B)	86%
Criterion Met	**YES**

2. <u>Qualified Film Production Expenses</u>: 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 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:

Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.	$56,537,739.00
Criterion Met	**Yes**

AWARD CALCULATION

Base Award Criteria	Calculation	Result
30% of Estimated Qualified Film Production Expenses incurred within 30-mile radius of Columbus Circle, NYC	$15,076,556 x 30% =	$4,522,966.80
35% of Estimated Qualified Film Production Expenses	($56,537,739-$15,076,556) x 35% =	$14,511,414.14
Bonus Criteria Met		
Submission of Diversity Plan deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses.	$56,537,739 x 2% =	$1,130,754.79
Total Award		**$20,165,136**

APPLICATION RECEIVED DATE:	8/31/2022
DATE APPLICATION DEEMED COMPLETE:	9/8/2022
PRINCIPAL PHOTOGRAPHY COMMENCEMENT:	7/20/2022
PRINCIPAL NJ PHOTOGRAPHY LOCATION:	East Rutherford Borough, NJ
ESTIMATED DATE OF PROJECT COMPLETION:	10/14/2022
APPLICANT’S FISCAL YEAR END:	12/31/2022
TAX CREDIT VINTAGE YEAR(S):	2022
TAX FILING TYPE:	Corporate Business Tax
ANTICIPATED CERTIFICATION DATE:	03/31/2023

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.

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: Shelter S1 Productions, LLC PROD-00305762

APPLICANT BACKGROUND:
Shelter S1 Productions, LLC is the production company responsible for the TV Drama Series - Shelter. Based on Harlan Coben's Young Adult novels following life of Mickey Bolitar. Season 1 will have eight 60-minute episodes. Of note, pilot project (Shelter Pilot Productions LLC - PROD-00300431) of this TV drama series was previously approved $3.18 million in Film Tax Credit.

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

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

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

A. Total Film Production Expenses	$59,908,890.00
B. Total Post-Production Expenses	$5,518,437.00
C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses)	$50,783,331
Percentage Calculation = C/(A-B)	93%
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 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:

Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.	$50,783,331.00
Criterion Met	**Yes**

AWARD CALCULATION

Base Award Criteria	Calculation	Result
30% of Estimated Qualified Film Production Expenses incurred within 30-mile radius of Columbus Circle, NYC	$16,441,229 x 30% =	$4,932,368.70
35% of Estimated Qualified Film Production Expenses	($50,783,331-$16,441,229) x 35% =	$12,019,735.70
Bonus Criteria Met		
Submission of Diversity Plan deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses.	$50,783,331 x 2% =	$1,015,666.62
Total Award		**$17,967,771**

APPLICATION RECEIVED DATE:	9/13/2022
DATE APPLICATION DEEMED COMPLETE:	9/16/2022
PRINCIPAL PHOTOGRAPHY COMMENCEMENT:	8/17/2022
PRINCIPAL NJ PHOTOGRAPHY LOCATION:	Kearny Town, NJ
ESTIMATED DATE OF PROJECT COMPLETION:	11/18/2022
APPLICANT’S FISCAL YEAR END:	12/31/2022
TAX CREDIT VINTAGE YEAR(S):	2022
TAX FILING TYPE:	Corporate Business Tax
ANTICIPATED CERTIFICATION DATE:	05/01/2023

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.

NJEDA

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Lions Gate Films, Inc. – Studio Partner Designation

Request:

The members are requested to designate Lions Gate Films, Inc. as a studio partner under the Garden State Film and Digital Media Jobs Act, P.L.2021, c.367 ("Act") and subject to final adoption of rules related to the studio partner. Lions Gate Films Inc. has entered into a 10-year lease for 253,000 square feet of production studio space in Newark, New Jersey.

This request is only for Lions Gate Films, Inc. to be designated as a studio partner and is not a request for a tax credits. If approved, two of the three studio partner designations would remain.

Program Background:

As originally created under the Garden State Film and Digital Media Jobs Act, P.L.2018, c.56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the current Film Tax Credit Program, applicants are eligible for a tax credit equal to up to 35% with an available diversity bonus worth an additional 2% to 4% for eligible applicants.

As amended by the New Jersey Economic Recovery Act of 2020, P.L.2020, c.156, the Film Tax Credit Program annual allocation was expanded to $300 million and provided the Authority with the authority to designate eligible film production companies as either film-lease partners or studio partners. These production companies must commit to occupying large studio developments in New Jersey which have the potential to have a significantly larger economic impact on state and local economies than a stand-alone film project. If so designated, studio partners and film-lease partners each have a separate $100 million annual allocation, and each has a separate project approval queue (whereas productions not submitted by a studio partner or film-lease partner are under the same "legacy" allocation). After each State Fiscal Year, the Authority may certify any unused portions of each allocation and carry forward the excess to be used in the next State Fiscal Year.

On June 8, 2022, the Members approved the publication for comment of amendments to the program rules to incorporate, among other things, rules specific to studio partners and film-lease partners. Comments were received, and staff is still reviewing the comments. Staff will return to the Board for approval to the responses to comments and any modifications to the proposed amendments. Any approval of Lions Gate Films, Inc. as a studio partner is subject to the rule amendments adopted as final, and the applicant is at risk that the final rule amendments adopted may differ from those previously proposed. The description below of studio partner requirements is based on the most current rule amendment proposal.

Studio Partner:

An eligible studio partner is a production company who commits to occupy a New Jersey production facility of at least 250,000 square feet for a period of at least ten years. A studio partner has no annual qualified production expenses commitment. The Authority is limited to only three studio partner designations, and each designation lasts for 10 years.

Once designated, the studio partner can capture additional above-the-line wage and salary expenses as qualified expenses. This would allow a studio partner to increase its potential award size on each subsequent Film Tax Credit application submitted under the designation. Above-the-line wages and salary are payments made to highly paid individuals like directors, producers, writers, and performers. Unlike the legacy and film-lease partner allocations where only the first $500,000 in wage and salary expense to each of these highly paid individuals can be included as a qualified film production expense, a designated studio partner may include in above-the-line wages and salary expenses with caps of $15 million, $25 million, $40 million, or $60 million depending on the amount of qualified film production expenses involved in the project.

Once approved, the studio partners must execute an approval letter detailing the conditions that the studio partner must satisfy to retain the designation, which include obtaining a temporary certificate of occupancy within 36 months from approval of the designation (with two possible six-month extensions). Subsequently, the studio partner must execute an award agreement with the conditions and requirements of the designation, such as maintaining a production facility of the minimum size (with exceptions for limited licensing or subleasing). If a studio partner is in default of its studio partner agreement, the Authority can revoke the production company's studio partner designation making it available to future applicants and shall recapture the excess benefit the studio partner received under the additional above-the-line wage and salary expense cap for each Film Tax Credit Program application approved under the studio designation.

Each subsequent Film Tax Credit Program applications submitted by a studio partner would be added to a separate studio partner project queue and any tax credit awards would draw down a separate studio partner allocation. The separate project queue and allocation pool would allow a studio partner project to continue to receive tax credits when the legacy allocation has been oversubscribed.

Applicant Background:

Founded in 1998, Lions Gate Films Inc., a subsidiary of Lions Gate Entertainment Corp (d.b.a Lionsgate), is a motion picture and television production company. Lionsgate's film and television subscription and location-based entertainment businesses include a library of over 17,000 titles including many iconic film and television franchises such as Mad Men, Orange is the New Black, The Hunger Games, La La Land, and the Twilight Saga.

Project Description:

The project is on a 12-acre site, formerly the Seth Boyden Housing complex in the South Ward section of Newark. Estimated to be completed in September 2024, the total planned costs are estimated to exceed $194 million to construct and fit out the 350,000 square foot studio development. The project will include five production stages ranging from 20,000 to 30,000 square feet and will offer a full set of production services on site, including grip and electric, equipment, props, set building, restaurants, location catering, cleaning service and security. The facility will include office and support space and include a parking lot that can accommodate 400 cars and 65 trucks. Once fully operational, initial projections anticipate over 600 new fulltime jobs will be created as a part of the development of this facility. The project site will be developed and operated by Great Point Studios, who operates Lionsgate's new studio complex in Yonkers, NY.

On March 24, 2022, the City of Newark Housing Authority ("NHA") Board of Commissioners authorized NHA to enter into a redevelopment agreement with NJ Media Production Stages, LLC, an affiliate of New Jersey Performing Arts Center ("NJPAC"). Pursuant to the Redevelopment Agreement, which was executed on August 17, 2022, NJ Media Production Stages, LLC ("NJMP Stages"), was named redeveloper of the studio complex site and will enter into a long-term ground lease with NHA for the site.

Prior to the execution of the Redevelopment Agreement, NJ Media Production Management LLC ("NJMP Management"), an affiliate of NJPAC, and Great Point Studios entered into a Letter of Intent on November 24, 2020. Pursuant to the terms of the LOI, Great Point Studios will enter into a ground sub-lease with NJMP Stages for the site and will develop, construct, and lease the studio complex.

On September 15, 2022, Great Point Studios entered into a ten-year six-month lease with Lions Gate Films, Inc. for a substantial portion of the Newark studio complex. Pursuant to the lease Lions Gate Films Inc. has committed to occupy 253,000 square feet of the development including 70,000 square feet of sound stages, office and support space of over 109,000 square feet, 10,000 square feet for food service and 64,000 square feet of mill space, set decoration and storage.

Construction work commenced on September 16, 2022, and the studio complex is expected to be completed by September 2024.

Recommendation:

Authority staff has reviewed the application for Lions Gate Films, Inc., and found it satisfies the studio partner eligibility requirements of the Act and the proposed rule amendments. Staff recommends that the Members designate Lions Gate Films, Inc., as a Studio Partner. <u>This approval is not an award of tax credits and is for the studio partner designation only.</u>

The designation is contingent on the execution of an approval letter, Studio Partner Award Agreement and satisfaction of conditions of approval including the following:

1. Every six months following approval, the applicant will submit a progress report that will include, but not be limited to, updates on the construction of the facility, and estimated dates of project completion; and
2. Within 36 months of approval, the applicant will submit the temporary Certificate of Occupancy for the project site, final floor plans indicating uses of each area, and evidence of final site control.

The applicant will be subject to final adoption of program rule amendments related to studio partners, and the applicant is at risk that the final rule amendments adopted may differ from those previously proposed.

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Tim Sullivan, CEO

Prepared by: Matt Sestrich

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Defeasance and Redemption of Certain Outstanding NJEDA/School Facilities Construction Bonds

APPROVAL REQUEST

The Members of the Authority are asked to approve a resolution authorizing an Authorized Officer of the Authority to enter into one or more Escrow Deposit Agreements for the purpose of defeasing and redeeming all or a portion of certain of the Authority's Outstanding School Facilities Construction Bonds and to approve the use of professionals and authorize Authority staff to take all necessary actions incidental thereto.

BACKGROUND

Pursuant to the New Jersey Economic Development Authority Act, the Educational Facilities Construction and Financing Act and a resolution of the Authority adopted February 13, 2001 entitled "School Facilities Construction Bond Resolution," as amended and supplemented from time to time (the "Bond Resolution"), the Authority has issued, and there are presently Outstanding, the School Facilities Construction Bonds listed below (the "School Facilities Construction Bonds"). Pursuant to Section 1201 of the Bond Resolution, if the Authority shall pay or cause to be paid to the Holders of School Facilities Construction Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution, such School Facilities Construction Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and all covenants, agreements and obligations of the Authority to the Holders of such School Facilities Construction Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

School Facilities Construction Bonds

School Facilities Construction Series	**Issue Date**	**NJEDA Product Number**	**Original Par Amount**	**Outstanding Par Amount**
2012 Series II	5/2/2012	P37324/PROD-00147142	$407,135,000	$113,345,000
2012 Series KK	10/3/2012	P37672/PROD-00147165	136,880,000	14,105,000
2013 Series I (SIFMA Index Notes)	1/31/2013	P37980/PROD-00147170	380,515,000	380,515,000
2013 Series NN Bonds	1/31/2013	P37980/PROD-00147170	1,629,710,000	617,390,000
2014 Series PP	5/6/2014	P39384/PROD-00179776	553,845,000	107,440,000
2014 Series RR	5/6/2014	P39384/PROD-00179776	60,000,000	46,045,000
2014 Series UU	10/17/2014	P39889/PROD-00179889	525,000,000	291,470,000
2015 Series WW	8/31/2015	P41286/PROD-00172889	500,000,000	364,885,000
2015 Series XX	8/31/2015	P41286/PROD-00172889	1,259,625,000	666,820,000
2016 Series AAA	12/8/2016	P43481/PROD-00174158	342,850,000	280,320,000
2016 Series BBB	12/8/2016	P43481/PROD-00174158	553,970,000	38,445,000
2016 Series CCC (Federally Taxable)	12/8/2016	P43481/PROD-00174158	180,210,000	65,545,000
2017 Series DDD	10/5/2017	P44554/PROD-00174506	350,000,000	273,205,000
2018 Series EEE	11/28/2018	P45335/PROD-00185027	350,000,000	350,000,000
2018 Series FFF	11/28/2018	P45335/PROD-00185027	50,505,000	50,505,000
2019 Series LLL	11/19/2019	PROD-00188055	350,000,000	350,000,000
2019 Series MMM	11/19/2019	PROD-00188055	98,945,000	98,945,000
2019 Series NNN (Federally Taxable)	11/19/2019	PROD-00188055	246,730,000	238,635,000
2021 Series QQQ	1/14/2021	PROD-00228664	350,000,000	344,015,000

On June 30, 2022, the State adopted P.L. 2022, c. 18 (the "2022 Act"), which established the New Jersey Debt Defeasance and Prevention Fund (the "Debt Defeasance Fund") within the State's General Fund as a restricted reserve fund. Pursuant to the 2022 Act, $5,150,000,000 was credited to the Defeasance Fund, of which amount $2,944,000,000 is appropriated for debt defeasance for the purpose of retiring and defeasing debts of the State, and paying the costs thereof, in such manner and at such times as the Treasurer of the State (the "State Treasurer") may direct.

The Members of the Authority are asked to approve a resolution authorizing an Authorized Officer of the Authority (as such term is defined in the Bond Resolution) to enter into one or more Escrow Deposit Agreements for the purpose of defeasing and redeeming all or a portion of the School Facilities Construction Bonds (the "Bonds to be Defeased") from a portion of the funds appropriated for debt defeasance in the Debt Defeasance Fund (such portion being referred to herein as the "State Deposit") as may be directed by the State Treasurer.

The Members of the Authority also are asked to authorize an Authorized Officer of the Authority to take any and all actions necessary to accomplish the defeasance and redemption of the Bonds to be Defeased.

Professionals for this transaction were selected in compliance with Executive Order No. 26 (Whitman 1994). Through a competitive RFQ/RFP process performed by the Attorney General's Office on behalf of the Department of the Treasury for State appropriation-backed bonds, McCarter & English, LLP was selected as Bond Counsel. Acacia Financial Group, Inc. was selected as Financial Advisor, Acacia Financial Group, Inc. and BLX Group LLC were selected as Bidding Agents and Precision Analytics/Samuel Klein and Company, Certified Public Accountants, was selected as Verification Agent, also by the Treasury's competitive RFP process. The Members are asked to approve the use of the aforementioned professionals and authorize Authority staff to take all necessary actions incidental to the defeasance and redemption of the Bonds to be Defeased, subject to review by the Attorney General's Office and Bond Counsel.

RECOMMENDATION

Based upon the above description, the Members are requested to approve the adoption of the resolution entitled "RESOLUTION AUTHORIZING THE DEFEASANCE AND REDEMPTION OF CERTAIN OUTSTANDING SCHOOL FACILITIES CONSTRUCTION BONDS OF THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY FROM FUNDS PROVIDED BY THE STATE OF NEW JERSEY PURSUANT TO P.L. 2022, c. 18" (the "Cash Defeasance Resolution") authorizing, among other things, the Authority to defease and redeem all or a portion of the Bonds to be Defeased. The Members are also asked to authorize the use of the above-named professionals and authorize the Authorized Officers of Authority to enter into one or more Escrow Deposit Agreements and to take any and all necessary actions incidental to the defeasance and redemption of the Bonds to be Defeased, subject to final review and approval of all terms and documentation by the Attorney General's Office and Bond Counsel.

Tim Sullivan, CEO

Prepared By: David A. Lawyer

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Construction Inflation Fund Pilot Program

Request:

The Members are asked to approve:

1. Authorizing the Chief Executive Officer (CEO) to enter into a Memorandum of Understanding (MOU) with the New Jersey Department of Community Affairs (DCA) whereby the Authority will accept $10,500,000 in funds from the American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) for the Construction Inflation Fund and associated administration costs, and will agree to comply with federal requirements for the use of those funds; and

2. Creation of the Construction Inflation Fund - a pilot program which will provide grant funding to eligible small businesses for real estate development projects that have experienced increased construction costs and project funding gaps resulting from the COVID-19 pandemic.

Background and Program Funding Source:

The American Rescue Plan, which was signed into law by President Joe Biden on March 11, 2021, is a $1.9 trillion economic stimulus bill designed to rebuild and restart the American economy in the wake of the Coronavirus (COVID-19) public health emergency by investing in families, communities, and small businesses. Through the Coronavirus State and Local Fiscal Recovery Funds, the ARP delivered $350 billion to state, local, and tribal governments to support their response to, and recovery from COVID-19.

In June 2022 the Murphy Administration and the New Jersey Legislature made $10 million of Coronavirus State Fiscal Recovery Funds (CSFRF) available to the Authority through the State Fiscal Year 2023 appropriation act for “Gap Financing - Real Estate Projects Financing.” Accordingly, staff proposes the Construction Inflation Fund as the pilot program corresponding to these funds. The Construction Inflation Fund will assist real estate development projects that have increased construction costs and project funding gaps resulting from the COVID-19 pandemic.

As the New Jersey economy continues to rebound in the wake of COVID-19, catalytic investment is essential for supporting local economies and promoting strong, resilient, and equitable economic recoveries. To mitigate the economic impact of the COVID-19 pandemic and to catalyze projects that experienced economic harm, the Construction Inflation Fund will provide funding to allow small businesses that have impacted real estate development projects to now proceed forward with development.

If approved, the Authority will enter into a Memorandum of Understanding with the New Jersey Department of Community Affairs through which DCA will transfer and the Authority will accept $10,00,000 of funds appropriated to the Authority for disbursement to grantees, and an additional $500,000 to support the Authority's administrative costs associated with operating the program.

Program Overview and Eligible Projects:

The Construction Inflation Fund program (the "Fund") will be a competitive grant program that proactively deploys $10 million in ARP SLFRF funding to address the impacts of COVID-19.

The Fund will provide funding to eligible applicants, as described below, for real estate development projects that have experienced increased construction and/or project development costs and project funding gaps resulting from the COVID-19 pandemic. The Fund is established to mitigate the negative economic impacts of the COVID-19 pandemic by providing grants for the substantial rehabilitation of real estate, new construction, and development costs.

Under federal guidelines, all program funding must be obligated by December 31, 2024, and must be expended by December 31, 2026, therefore project readiness is a key funding consideration and evidence of all other funding sources must be provided with the project application.

Eligible projects must have a COVID-19 induced funding gap evidenced by related documentation (i.e. project budget, construction contract, other contracts, etc.).

The following types of real estate projects (substantial rehabilitation and/or new construction) are eligible and will be considered for Construction Inflation Fund grants:

- Commercial (including office)
- Manufacturing
- Mixed-use developments; any residential portion must comply with the 20% reservation for low- and moderate-income households required by N.J.S.A. 52:27D-329.9(b)

Projects consisting solely of warehouse and/or retail spaces are ineligible for funding. Additionally, any warehouse use included must be ancillary and in direct support of the site's eligible primary use.

Eligible real estate development projects must be sized to have at least $5 million of total project costs.

All projects shall be subject to prevailing wage law and compliance with other labor standards requirements.

Projects that have started construction prior to application may include expenses as eligible covered costs only if either New Jersey state prevailing wage or federal Davis-Bacon wage requirements were incorporated into the construction contract prior to construction start, and the project has been paying either prevailing wage or Davis-Bacon wage rates as applicable.

Eligible Applicants:

Eligible applicants are small businesses which are undertaking an eligible real estate project in New Jersey (as outlined above) that experienced a COVID-related funding gap.

As defined in the Coronavirus State and Local Fiscal Relief Funds final rules (31 CFR 35.3), a small business is:

> *a business concern or other organization that:*
> 1. *Has no more than 500 employees or, if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and*
> 2. *Is a small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632)*

Applicants must evidence a COVID impact funding gap and need as outlined below in the application process and must agree to 50% developer fee deferral.

Additional applicant requirements:

- Must be in substantial good standing with the New Jersey Department of Labor and Workforce Development and the NJ Department of Environmental Protection at the time of application to be eligible. A current tax clearance certificate must be provided prior to approval to demonstrate the applicant is in substantial good standing with the NJ Division of Taxation, unless the applicant is not required to register with the Division of Taxation.
- Applicants will be reviewed against the Federal System for Award Management to ensure entity is not debarred.

Eligible Uses of Funding:

Funding can only be used for the approved real estate development project costs based on application, Authority review, and funding grant agreement. Grants will be used for prospective real estate development project hard and soft costs, where no more than 20% of a grant can be used to support project development soft costs.

Funding cannot be used for payment of developer fees.

<u>Application Process</u>:

The Construction Inflation Fund will be a competitive grant program with applications due by a set deadline. Applications must demonstrate that the project was negatively impacted by the COVID-19 pandemic. Online applications will be accepted during a defined minimum 60-day application period, and all applications will be reviewed following the closure of the application period.

As part of a program application, the Authority will request information about the project, including, but not limited to:

1) Project overview and description;
2) Narrative describing COVID-19 impact, pandemic related cost increases and comparison of the proposed project against two alternative projects/capital expenditures in conformance with SLFRF capital expenditure requirements;
3) Project budget, pro forma/cashflow projections, and evidence of financing;
4) Construction contract and related documents such as project cost breakdown comparisons, and evidence of efforts to reduce costs, such as value engineering efforts;
5) Narrative and documentation of local review and approvals/permits;
6) Project development timeline;
7) Applicant's organizational documentation confirming eligibility as small business;
8) Experience and capacity of the applicant and development team that demonstrates implementation of projects of a similar size and scope;
9) Evidence or commitment of 50% developer fee deferral.

The Authority will perform a review of applications after the closing of the application period. Applications will first be reviewed for application completeness. Applicants will be given a certain number of business days to cure any deficiencies. If at the end of the cure period, the applications are still incomplete, they will be notified the application will not be advancing to be scored and will be deemed withdrawn.

At the sole discretion of the Authority, staff may ask for clarification of the information included on the application, including but not limited to responses, documentation, and attachments.

<u>Scoring:</u>

Applications will be reviewed and scored by staff of the Authority formed as an evaluation scoring committee. Applications will be scored on a scale of 0-104 points, with award recommendations limited to applications that meet or exceed the minimum score requirement of 65 points.

Scoring factors and points will include:

- Project proposal (community and economic growth impact and benefits of the proposed project) *(up to 25 pts)*
- Project Financial Feasibility and Cost Effectiveness *(up to 15 pts)*
- Readiness to proceed *(up to 35 pts)*
- Experience & capacity of applicant/development team *(up to 20 pts)*
- Efforts to reduce costs *(up to 5 pts)*
- Bonus points for ** *(up to 4 pts)*

*** location within low- or moderate-income community or qualified census tract (per SLFRF rules); participation by NJ certified Women, Minority, Veteran Business Enterprises (MWVBE)*

Grants Project Funding:
Minimum grant funding of $500,000 and maximum grant funding of $5,000,000 provided to any one project. A maximum of one grant will be awarded per real estate developer regardless of having different special purpose entities; staff will review for common management or construction responsibilities between applicants.

Grant funding may not exceed 20% of total project costs.

Grant funding to be provided based on demonstrated pandemic related cost increase and funding gap including review of construction contract wage requirements. Grant funding amounts will be determined following cost reasonableness and Duplication of Benefits review.

Board Approval:
The Construction Inflation Fund will be a competitive grant program with an application process as outlined above.

Following both the initial application completeness and eligibility review, eligible applications will be evaluated and scored on a competitive basis. Applications that meet the minimum score requirement of 65 out of a possible 104 points will be eligible for funding.

Applications will be recommended to the Board for award approval starting with the highest scored application until all program funding is awarded. If all program funds are not awarded during the initial application period, then applications will be reopened on a rolling basis and grants awarded on a first come, first served basis to eligible applicants that meet the minimum score.

All eligible applications will proceed to the Board for approvals, and all applications which have not been declined due to non-discretionary reasons will also proceed to the Board.

Funding Disbursements:
The Authority will disburse grants only to the applicant. The applicant shall be responsible for assuring the compliance of the project with all terms and conditions of the application, the Construction Inflation Fund program, and federal ARP SLFRF funding requirements.

Once a project is approved for funding, the Authority will enter into a grant agreement with the applicant detailing the project to be funded, eligible project costs, the amount of grant funding, and all financial programmatic requirements. The grant agreement will also include reporting, compliance, and other requirements per US Treasury's Compliance and Reporting Guidance for ARP SLFRF funding awards.

The grant funds will be disbursed either incrementally as eligible project expenses are incurred and prorated with other funding sources with the Authority's standard construction retainage withheld until project completion or grant funds may be disbursed in coordination with the other lender's disbursement process.

Funding disbursement requests must be evidenced by documentation supporting that the expenses were incurred, work has been performed in accordance with prevailing wage and labor standards compliance requirements, and work was done consistent with project approval and eligible uses of program funding.

Final payment to be made upon the Authority's inspection of completed project and receipt of either temporary certificate of occupancy or certificate of occupancy as determined by the Authority.

Fees:

The standard $1,000 application fee established in the Authority's fee rules will be charged for the Construction Inflation Fund program.

Note that the Authority will receive a 5% administrative program fee of $500,000 under guidelines established by the American Rescue Plan SLFRF Final Rules.

Recommendation:

The Members are requested to approve: (1) authorizing the Chief Executive Officer to enter into a Memorandum of Understanding with the New Jersey Department of Community Affairs whereby the Authority will accept $10,500,000 in funds from the American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) for the Construction Inflation Fund program and associated administration costs, and will agree to comply with federal requirements for the use of those funds; and (2) the creation of the Construction Inflation Fund as a pilot program which will provide grant funding to eligible small businesses for real estate development projects that have experienced increased construction costs and project funding gaps resulting from the COVID-19 pandemic.

Tim Sullivan, CEO

Prepared by: Liza Nolan

Attachments:

– Construction Inflation Fund Program Specifications

<u>CONSTRUCTION INFLATION FUND:</u> **Grant Pilot Program Specifications** **(December 21, 2022)**	
Funding Source	$10 million (federal American Rescue Plan, Coronavirus State and Local Fiscal Recovery Fund)
Program Purpose	The Construction Inflation Fund is a pilot program established to provide grants for real estate development projects that have experienced increased construction costs and project funding gaps resulting from the COVID-19 pandemic. The Construction Inflation Fund is funded through the American Rescue Plan Act of 2021 (Public Law 117-2) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and in June 2022 the Murphy Administration and the New Jersey Legislature made $10 million available to the Authority through the State Fiscal Year 2023 appropriation. The Construction Inflation Fund Program is established to mitigate the negative economic impacts of the COVID-19 pandemic by providing support to real estate development in the form of grants for real estate new construction or substantial rehabilitation projects, and development costs associated to each project. Grant funding will be made available for eligible real estate development projects that have experienced funding gaps due to pandemic related impacts or delays in their project schedules. Under federal guidelines, all program funding must be obligated by December 31, 2024, and must be expended by December 31, 2026, therefore project readiness is a key funding consideration and evidence of all other funding sources must be provided with the project application.
Eligible Project Types	The following types of real estate projects (substantial rehabilitation and/or new construction) are eligible and will be considered for Construction Inflation Fund grants: ▪ Commercial (including office) ▪ Manufacturing ▪ Mixed-use developments; any residential portion must comply with the 20% reservation for low- and moderate-income households required by N.J.S.A. 52:27D-329.9(b) Projects consisting solely of warehouse and/or retail spaces are ineligible for funding. Additionally, any warehouse use included must be ancillary and in direct support of the site's eligible primary use.

	Eligible real estate development projects must be sized to have at least $5 million of total project costs. Eligible projects must have a COVID-19 induced funding gap evidenced by related documentation (i.e. project budget, construction contract, other agreements or contracts, etc.) All projects shall be subject to prevailing wage law and compliance with other labor standards requirements. Projects that have started construction prior to application may include expenses as eligible covered costs only if either New Jersey state prevailing wage or federal Davis-Bacon wage requirements were incorporated into the construction contract prior to construction start, and the project has been paying either prevailing wage or Davis-Bacon wage rates as applicable.
Eligible Applicants	Eligible applicants are small businesses which are undertaking an eligible real estate project in New Jersey (as outlined above) that experienced a COVID-related funding gap. As defined in the Coronavirus State and Local Fiscal Relief Funds final rules (31 CFR 35.3), a small business is: *a business concern or other organization that:* 1. *Has no more than 500 employees or, if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and* 2. *Is a small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632)* Applicants must evidence a COVID impact funding gap and need as outlined below in the application process and must agree to 50% developer fee deferral. Additional applicant requirements: ▪ Must be in substantial good standing with the New Jersey Department of Labor and Workforce Development and the NJ Department of Environmental Protection at the time of application to be eligible. A current tax clearance certificate must be provided prior to approval to demonstrate the applicant is in substantial good standing with the NJ Division of Taxation, unless the applicant is not required to register with the Division of Taxation.

CONSTRUCTION INFLATION FUND: **Grant Pilot Program Specifications** **(December 21, 2022)**	
	▪ Applicants will be reviewed against the Federal System for Award Management to ensure entity is not debarred.
Eligible Uses	Funding can only be used for the approved real estate development project costs based on application, Authority review, and funding grant agreement. Grants will be used for prospective real estate development project hard and soft costs, where no more than 20% of a grant can be used to support project development soft costs. Funding cannot be used for payment of developer fees.
Application Process and Board Approval/ Delegated Authority	The Construction Inflation Fund will be a competitive grant program with applications due by a set deadline. Online applications will be accepted during a defined minimum 60-day application period, and all applications will be reviewed following the closure of the application period. The Authority will perform a review of applications after the closing of the application period. Applications will first be reviewed for application completeness. Applicants will be given a certain number of business days to cure any deficiencies. If at the end of the cure period, the applications are still incomplete, they will be notified the application will not be advancing to be scored and will be deemed withdrawn. At the sole discretion of the Authority, staff may ask for clarification of the information included in the application including but not limited to responses, documentation, and attachments. Eligible applications will be evaluated and scored on a competitive basis. Applications that meet the minimum score requirement of 65 out of a possible 104 points will be eligible for funding. Applications will be recommended to the Board for award approval starting with the highest scored application until all program funding is awarded. If all program funds are not awarded during the initial application period, then applications will be reopened on a rolling basis. All eligible applications will proceed to the Board for approvals, and all applications which have not been declined due to non-discretionary reasons will also proceed to the Board.

CONSTRUCTION INFLATION FUND: **Grant Pilot Program Specifications** **(December 21, 2022)**	
Application Requirements	Applications must demonstrate that the project was negatively impacted by the COVID-19 pandemic. Application submission requirements may include but are not limited to: 1. Project overview and description; 2. Narrative describing COVID-19 impact, pandemic related cost increases and comparison of the proposed project against two alternative projects/capital expenditures in conformance with SLFRF capital expenditure requirements; 3. Project budget, proforma/cashflow projections, and evidence of financing; 4. Construction contract and related documents such as project cost breakdown comparisons and evidence of efforts to reduce costs such as value engineering efforts; 5. Narrative and documentation of local review and approvals/permits; 6. Project development timeline; 7. Applicant's organizational documentation confirming eligibility as small business; 8. Experience and capacity of the applicant and development team that demonstrates implementation of projects of a similar size and scope; 9. Evidence or commitment of 50% developer fee deferral.
Scoring	Applications will be reviewed and scored by staff of the Authority formed as an evaluation scoring committee. Applications will be scored on a scale of 0-104 points, with award recommendations limited to applications that meet or exceed the minimum score requirement of 65 points. Scoring factors and points will include: ▪ Project proposal (community and economic growth impact and benefits of the proposed project) *(up to 25 pts)* ▪ Project financial feasibility and cost effectiveness *(up to 15 pts)* ▪ Readiness to proceed *(up to 35 pts)* ▪ Experience & capacity of applicant/development team *(up to 20 pts)* ▪ Efforts to reduce costs *(up to 5 pts)* ▪ Bonus points for ** *(up to 4 pts)* *** location within low- or moderate-income community or qualified census tract (per SLFRF rules); participation by NJ certified Women, Minority, Veteran Business Enterprises (MWVBE)*
Grant Amounts	Minimum grant funding of $500,000 and maximum grant funding of $5,000,000 provided to any one project.

<u>CONSTRUCTION INFLATION FUND:</u>
Grant Pilot Program Specifications
(December 21, 2022)

	Grant funding may not exceed 20% of Total Project Costs. Grant funding to be provided based on demonstrated pandemic related cost increase and funding gap including review of construction contract wage requirements. Grant funding amounts will be determined following cost reasonableness and Duplication of Benefits review. A maximum of one grant will be awarded per real estate developer regardless of having different special purpose entities; staff will review for common management or construction responsibilities between applicants.
Funding Disbursement	Once a project is approved for funding, the Authority will enter into a grant agreement with the applicant detailing the project to be funded, eligible project costs, the amount of grant funding, and all financial programmatic requirements. The grant funds will be disbursed either incrementally as eligible project expenses are incurred and prorated with other funding sources with the Authority's standard construction retainage withheld until project completion or grant funds may be disbursed in coordination with the other lender's disbursement process. Funding disbursement requests must be evidenced by documentation supporting that the expenses were incurred, work has been performed in accordance with prevailing wage and labor standards compliance requirements, and work was done consistent with project approval and eligible uses of program funding. Final payment to be made upon the Authority's inspection of completed project and receipt of either temporary certificate of occupancy or certificate of occupancy as determined by the Authority.
Fees	Application Fee: $1,000
Compliance with Federal SLFRF funding requirements	The Grant Agreement for each project funded will include reporting, compliance, and other requirements per US Treasury's Compliance and Reporting Guidance for ARP SLFRF funding awards.

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Film & Digital Media Studio Infrastructure Program

Request:

The Members are asked to approve:

1. The creation of the Film & Digital Media Studio Infrastructure Program (the "Program") as a pilot program that will provide grant funding to municipalities, municipal entities, counties, county entities, and/or State instrumentalities for infrastructure improvements and sitework in support of the development of a film or digital media studio production facility; and

2. The utilization of $10,000,000 from the Fiscal Year 2023 Appropriations Act to capitalize the Program including $500,000 of the $10,000,000 funding to be used by the Authority to cover administrative costs of the Program.

Background and Program Funding:

On June 30, 2022, Governor Murphy signed the Fiscal Year 2023 Appropriations Act ("Act") into law. The Act allocates significant State funding for numerous strategic economic development investments to support key industries, advance the innovation economy, continue to bolster recovery, and spur statewide growth. These strategic investments include $15 million for a Film Industry Strategic Support Fund to grow and strengthen the state's film and digital media industry, including attracting film studio production facilities to the state and expanding job opportunities. Staff proposes utilizing $10 million from that budget line item appropriation to provide funding to create the Film & Digital Media Studio Infrastructure Program.

Of the Program funding of $10,000,000, Staff proposes using $9,500,000 for funding to eligible applicants for approved projects and $500,000 to the Authority for program administrative costs. Upon receipt of the funding from the State, staff will deposit the funds in the Economic Recovery Fund ("ERF"). The use of the funds, and this Program, will be administered in accordance with the ERF statute (N.J.S.A. 34:1B-7.13 subsection a.(5)) as financial assistance to assist municipalities, municipal entities, counties, county entities, and/or State instrumentalities for the Program and Eligible Uses indicated.

Program Overview and Eligible Projects:

The Film & Digital Media Studio Infrastructure Program will be a competitive grant program that will proactively deploy $9.5 million to fund infrastructure improvements and sitework ("Project") connected to or in support of the development of a film or digital media studio production facility. The Program is established to stimulate economic growth and enhance the State's long-term economic competitiveness by supporting and encouraging strategic economic development investments in the designated Film & Digital Media industry target sector.

The Program will provide funding to eligible applicants as described below that are undertaking eligible Projects which support the development of a film or digital media studio production facility. All Projects will be subject to prevailing wage law and compliance with other labor standards requirements.

Eligible Applicants:

Eligible applicants are municipalities, municipal entities, counties, county entities, and/or State instrumentalities that are undertaking infrastructure improvements or sitework to support the development of a film or digital media studio production facility.

Additional applicant requirements:

- Must be in substantial good standing with the New Jersey Department of Labor and Workforce Development and the NJ Department of Environmental Protection at the time of application to be eligible. A current tax clearance certificate must be provided prior to approval to demonstrate the applicant is in substantial good standing with the NJ Division of Taxation, unless the applicant is not required to register with the Division of Taxation.

Eligible Uses of Funding:

Eligible Uses of Program funding are limited to infrastructure improvements and sitework in support of the development of a film or digital media studio production facility, which include but are not limited to:

- Roadwork or transportation improvements
- Water and/or sewer lines/service
- Gas lines/service
- Telecommunications
- High speed broadband
- Electrical utility lines/grid/supply
- Accessibility and safety improvements (i.e. sidewalks, fire hydrants)
- Site remediation or site work on government owned property

Funding can only be used for the approved project costs including reasonable administrative costs based on application, Authority review, and funding grant agreement.

Application Process:
The Program will be a competitive grant program with applications due by a set deadline. Online applications will be accepted during a defined minimum 60-day application period, and all applications will be reviewed following the closure of the application period.

As part of a program application, the Authority will request the information about the proposed Project, including, but not limited to:

1) Project Overview and Description;
2) Letter from the studio production facility confirming studio plans to build/expand studio production facility (indicate sf size) on the site with an estimated number of FTE jobs when operational, and that the proposed infrastructure improvements in Applicant's proposal are being undertaken in support of the studio production facility;
3) Project Budget (Sources & Uses line-item detail) including evidence of additional financing if applicable per Project Budget;
4) Project Development timeline;
5) Experience and capacity of the applicant (and contractors/consultants if applicable) to implement Project within Project development timeline; and
6) Narrative and/or documentation regarding Small, Women, Minority, Veteran Business Enterprises ("SWMVBE") participation

The Authority will perform a review of applications after the closing of the application period. Applications will be reviewed for completeness. Applicants will be given ten business days to cure any deficiencies. If at the end of the ten-day period an application is still incomplete, the applicant will be notified that the application will not be advancing to be scored and will be deemed withdrawn. At the sole discretion of the Authority, staff may ask for clarification of application information including, but not limited to, narrative responses, supporting documentation, and attachments.

Scoring:
Applications will be reviewed and scored by staff of the Authority formed as an evaluation scoring committee. Applications will be scored on a scale of 0-100 points, with award recommendations limited to applications that meet or exceed the minimum score requirement of 65 points.

Scoring factors and points will include:

- Applicant readiness to proceed *(up to 35 pts)*
- Project merits (community and regional economic impact and benefits of the proposed project as catalyst for and connection to local development) *(up to 35 pts)*
- Project Feasibility *(up to 15 pts)*
- Applicant (and contractor/consultant) experience & capacity *(up to 10 pts)*
- SWMVBE participation *(up to 5 pts)*

Grant Project Funding:
Minimum grant funding of $50,000 and maximum grant funding of $4,750,000 provided to any one Project and/or to any one applicant.

Grant funding may fund 100% of an approved Project's costs.

Board Approval:
The Film & Digital Media Studio Infrastructure Program will be a competitive grant program with an application process as outlined above.

Following the initial application completion review, applications will be evaluated and scored on a competitive basis. Applications that meet the minimum score requirement of 65 out of a possible 100 points will be eligible for funding.

Applications will initially be separated into two application review groups –

1. applications in support of a Film or Digital Media Studio production facility in excess of 250,000 square feet, and
2. applications in support of a Film or Digital Media Studio production facility less than 250,000 square feet

Provided that one or more applications are submitted in each group that meet or exceed the minimum score requirement of 65 points, then the highest ranked application from each group shall be recommended to the Board for award approval. Following this step, then all remaining applications are merged into a single group and shall be recommended to the Board for award approval starting with the highest scored application until all Program funding is awarded.

If an applicant requests grant funding for an eligible project but there are not sufficient Program funds available to fund the full grant request, the Authority would inform the applicant of the amount of grant funds available. If the applicant wishes to proceed, the applicant would be required to fund the difference to fill the gap to ensure the submitted project proposal is undertaken as described.

If all Program funds are not awarded during the initial application period, then applications will be reopened on a rolling basis with applications that meet the minimum score being recommended for award based on the order in which completed and eligible applications are received.

All eligible applications will proceed to the Board for approvals, and all applications which have not been declined due to non-discretionary reasons will also proceed to the Board.

Funding Disbursements:
The Authority will disburse grants only to the applicant. The applicant shall be responsible for assuring the compliance of the project with all terms and conditions of the application and the Program funding requirements.

Once a project is approved for funding, the Authority will enter into a grant agreement with the applicant detailing the project to be funded, eligible project costs, the amount of grant funding, and all financial programmatic requirements.

The grant funds will be disbursed either incrementally as eligible project expenses are incurred and prorated with other funding sources if applicable with the Authority's standard construction retainage withheld until project completion, or grant funds may be disbursed in coordination with the other funder's disbursement process if applicable.

Funding disbursement requests must be evidenced by documentation supporting that the expenses were incurred, work has been performed in accordance with prevailing wage and labor standards compliance requirements, and work was done consistent with project approval and eligible uses of Program funding.

If the approved Film or Digital Media Studio Infrastructure Project has not been completed <u>and</u> the supported studio production facility has been terminated (for example, applicable redevelopment agreement is terminated, site plan approvals are denied or expire), the Applicant will no longer be eligible for any remaining unused grant funds.

Final payment to be made upon the Authority's inspection of completed Project and receipt of certificate of completion.

<u>Appeals:</u>
Entities whose applications are denied will have the right to appeal. Appeals must be filed within the timeframe set forth in the declination letter. For declines based on discretionary reasons, Managing Director, Legal Affairs, will designate Hearing Officers who will review the applications, appeals, and any other relevant documents or information and prepare a Recommendation to the Board. The Board is the final decision-maker for discretionary appeals.

<u>Fees:</u>
The standard $1,000 application fee established in the Authority's fee rules will be charged.

<u>Recommendation:</u>

I recommend the Members approve: (1) the creation of the Film & Digital Media Studio Infrastructure Program as a pilot program which will provide grant funding to municipalities, municipal entities, counties, county entities, and/or State instrumentalities for infrastructure improvements and sitework in support of the development of a film or digital media studio production facility; and (2) the utilization of $10,000,000 from the Fiscal Year 2023 Appropriations Act to capitalize the Program including $500,000 of the $10,000,000 funding to be used by the Authority to cover administrative costs for the administration of the Program.

Tim Sullivan, CEO

Prepared by: Liza Nolan
Attachment: Film & Digital Media Studio Infrastructure Program Grant Pilot Program Specifications

FILM & DIGITAL MEDIA STUDIO INFRASTRUCTURE PROGRAM **Grant Pilot Program Specifications** **(December 21, 2022)**	
Funding Source	Approximately $10 million (FY 2023 state budget appropriation) *5% ($500,000) for EDA's program administration costs*
Program Purpose	The Film & Digital Media Studio Infrastructure Program is established to fund infrastructure improvements and sitework in support of the development of a film or digital media studio production facility. The Program is established to stimulate economic growth and enhance the State's long-term economic competitiveness by supporting and encouraging strategic economic development investments in the designated Film & Digital Media industry target sector.
Eligible Applicants	Eligible applicants are municipalities, municipal entities, counties, county entities, and/or State instrumentalities that are undertaking infrastructure improvements or sitework to support the development of a film or digital media studio production facility. Additional applicant requirements: ▪ Must be in substantial good standing with the New Jersey Department of Labor and Workforce Development and the NJ Department of Environmental Protection at the time of application to be eligible. A current tax clearance certificate must be provided prior to approval to demonstrate the applicant is in substantial good standing with the NJ Division of Taxation, unless the applicant is not required to register with the Division of Taxation.
Eligible Uses	Eligible Uses of Program funding are limited to infrastructure improvements and sitework in support of the development of a film or digital media studio production facility, which include but are not limited to: ▪ Roadwork or transportation improvements ▪ Water and/or sewer lines/service ▪ Gas lines/service ▪ Telecommunications ▪ High speed broadband ▪ Electrical utility lines/grid/supply ▪ Accessibility and safety improvements (i.e. sidewalks, fire hydrants) ▪ Site remediation or site work on government owned property Funding can only be used for the approved project costs including reasonable administrative costs based on application, Authority review, and funding grant agreement.

	All projects will be subject to prevailing wage law and compliance with other labor standards requirements.
Application Process and Board Approval/ Delegated Authority	The Film & Digital Media Studio Infrastructure Program will be a competitive grant program with applications due by a set deadline. Online applications will be accepted during a defined minimum 60-day application period, and all applications will be reviewed following the closure of the application period. The Authority will perform a review of applications after the closing of the application period. Applicants will be given ten business days to cure any deficiencies. If at the end of the ten-day period, the applications are still incomplete, they will be notified the application will not be advancing to be scored and will be deemed withdrawn. At the sole discretion of the Authority, staff may ask for clarification of the application information including but not limited to responses, documentation, and attachments. Applications will be evaluated and scored on a competitive basis. Applications that meet the minimum score requirement of 65 out of a possible 100 points will be eligible for funding. Applications will initially be separated into two application review groups – 1. applications in support of a Film or Digital Media Studio production facility in excess of 250,000 square feet, and 2. applications in support of a Film or Digital Media Studio production facility less than 250,000 square feet Provided that one or more applications are submitted in each group which meet or exceed the minimum score requirement of 65 points, then the highest ranked application from each group shall be recommended to the Board for award approval. Following this step, then all remaining applications are merged into a single group and shall be recommended to the Board for award approval starting with the highest scored application until all Program funding is awarded. If an applicant requests grant funding for an eligible project but there are not sufficient Program funds available to fund the full grant request, the Authority would inform the applicant of the amount of grant funds available. If the applicant wishes to proceed, the applicant would be required to fund the difference to fill the gap to ensure the submitted project proposal is undertaken as described. If all program funds are not awarded during the initial application period, then applications will be reopened on a rolling basis with applications that meet the

	minimum score being recommended for award based on the order in which completed and eligible applications are received. All eligible applications will proceed to the Board for approvals, and all applications which have not been declined due to non-discretionary reasons will also proceed to the Board.
Application Requirements	The Authority will request information about the proposed Project, including, but not limited to: 1. Project Overview and Description; 2. Letter from the studio production facility confirming studio plans to build/expand studio production facility (indicate sf size) on the site with an estimated number of FTE jobs when operational, and that the proposed infrastructure improvements in Applicant's proposal are being undertaken in support of the studio production facility; 3. Project Budget (Sources & Uses line-item detail) including evidence of additional financing if applicable per Project Budget; 4. Project Development timeline; 5. Experience and capacity of the applicant (and contractors/ consultants if applicable) to implement Project within Project development timeline; and 6. Narrative and/or documentation regarding Small, Women, Minority, Veteran Business Enterprises ("SWMVBE") participation
Application Scoring	Applications will be reviewed and scored by staff of the Authority formed as an evaluation scoring committee. Applications will be scored on a scale of 0-100 points, with award recommendations limited to applications that meet or exceed the minimum score requirement of 65 points. Scoring factors and points will include: ▪ Applicant readiness to proceed *(up to 35 pts)* ▪ Project merits (community and regional economic impact and benefits of the proposed project as catalyst for and connection to local development) *(up to 35 pts)* ▪ Project Feasibility *(up to 15 pts)* ▪ Applicant (and contractor/consultant) experience & capacity *(up to 10 pts)* ▪ SWMVBE participation *(up to 5 pts)*

<table>
<tr><th colspan="2"><u>FILM & DIGITAL MEDIA STUDIO INFRASTRUCTURE PROGRAM</u>
<u>Grant Pilot Program Specifications</u>

(December 21, 2022)</th></tr>
<tr><td>Grant Amounts</td><td>In accordance with the Economic Recovery Fund statute (N.J.S.A. 34:1B-7.13), the Film & Digital Media Studio Infrastructure Program funding is provided as Grant financial assistance to municipalities, municipal entities, counties, county entities, and/or State instrumentalities for the Program Purpose and Eligible Uses indicated.

Minimum grant amount -- $50,000 provided to any one applicant or Project
Maximum grant amount -- $4,750,000 provided to any one applicant or Project.

Grant funding may fund 100% of an approved Project's costs.</td></tr>
<tr><td>Funding Disbursement</td><td>Once a project is approved for funding, the Authority will enter into a Grant Agreement with the Applicant detailing the project description, the amount of grant funding, and general grant requirements.

The grant funds will be disbursed either incrementally as eligible project expenses are incurred and prorated with other funding sources if applicable with the Authority's standard construction retainage withheld until project completion, or grant funds may be disbursed in coordination with other funder's disbursement process if applicable.

Funding disbursement requests must be evidenced by documentation supporting that the expenses were incurred, work has been performed in accordance with prevailing wage and affirmative action requirements, and work was done consistent with project approval and eligible uses of program funding.

If the approved Film or Digital Media Studio Infrastructure Project has not been completed <u>and</u> the supported studio production facility has been terminated (for example, applicable redevelopment agreement is terminated, site plan approvals are denied or expire), the Applicant will no longer be eligible for any remaining unused grant funds.

Final payment to be made upon the Authority's inspection of completed Project and receipt of certificate of completion.</td></tr>
<tr><td>Fees</td><td>Application Fee: $1,000</td></tr>
<tr><td>Appeals</td><td>Entities whose applications are denied will have the right to appeal. Appeals must be filed within the timeframe set forth in the declination letter. For declines based on discretionary reasons, Managing Director, Legal Affairs, will designate Hearing Officers who will review the applications, appeals, and any</td></tr>
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	other relevant documents or information and prepare a Recommendation to the Board. The Board is the final decision-maker for discretionary appeals.

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: New Jersey Wind Port – Request for funds for an on-site electrical substation and power distribution system

REQUEST

Members of the Board are asked to approve the Authority issuing a Notice to Proceed (NTP) to its construction manager (CM), AECOM Tishman, for the construction of an electrical substation and duct bank system at the New Jersey Wind Port (NJWP) for a not-to-exceed cost of $39 million.

Substation and distribution grid construction is occurring within AECOM Tishman's existing scope for CM services and will need to be carefully integrated with overall parcel and wharf development. AECOM Tishman will be required to competitively bid out the works.

Issuance of an NTP will be conditioned on the receipt of bond proceeds sufficient to cover the cost. A bond issuance is targeted for January 2023. Staff are seeking contingent Board approval in order that a NTP can be issued immediately upon bond proceeds being secured. Approval of this request will increase total Board approvals for AECOM Tishman's contract to $347.2 million.[1]

BACKGROUND

As a greenfield site the NJWP lacks an existing grid connection and on-site power infrastructure. The NJWP is sited within Atlantic City Electric's (ACE's) regulated franchise area. At its April 2022 meeting, the Board approved the Authority entering into an agreement with ACE for ACE to design an approximately 13 mile 69kV transmission line to the Port from its nearest substation in Quinton township, the cost of which is being borne by the Authority. At its November 2022 meeting, the Board approved the Authority entering into an agreement for ACE to procure long lead items for the line's construction. Staff intend to seek Board approval for a construction agreement with ACE in early 2023. ACE's construction scope would cease at the border of the Port property with the Authority responsible for all on-

[1] This amount is net of $30 million in contingency previously approved by the Board for Parcel A's construction which was subsequently reallocated by staff (further to Board approval) to other uses. $20 million was reallocated to the ACE long lead item agreement, with $10 million reallocated to early site works undertaken by PSEG.

site infrastructure. A substation will be needed at the Port to connect to ACE's line and step down the voltage from 69kV to 13.8kV, with power distributed across parcels via a duct bank system. The Authority's engineer-of-record for the NJWP, Moffatt & Nichol (M&N), has been progressing the design of the substation and associated duct bank network drawing on data from prospective NJWP tenants about their anticipated power needs, including issuance of an industry-focused Request for Information (RFI). Key components of design include:

- A prefabricated switchgear building which will serve as a protective and secured housing for the power distribution switchgear equipment, power distribution protection systems, controls and communications hub. The building will be classed as "non-occupied", meaning it will only be occupied during maintenance interventions;
- An air insulated switchyard with incoming line structure, isolation switch and circuit breaker plus provisions for customer primary metering plus primary protection of two (2) site distribution supply transformers. The switchyard will also include features such as lightning rod support towers, yard lighting, air insulated bus and bus support structures, gang operated outdoor air break switches, live tank outdoor circuit breakers, protection and metering CTs and VTs plus support structures and a station power VT system to supply 120/208V to the secondary distribution electrical building;
- Step-down transformers (69kV to 13.8kV) will be oil filled with a single stage of fan cooling for overload conditions and resistive grounded neutrals on secondary; and
- Electrical distribution throughout the site, to be coordinated with other utilities (e.g. sewer, water). This will include electrical system duct banks encased in concrete, as well as electrical vaults located around the site as required for distribution and pulling conductors.

The substation and distribution grid will be constructed under AECOM Tishman's existing contract for CM services, as the procurement for the current contract included the following:

- Work on parcels G and C that is necessary for Phase 1. In this case, the substation will be sited on the southern end of Parcel G, with duct banks traversing through parcels G and C to other parcels and adjacent wharf infrastructure, these parcels and wharf infrastructure being within AECOM Tishman's existing scope; and
- Utilities and broader parcel construction (e.g. earthworks, stormwater, lighting) necessary for phases 1 and 2 of the Port, all of which is integrated – as is the case with design, which is why the Authority's engineer-of-record (M&N) was tasked with designing the substation and duct banks as well as core parcel and wharf design.

As this work was already included in the procurement and the contract, no contract amendment is required. Rather, staff will issue an NTP to AECOM Tishman with a not-to-exceed amount. Pursuant to the contract, AECOM Tishman will be required to competitively bid out the works. Their (cost plus) CM fee will be fixed at 1.65 percent, per the terms of their current contract.

AECOM Tishman, with input from M&N, as well as the Authority's owner's engineer, WSP USA, have estimated the cost of the construction at $39 million. Figure 1 provides a breakdown of this cost estimate, which includes an approximately 10-15 percent contingency reflecting global supply chain impacts/volatility.

Figure 1 – Breakdown of cost estimate for substation and distribution

Component	Estimated cost ($M)
Earthwork	2.1
Electric	25.0
Site utilities	0.3
Concrete	0.8
Fencing	0.1
Misc. metals	2.0
Total direct	**30.3**
Soft costs	4.5
Construction contingency + escalation	4.1
Total direct + indirect + contingency	**38.9**

Issuance of a NTP will be conditioned on the receipt of bond proceeds sufficient to cover the cost. A bond issuance is targeted for January 2023. Staff are seeking contingent Board approval in order that a NTP can be issued immediately upon bond proceeds being secured. Approval of this request will increase total Board approvals for AECOM Tishman's contract to $347.2 million.

RECOMMENDATION

Members are asked to approve the Authority issuing a NTP to AECOM Tishman for the construction of an electrical substation and duct bank system for a not-to-exceed cost of $39 million.

Tim Sullivan, CEO

Prepared by: William Dixon, Aaron Roller

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: New Jersey Wind Port – Design and engineering services contract increase

REQUEST

The Members of the Board are asked to approve an increase of up to $12.67 million to the Authority's existing contract with Moffatt & Nichol (M&N) for design and engineering services related to the New Jersey Wind Port (NJWP). This increase is sized to enable completion of detailed design of all phase 1 and phase 2 parcels, excluding manufacturing facilities, as well as on-site utility infrastructure, design scopes which are targeted to commence from January 2023 in order to preserve the overall project schedule. Approval would increase M&N's total contract value to $30.6 million.

SUMMARY

At the time of its assignment to the Authority, M&N's contract was scoped to include all phase 1 and phase 2 parcels, however the timing for when engineering and design work commences differs by parcel – reflecting differing site conditions (e.g. certain parcels have existing facilities that will need to be relocated), permitting requirements and commercial drivers. Works commence on a given parcel (or related scope e.g. substation) when the Authority issues a notice (called a Change Order (CO) in the contract) to M&N with a technical scope and not-to-exceed amount. While the notice does not amend the terms of M&N's contract all terms (including a fixed fully loaded hourly rate) apply uniformly to all COs (i.e COs serve as formal approval to commence a pre-scoped task, performed in accordance with the contract terms).

The amount of work M&N has been asked to do under the contract currently totals $15.95 million, based on the sum of COs issued to date. The Authority's Board has directly approved $12.96 million of COs under M&N's contract.[1] Staff acting under delegated authority have approved $4.98 million in additional COs.[2] This represents a combined total approval for M&N's contract of $17.94 million. The difference in approvals and contract value ($1.98 million) reflects the fact that certain Board-approved amounts have yet to be contracted (via CO), as well as costs for several completed COs coming in under budget. Staff are now seeking to increase the amount of work that M&N can be requested to do under the contract

[1] Total includes $1,746,140 expended by PSEG prior to contract assignment (reimbursed by Authority under LOI). This amount was approved by the Board as part of the Board's approval of the PSEG LOI.

[2] At its March 2022 meeting the Board approved $15 million for preconstruction funding which was scoped to include design as well as permitting and other related costs. The Board also approved a Port-specific delegated approval for the CEO to increase existing contracts by up to $5 million, and enter new contracts up to $3 million

by an additional $12.67 million (above the current approval of $17.94 million), resulting in a total of $30.6 million.

Staff will draw on $5 million of unallocated state project funds to cover a portion of the increased work, with the balance (approximately $7.67 million) covered within the existing Board approval for preconstruction funds. The requested increase does not include construction administration other than Parcel A. Staff will return to the Board for approval of construction administration costs closer to the point of construction commencement.

DETAIL

M&N's contract for design and engineering services was assigned to the Authority from PSEG Nuclear in September 2020 with an initial work amount of $8.32 million.[3] The contract was amended at the time of assignment to include all aspects of phases 1 and 2 recognizing the cost efficiencies of retaining one designer for the entirety of the project – with staff noting at the time of assignment that the final work value could not be estimated until all parcels had progressed through feasibility. To preserve value for money M&N's fully loaded hourly rates and annual escalation were fixed at the time of assignment. Figure 1 details COs approved directly by the Board since the assignment of M&N's contract, with Figure 2 detailing COs approved by staff under delegated authority – totaling of $17.94 million.

Figure 1 – Board approvals for M&N COs

Board meeting	**Amount**	**Scope/COs**
Mar-2020	$1,746,140[4]	- LNTP - Parcel A - CDF3/Disposal site design
Sep-2020	$6,719,430	- LNTP - Parcel A (balance of) - CDF3/Disposal site design (balance of) - FNTP/detailed design - Parcel A - Parcel G ("1b") feasibility - Parcel G ("1b") detailed design - Phase 1a construction administration services - Phase 2 feasibility design
Dec-2020	$664,700	- Field Directive 1 - Resurvey Area A - Field Directive 2 - Areas B/D/G - Field Directive 3 - Geophysical survey - Field Directive 4 - Groundwater lowering - PO - Vibration analysis - PO - Well systems design/hydrologic study
Mar-2021	$353,854	- Electrical substation & distribution
Jul-2021	$844,945	- Beneficial reuse - Berthing analysis
Oct-2021	$131,813	- Parcel C CDF design
Dec-2021	$2,495,000	- Balance of Parcel A and Phase 2 early stage
Total	**$12,955,882**	

[3] Including $1,746,140 expended by PSEG prior to assignment

[4] Expended by PSEG prior to contract assignment and approved by the Board as part of its approval of a PSEG LOI

Figure 2 – M&N COs approved under delegated authority

Amount	CO/Scope
$38,040	Parcel A temporary power
$58,780	Mooring feasibility analysis
$962,863	Extension of (on site) field services
$1,288,435	Supplemental construction administration services
$45,850	Detailed vibration analysis - revision 1
$468,106	Design of Area C1 (this is a fast tracked portion of Parcel C)
$74,525	Potable water production well design
$168,162	Dynamic simulation modeling
$85,421	Sedimentation analysis of Phase 2 expansion
$131,295	Vessel simulations Phase 2 expansion
$948,526	B1 geotechnical analysis
$650,527	Site-wide engineering support for permitting (B1, B2, C2, D, E)
$60,715	Parcel A design change
$4,981,245	**Total**

Within this total approval cap of $17.94 million, the Authority has authorized $15.95 million of work with M&N via the issuance of COs. Figure 3 summarizes work contracted by parcel or activity (if not parcel specific). Further detail is included in Exhibit A. The $1.98 million difference between total approvals and contract value reflects approvals being sized to include contingency as well as certain Board-approved COs not yet being issued.

Figure 3 – Contracted work (via COs) – breakdown by parcel/activity

Amount	Scope
$4,718,406	Parcel A
$610,103	Parcel G
$1,100,065	Parcel C
$2,532,699	Parcel B (includes CDF design costs/works)
$161,230	Parcel E
$1,803,574	Whole of port activities (e.g. berth utilization analysis, mooring analysis)
$3,975,033	Construction administration
$698,678	Beneficial reuse
$353,854	Substation design
$15,953,642	**Total**

Staff are seeking to increase the approval cap for M&N's work by a further $12.67 million to a total amount of $30.6 million. This increase is sized to enable completion of detailed design of all parcels (A, G, C, D, E, B1, B2), excluding manufacturing facilities, as well as on-site utility infrastructure, design scopes which are targeted to commence from January 2023 in order to preserve the overall project schedule. Figure 4 provides a breakdown of the $12.67 million noting that actuals may differ and that staff reserve the right to reallocate funds across scopes provided total costs remain within the overall approval cap, with further detail included in Exhibit B. The increase does not include construction administration other than for Parcel A, with staff still to determine the optimal scope of M&N's construction administration services for other parcels. This assessment will need to take into account the Authority's in-house capability, the pricing method agreed with the construction manager (i.e cost plus versus guaranteed maximum price), amongst other factors. Staff will return to the Board for approval of construction administration costs prior to construction commencement.

Figure 4 – Cost components of requested approval increase

Scope	Cost	Board approved amount yet to be contracted	Net increase/ additional approval required
Parcel G detailed design	$1,400,000	$628,873	$771,127
Parcel C2 detailed design	$1,000,000	$0	$1,000,000
Parcel D detailed design	$500,000	$0	$500,000
Parcel E detailed design	$325,000	$0	$325,000
Parcel B2 geotechnical	$600,000	$0	$600,000
Parcel B1 detailed design	$4,000,000	$0	$4,000,000
Parcel B2 detailed design	$3,500,000	$0	$3,500,000
Stony Point	$200,000	$69,867	$130,133
Site utilities	$1,100,000	$0	$1,100,000
USACE dredge maintenance program	$700,000	$0	$700,000
Contingency (sized to 10% of above rows)	$1,332,500	$1,284,745[5]	$47,755
	$14,657,500	**$1,983,485**	**$12,674,015**

Staff will draw on $5 million of unallocated state project funds to cover a portion of the increase, with the balance (approximately $7.67 million) covered within existing Board approvals – specifically, staff will draw of the $15 million preconstruction budget approved by the Board in March 2022. Figure 5 provides a breakdown of sources.

Figure 5 – Funding sources for M&N's contract

Source	Funding allocation/ drawdown
State funds ($478.2M)	$17,955,882
Preconstruction budget ($15M)	$12,655,260
Total	**$30,611,142**

RECOMMENDATION

The Members of the Board are asked to approve an increase of up to $12.67 million to the Authority's existing contract with M&N for design and engineering services related to the NJWP. Approval would increase the value of work authorized to be performed by M&N to $30.6 million.

Tim Sullivan, CEO

Prepared by: William Dixon, Aaron Roller

[5] Balance of prior Board approvals for M&N's contract that has yet to be authorized under CO. This in large part reflects contingency as staff did not know at the time of Board approval what the precise costs would be.

Exhibit A – Change orders approved under M&N's contract to date

Change Order (CO)	Activity	Parcel specific	Contracted amount
Original contract	Limited Notice to Proceed (LNTP)	A	$1,723,870
Original contract	Full Notice to Proceed (FNTP)	A	$2,292,400
Original contract	CDF Disposal Site Design	B	$819,300
Original contract	Feasibility Assessment Area G	G	$113,976
Original contract	Engineering for Permitting Area G	G	$145,395
Original contract	Construction Administration Services Phase 1	CA	$1,723,735
FD1	Resurvey Area A	A	$17,670
FD2	Subsurface Exploration Areas B, D, & G	WP	$434,400
FD3	Geophysical survey	A	$74,660
FD4	Groundwater lowering	A	$37,270
1	Vibration analysis (Change Order 1)	A	$65,900
2	Well systems design/desktop hydrologic study	WP	$34,800
3	Electrical substation & distribution	SB	$353,854
4	Beneficial reuse design	BR	$698,678
5	Berthing analysis	WP	$76,400
6	Amendment of Engineering for Permitting Area G	G	$102,192
7	Parcel C CDF Improvements Design	C	$131,813
8	Additional Eng. for Modifications to Parcel A After 90% Design	A	$267,867
9	Support Services to NJDOT Engineering	A	$70,560
10	Hope Creek North Dock Barge Slip Load Rating	WP	$151,000
11	Additional Services for Site Communications Infrastructure	WP	$154,980
12	Geophysical Survey at Parcel C	C	$201,420
13	Subsurface Exploration Parcel C	C	$184,940
14	Additional Vibration Monitoring for Test Pile Program	A	$20,454
15	Amended Design of CDF3 Considering Beneficial Use of Stage 2 Hydraulic Dredged Material	B	$69,874
16	Concept Design Study of Development of Parcel C - 10-ac Adjacent to Parcel A	C	$113,786
17	Extended Vibration Monitoring for Test Pile Program	A	$3,150
18	Feasibility Study of Parcel B1	B	$198,590
19	Subsurface Exploration Parcel E – rev1	E	$161,230
20	Site G Engineering for Permitting	G	$248,540
21	Parcel A Temporary Power	A	$38,040
22	Med Mooring Feasibility Analysis	WP	$58,780
23	Extension of Field Services at Sites A and G	CA	$962,863

24	Supplemental Full Time Construction Administration Services	CA	$1,288,435
25	Detail Vibration Analysis Revision 1	A	$45,850
26	Design of Area C1 Accelerated – REV 1	C	$468,106
27	Potable Water Production Well Design	WP	$74,525
28	Feasibility study of Parcel B2	B	$279,693
29	Dynamic Simulation Modeling of Offshore Wind Port Marshalling & Manufacturing	WP	$168,162
30	Sedimentation analysis of Phase 2 expansion	B	$85,421
31	Vessel Simulations Phase 2 Expansion – REV 2	B	$131,295
32	Parcel B1 geotechnical analysis	B	$948,526
33	Site-wide engineering support for permitting (B1, B2, C2, D, E)	WP	$650,527
34	Parcel A design change	A	$60,715
	Total		**$15,953,642**

LEGEND:

Parcel A (A)
Parcel G (G)
Parcel C (C)
Whole of Port (WP)
Parcel B (B)
Parcel E (E)
Construction Administration (CA)
Beneficial Reuse (BR)
Substation (SB)

Exhibit B – Breakdown of (requested) approval increase

Amount	Scope
$771,127	Parcel G detailed design including earthwork and sitework design. Parcel G is intended to house Tier 1 component manufacturing
$1,000,000	Parcel C2 detailed design including earthwork and sitework design. Parcel C2 is intended to house Tier 1 component manufacturing
$500,000	Parcel D detailed design. Parcel D is intended to house general port administration/site security, and parking
$325,000	Parcel E detailed design. Parcel E is intended as a Confined Disposal Facility (CDF) for placement of dredge spoils
$600,000	Parcel B2 geotechnical analysis, which is a prerequisite to detailed design
$4,000,000	Parcel B1 detailed design including wharf, earthwork and sitework design. Parcel B1 is intended as a marshalling port
$3,500,000	Parcel B2 detailed design including wharf, earthwork and sitework design. Parcel B2 is intended to house Tier 1 component manufacturing
$130,133	Stony Point beneficial reuse site. The Authority has identified beneficial use as a cost-effective and environment sustaining strategy for disposing of dredge materials created as part of the Port's construction and ongoing operations. Stony Point, alongside Abbotts Meadow which NJDOT is developing on the Authority's behalf, was selected further to a feasibility study into multiple potential sites, with detailed benthic and hydrogeological studies already undertaken at the site
$1,100,000	Site utilities inlcuding sewer, water, power and telecommunications
$700,000	USACE dredge maintenance program. M&N will conduct a preliminary evaluation to assess the eligibility of the NJWP to apply for support under Section 204 of the Water Resources Development Act of 1992, which allows for the USACE to restore, protect, and create aquatic and wetland habitats in connection with construction or maintenance dredging of an authorized project. If the NJWP were to qualify, then the USACE would undertake maintenance dredging operations for the Port and contribute 75% of the funds for the operations. Dredge maintenance is the single biggest component of OPEX.
$47,755	Contingency for as yet unknown activities
$12,674,015	**Total**

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

SUBJECT: NJEDA State Lease Revenue Bonds (Offshore Wind Port Project), 2023 Series A (Federally Taxable) (Green Bonds)

DATE: December 21, 2022

SUMMARY OF PROPOSED FINANCING

Members are asked to approve the issuance of one or more series of State Lease Revenue Bonds (Offshore Wind Port Project), 2023 Series A (Federally Taxable) (Green Bonds) (the "2023 Series Bonds") and various related actions described below. The 2023 Series Bonds will be issued in one or more series, in an aggregate principal amount not to exceed $160,000,000. The proceeds of the 2023 Series Bonds will be used to: (i) finance a portion of the costs of the New Jersey Wind Port ("NJWP") project, a transformative, hub-style marshalling and manufacturing port that will serve offshore wind projects in New Jersey and across the U.S. Eastern Seaboard; (ii) finance the initial deposit to the Rent Reserve Account to be made by the Authority pursuant to the Ground Lease; and (iii) pay the costs of issuance of the 2023 Series Bonds.

BACKGROUND

The 2023 Series Bonds are the inaugural issuance by the Authority, the proceeds of which will finance a portion of the NJWP project, the first purpose-built offshore wind port in the United States. The NJWP is located in Lower Alloways Creek, Salem County. Proceeds of the 2023 Series Bonds will finance a portion of the preconstruction and construction costs for the first and second phases of the project.

Phase one of the project, components of which are currently under construction with other components still at an early design state, will be comprised of:

- An approximately 30-acre property and adjacent wharf infrastructure purpose-built for marshalling (i.e., wind turbine staging, final assembly, and transport), as well as a dredge channel from the NJWP to the main river channel;
- An approximately 58-acre property (comprising two parcels) purpose-built for Tier 1 wind component manufacturing, connected to the wharf via a heavy haul road corridor;
- An approximately 27-acre confined disposal facility ("CDF") for dredge placement;
- An approximately 5-acre property for general port administration and parking; and

- On site utility (power, water, sewer, telecommunications) infrastructure and off-site grid connections.

Phase two of the project, which is currently at the preliminary design stage, will be comprised of:

- An approximately 40 to 50-acre property and adjacent wharf infrastructure purpose-built for marshalling;

- An approximately 60 to 70-acre property purpose-built for Tier 1 wind component manufacturing, as well as adjacent wharf infrastructure;

- An approximately 5-acre property for general port and administration; and

- Installing utility infrastructure (power, water, sewer, telecommunications).

The first phase of the NJWP project is targeted to achieve substantial completion in 2025, with phase two targeted for completion in 2027 or 2028. Once fully developed, it is anticipated that the NJWP will have the capacity to support multiple manufacturing facilities as well as component staging, final assembly, and transport for up to two wind farm developments at a time.

The Authority currently does not have any bonds or notes outstanding in connection with the financing of the construction of the NJWP project.

PLAN OF FINANCE

The Authority is being asked to approve the issuance of one or more series of 2023 Series Bonds.

The 2023 Series Bonds will be used to: (i) finance a portion of the costs of the NJWP project; (ii) finance the initial deposit to the Rent Reserve Account to be made by the Authority pursuant to the Ground Lease; and (iii) pay the costs of issuance of the 2023 Series Bonds.

APPROVAL REQUEST

The Authority is being requested to approve the adoption of a Resolution of the Authority authorizing the issuance and sale of the 2023 Series Bonds (the "Authorizing Resolution") and authorizes entry into a Trust Indenture between the Authority and The Bank of New York Mellon (the "Trust Indenture"), and a First Supplemental Trust Indenture between the Authority and The Bank of New York Mellon. The Authorizing Resolution, among other things, authorizes the issuance of the 2023 Series Bonds, from time to time in one or more series, in an aggregate principal amount not to exceed $160,000,000.

In connection with the issuance of the 2023 Series Bonds, the Authority and State will enter into an Agreement and Lease relating to the NJWP project and, if necessary, supplements thereto (the "Lease"), and an Agreement and Sublease relating to the NJWP project and, if necessary, supplements thereto (the "Sublease"). Pursuant to the Lease, the Authority will lease the NJWP project to the State. Pursuant to the Sublease, the State will sublease the NJWP project to the Authority. The Authority plans to relet and sublease the NJWP project to private sector tenants. Under the Lease, the State will, among other things, agree to make lease rental payments to the Authority in an amount sufficient to pay, inter alia, debt service on the 2023 Series Bonds (the "Rent Payment Obligations") as well as the Authority's rent obligation (comprising base rent plus additional rent) to PSEG Nuclear under the Authority's Ground Lease with PSEG Nuclear entered into on September 14, 2021.

Under its Ground Lease with PSEG Nuclear, the Authority is leasing approximately 121 acres of land for an initial term of 28 years and maximum term of 78 years. Phase one of the NJWP project, components of which are detailed above, will be sited on the leased property. In addition, the Authority owns approximately 110 acres of land which is contiguous to the northern edge of the leased property and is accessed via the leased premises. Phase two of the NJWP project, components of which are detailed above, will be sited on this Authority-owned property.

The 2023 Series Bonds are expected to be issued as fixed rate, federally taxable bonds. The details of the 2023 Series Bonds shall be determined by an Authorized Officer of the Authority, in consultation with the Treasurer, Office of Public Finance, Attorney General's Office and Bond Counsel, subject, however, to the following parameters:

1. The final maturity of any 2023 Series Bonds will not exceed 20.5 years from the date of issuance;

2. The true interest cost of the 2023 Series Bonds will not exceed 7.50%; and

3. The Redemption Price for any 2023 Series Bonds will not exceed one hundred three percent (103%) of the principal amount of such 2023 Series Bond; provided that the Redemption Price of any 2023 Series Bonds issued as a federally taxable 2023 Series Bond subject to optional redemption by the Authority pursuant to a "make-whole" provision may exceed one hundred three percent (103%) of the principal amount of such 2023 Series Bond.

The Authority is also being asked to approve certain actions of, and delegation of actions to, an Authorized Officer of the Authority with information provided by the Treasurer, Bond Counsel, and the Attorney General's Office and in consultation with, the Office of Public Finance, Bond Counsel and the Attorney General's Office, as applicable, and as approved by the Treasurer, which actions are more fully set forth in the Authorizing Resolution, which is incorporated herein by reference, and will be memorialized in one or more Series Certificates, and may include, without limitation:

1. To determine the date of issuance, sale and delivery, the maturity dates, the principal amounts, the interest rates and the redemption provisions of the 2023 Series Bonds in accordance with the parameters set forth above;

2. To negotiate, execute, deliver and perform the Purchase Contracts relating to the 2023 Series Bonds; and

3. To select and appoint any additional co-managers and/or underwriters upon recommendation of the Treasurer, utilizing Treasury's RFP process in accordance with Executive Order No. 26 and Executive Order No. 37.

In exercising the Authority's discretion to approve specific transactions authorized under the Authorizing Resolution, it is anticipated that the Authorized Officers of the Authority will make decisions on behalf of the Authority in consultation with the Treasurer.

Subchapter 6.7 (Fee Waiver) of the Authority's rules permits the chief executive officer, with the approval of the Members to waive, postpone or decrease the Authority's closing fees for State agency projects. In the absence of Board action, the Authority's statutory bond closing fee will apply. It is recommended the bond closing fee for this transaction be reduced to zero, given that the 2023 Series Bonds are financing the Authority's NJWP project.

Given that the expected use of proceeds for the 2023 Series Bonds may work towards accomplishing select UN Sustainable Development Goals, the 2023 Series Bonds may be designated as “Green Bonds” and/or “Climate Bond Certified”.

Professionals were selected in compliance with Executive Order No. 26. M. Jerry Ostow, Esq. was selected as Bond Counsel through a competitive RFQ/RFP process performed by the Attorney General’s Office on behalf of Treasury for State appropriation-backed transactions. Through Treasury’s competitive RFP process the following professionals were chosen: Loop Capital Markets LLC, as senior managing underwriter, The Bank of New York Mellon, as Trustee and Paying Agent, and Kestrel Verifiers, as Second Party Opinion provider with respect to the 2023 Series Bonds climate designation.

The Authorizing Resolution will also authorize an Authorized Officer of the Authority to take all necessary actions incidental to the issuance of the 2023 Series Bonds, including without limitation, the selection of additional professionals, if any, pursuant to a competitive process utilizing Treasury’s RFP process in accordance with Executive Order No. 26 and Executive Order No. 37.

RECOMMENDATION

Based upon the above description, and subject to the criteria set forth above, the Members of the Authority are requested to: (i) approve the adoption of the Authorizing Resolution authorizing the issuance of the 2023 Series Bonds in the total aggregate principal amount not to exceed $160,000,000, as well as other matters in connection with the issuance and sale thereof and otherwise described above; (ii) enter into the Trust Indenture and the First Supplemental Trust Indenture; (iii) enter into the Lease and the Sublease, (iv) approve the several actions and delegation of actions to an Authorized Officer of the Authority as may be necessary or advisable in order to issue the 2023 Series Bonds on terms which are in the best interests of the State; (v) authorize the use of the aforementioned professionals; and (vi) authorize an Authorized Officer of the Authority to take all necessary actions incidental to the issuance of the 2023 Series Bonds; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office.

Tim Sullivan, CEO

Prepared by: Steven Novak

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

SUBJECT: Ground Lease Rent Reserve Trustee

DATE: December 21, 2022

REQUEST

Members are asked to approve BNY Mellon, selected by New Jersey Department of Treasury ("Treasury" or "State") as part of the Offshore Wind Port Project 2023 Series Bonds ("2023 Series Bonds") for the New Jersey Wind Port (NJWP), being tasked with establishing and maintaining the Rent Reserve Account required under the Authority's Ground Lease with PSEG Nuclear. PSEG Nuclear will have a lien on the Rent Reserve Account and will be able to draw down for certain costs based on an event of default by the Authority under a Ground Lease, in lieu of termination. The Rent Reserve Account will be set and maintained at a level equal to the Authority's annual rent and additional rent obligation to PSEG Nuclear. The Trustee will draw on bond proceeds for the initial deposit to the Rent Reserve Account. As part of this request, Members are asked to approve delegated authority to the Chief Executive Officer to execute an account control agreement for the Rent Reserve Account pursuant to the terms in the Ground Lease.

Members are also asked to approve the transfer of $4 million in state NJWP funds to the Trustee which is sized to cover the Authority's rent obligation until the Port begins generating revenue, which is targeted for April 2024. Staff set aside $7.4 million from the $478.2 million in state funds to cover the Authority's rent and additional rent obligation through Quarter 1 of 2024, of which approximately $3.4 million will be expended prior to the Rent Reserve Account being established.

DETAIL

On September 20, 2021, the Authority entered into a Ground Lease with PSEG Nuclear for use of approximately 120 acres of PSEG Nuclear property in Lower Alloways Creek, Salem County to construct portions of the NJWP project. Section 27.9 of the Ground Lease requires the Authority to create a Rent Reserve Account on or before the date of closing of any bonds financing. Specifically, Section 27.9(a)(i) states:

> On or before the date of closing of any Bonds financing, Tenant shall establish, and then fund as hereafter provided, a reserve account in the name of Tenant as hereafter provided

(the "Reserve Account") to be held and controlled by a federally insured commercial bank located in the State of New Jersey (the "Account Bank") to be agreed to between the Parties acting in Good Faith. The Reserve Account shall be maintained for so long as any Bonds remain outstanding.

Because the bonds are structured through a lease from the Authority to the State and sublease back from the State to the Authority, PSEG Nuclear agreed to forego termination rights while the Bonds are outstanding. The Rent Reserve Account acts as a security for PSEG Nuclear in lieu of a termination clause in the Ground Lease should the Authority default on payment of rent or other compensation owed under the terms of the Ground Lease.

If the Authority secures bond funding and enters into a lease/leaseback agreement with the State that includes the State's agreement to pay the Authority's rent obligation (base rent plus additional rent) to PSEG Nuclear, the amount required for the Rent Reserve Account must equal one year's rent (based on the applicable year of the bonds) plus one year's Additional Rent Budget. The Additional Rent Budget comprises any costs that PSEG Nuclear passes through to the Authority under the Ground Lease consistent with the terms of a triple net lease, such as:

- Property taxes
- Nuclear insurance
- Nuclear security
- Proportional share of road maintenance
- Supervision/inspection (much higher during construction)
- 15% PSEG administration fee

By separate memorandum also presented today, staff is also requesting approval from the Members for bond funding, including entering into a lease to the State and a sublease from the State. Therefore, pursuant to the Ground Lease, the Authority needs to proceed with funding the Rent Reserve Account comprising of one year's rent payments plus the Additional Rent Budget. The Rent Reserve Account for 2023 is estimated at approximately $3.5 million.

LEASE/LEASEBACK AGREEMENTS

If approved, the 2023 Series Bonds will be the inaugural issuance by the Authority, the proceeds of which will finance a portion of the NJWP project. Specifically, proceeds will finance a portion of the preconstruction and construction costs for the first and second phases of the project.

In a separate memorandum before the Members, the Authority is requested to approve the Authority authorizing the issuance and sale of the 2023 Series Bonds and, among several items, entering into a Trust Indenture between the Authority and a Trustee to be selected by the State.

In connection with the issuance of the 2023 Series Bonds, the Authority and State will enter into an Agreement and Lease relating to the NJWP project and, if necessary, supplements thereto (the "Lease"), and an Agreement and Sublease relating to the NJWP project and, if necessary, supplements thereto (the "Sublease").

Under the Lease, the State will, among other things, agree to make lease rental payments to the

Authority in an amount sufficient to pay, inter alia, debt service on the 2023 Series Bonds as well as the Authority's rent obligation (base rent and additional rent) to PSEG Nuclear under the Ground Lease.

Staff, in consultation with the Attorney General's Office and Treasury, recommend that the Trustee selected for the 2023 Bond Series also act as the Rent Reserve Trustee identified in the above sections. As provided in the Ground Lease, the Rent Reserve Account will be subject to an account control agreement; staff requests delegated authority to the Chief Executive Officer to enter into such agreement pursuant to the terms contained in the Ground Lease. Utilizing the same banking institution as both the Trustee and Rent Reserve Trustee shall ensure consistent and comprehensive management of bond funds and allow the transfer of funds to the Rent Reserve Account in an efficient manner.

RECOMMENDATION

Members are asked to approve BNY Mellon, selected by the State for the 2023 Series Bonds, as the Rent Reserve Trustee under the terms of the Ground Lease; delegated authority to the Chief Executive Officer to enter into the account control agreement for the Reserve Account; and to transfer $4 million to the Trustee for initial rent payment after the bonds close.

Tim Sullivan, CEO

Prepared by: John Kuehne

NJEDA

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 21, 2022

SUBJECT: Brownfield Impact Fund Delegated Authority Reporting
For Informational Purposes Only

The Brownfields Impact Fund is a pilot program that was approved by the Board on October 13, 2021, which provides loans to private entities and loans and/or subgrants to public sector and non-profit entities to carry out cleanup activities at brownfield sites, assisting with the transformation of of these vacant and underutilized properties into community assets. The NJEDA received a $800,000 grant from the U.S. EPA and authorized the utilization of $160,000 of the Authority's General Operating Budget and/or in-kind contributions (cost share) to fund this program. With the approvals included in this memo, the subgrant funding is exhausted at this time and $440,000 remains available for loans.

In line with the Authority's goals of promoting equity and environmental justice, we are pleased to report that 100% of the projects that were approved under delegated authority were located within a Community Collaborative Initiative (CCI) city, an Opportunity Zone (OZ) eligible census track, and were within the top 10% of the 2020 New Jersey Department of Community Affairs (DCA) Municipal Revitalization Index (MRI) for distressed municipalities.

The following approvals were made pursuant to Delegated Authority for the Brownfields Impact Fund in the first three quarters of 2022:

PROJECTS

NAME OF ENTITY	LOCATION	TYPE OF DELEGATION	PRODUCT #	AMOUNT
Camden City	City Owned Block 331, Lot 86 1114 South 6th Street Camden, NJ 08103	1. Fee waiver due to financial hardship 2. Application approval	PROD-00301784	$157,142
Trenton City	Former Federated Metals 300 Enterprise Avenue Trenton, NJ 08638	1. Fee waiver due to financial hardship 2. Application approval	PROD-00301895	$202,858

Tim Sullivan, CEO

Prepared by: Elizabeth Limbrick and Melissa Dulinski

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 21, 2022

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

The following projects were approved under Delegated Authority in November 2022:

Premier Lender Program:

1) Birch Street Properties LLC (PROD-00308621), located in Old Bridge Township, Middlesex County, was established in 2022 as a real estate holding company formed to purchase the project property. The operating company, AWT Environmental Services, Inc. was established in 1982 as an environmental contracting service company providing on-site solutions to soil, ground water, vapor, and hazardous waste issues. The Company provides services to various industries including manufacturing, utilities, transportation, health care facilities, insurance carriers, general contractors, and environmental consultants. OceanFirst Bank approved a $2,475,000 bank loan contingent upon a 27.77% ($687,500) Authority participation. The Company currently has 53 employees and plans to create 8 new jobs within the next two years.

2) Redding Realty LLC (PROD-00308605), located in Princeton Township, Mercer County, is a real estate holding company that was formed in 2022 to purchase the project property. The operating company, J.B. Redding & Son, Inc. d/b/a Redding's Plumbing, Heating & Air Conditioning ("JB"), is a related company that will be the sole occupant of the property. JB has origins back to 1920 and was incorporated in NJ in 1958 as a residential and commercial plumbing, heating, and air conditioning contractor. OceanFirst Bank approved a $1,350,000 bank loan with a 44.44% ($600,000) Authority participation. Proceeds will be used to purchase the project property. Currently, the Company has 33 employees and plans to create 5 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: December 21, 2022

SUBJECT: Economic Transformation Products – Delegated Authority Approvals Q3 2022
For Informational Purposes Only

Angel Investor Tax Credit Program

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

Angel Investor Tax Credit Program – Q3 2022 Review

In the third quarter of 2022, the Authority approved 110 ATC investor applications with 35 emerging technology businesses benefiting from the ATC program. Of the 35 different companies receiving investments, 7 of these were new companies to the program (noted below). Additionally, investors in 5 companies qualified for an additional 5% bonus, which represents 14% of companies for this quarter. Specifically, 2 were state-certified Minority Business Enterprise, 2 were state-certified Women Business Enterprises, and 2 businesses were located in an Opportunity Zone or New Market Tax Credit census tract. Regarding industries, approximately 59% of businesses were in the life science sector and 41% from technology sector. In total, $6,738,684 in Angel Investor Tax Credits were awarded which incentivized $49,648,838 in private sector investments into NJ emerging technology businesses.

Angel Investor Tax Credit Program Q3 2022 Approval Results

Sector	Investment Amount	Tax Credit Amount	Applications	# of Companies	% of Total Invested*	% of Total Applications*
Life Sciences	$15,815,878	$3,177,729	65	16	31.9%	59.1%
Technology	$33,832,960	$3,560,955	45	19	68.1%	40.9%
Clean Technology	$0	$0	0	0	0.0%	0.0%
TOTAL	**$49,648,838**	**$6,738,684**	**110**	**35**	**100%**	**100%**

The following 35 companies were participants for the third quarter of 2022:

4.0 Analytics, Inc.: Based in Newark, NJ, offers data aggregation and SaaS services in the automotive market segment. 4AI's technology comprises information technology and mobile communications. Development efforts include using big data, artificial intelligence and machine learning to perform data analytics. 4AI's SaaS cloud-based architecture enables global reach of its services. (and is new to ATC)

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

Acuitive Technologies, Inc.: Based in Allendale, NJ, pursues the development of novel biomaterial technologies to improve the repair and regeneration of musculoskeletal tissue.

Angel Medical Systems, Inc.: Based in Eatontown, NJ, has developed technology involving medical equipment with significant diagnostic value which has received Federal Food and Drug Administration ("FDA") approval. AngelMed's first ever implantable, patient alerting system is designed for the early detection and prevention of heart attacks. Life threatening heart attacks may be averted as the device's early detection triggers an emergency alarm prompting patients to seek immediate medical attention.

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

BetMGM, LLC.: Based in Jersey City, NJ, is a market leading digital gaming company BetMGM's technology sets the new standard in iGaming, by providing gamers the data and flexibility to make more strategic, informed financial decisions. BetMGM's technology sets the new standard in iGaming, by providing gamers the data and flexibility to make more strategic, informed financial decisions. (and is new to ATC)

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

Bionex Pharmaceuticals, LLC.: Based in East Brunswick, NJ, is a specialty pharmaceutical development company, applying its novel drug delivery technologies to meet unmet medical needs. Bionex's most advanced technology is a novel thin-film drug delivery system that offers many therapeutic benefits such as improved efficacy, patient compliance, and patient acceptability of medications. (and qualifies for a bonus as a certified Women Business Enterprise)

Calamu Technologies: Based in Franklin Township, NJ, is an information technology company that has produced a scalable, automated data protection platform to prevent security breaches by using a multi-patented data engine that fragments and auto-heals data.

Ceptur Therapeutics Inc.: Based in Hillsborough Township, NJ, (FKA SilaGene), Ceptur is developing unique, differentiated genetic medicines for patients with rare diseases.

Durin Technologies Inc.: Based in Mullica Hill, NJ, conducts extensive biolgical research to develop a series of rapid, blood-based tests for neurodgenerative disesaes, including Alzheimer's, Parkinson's and Multiple Sclerosis. Durin's technology is based on its work in detection of autoantibody biomarkers in the blood produced iby the body's response to disease. (and is new to ATC)

Elucida Oncology, Inc.: Based in Bound Brook, NJ, is a biotechnology company focused on clinical research, development and subsequent commercialization of life-changing products based on the "Target or Clear" technology of the novel, ultra-small nanoparticle delivery platform.

Endomedix, Inc.: Based in Montclair, NJ, is a manufacturing company that has developed a unique polysaccharide chemistry platform used to create a series of biosurgical devices. Endomedix's patented technology is intended for use in brain and spinal surgery. Endomedix's first device, "PlexiClot" Absorbable Hemistate, will help surgeons control bleeding during surgeries.

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

FKAWV, Inc.: Based in Chatham, NJ, formerly known as Which Ventures, is an Information Technology company whose primary project is developing and operating HomeKeepr, a specialized online marketplace for the home services sector. Through HomeKeepr, the company has built and continues to develop a suite of online tools for real estate agents, home service professionals, and homeowners to connect clients with local home service professionals through a unique referral system on their site, allowing them to support their local economies.

Hope Portal Services, Inc.: Based in Holmdel, NJ, is a health-tech/fintech startup that provides planning, concierge, and fiduciary services to the special needs community.

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

Inspirit Group, LLC: Based in Holmdel, NJ, DBA STOPIT is a technology company which develops and markets a technology platform to schools, colleges and universities, businesses and government. The technology platform consists of a mobile application which is a reporting tool and an incident management system which aggregates all reported instances and allows one to track and manage each incident until its ultimate resolution.

Integrate Tech, Inc.: based in Upper Saddle River, NJ, is an educational information technology software company, specializing in education automation and data management for educators. Integrate's education automation software helps to improve instructional efficiency through automated lesson plans, which promotes instructional equity. This enables teachers and administrators to educate in hybrid learning environments. (and is new to ATC)

iSport360, Inc.: Based in Manalapan, NJ, develops software for mobile communication in the youth sports industry. (and is new to ATC)

Leap Holdings, Inc.: Based in Jersey City, NJ, acts as an institutional co-signer of apartment leases, providing access to apartments to renters while guaranteeing landlords against rent default. Harnessing the power of decision automation and mobile technology, Leap's Renter Access platform is a consumer-driven, online experience that rapidly pre-qualifies renters and guarantees their rent payments to landlords, effectively opening doors to a whole new world of apartment choices.

NanoTech Pharma, Inc.: Based in Hillsborough, NJ, specializes in nanomedicine development by converting the off-patent or patent-expiring market drugs into the proprietary, improved, and non-infringing NDA505(b)(2) or ANDA nanoparticle drug products, based on our in-house Nanotechnology Drug Delivery System Platforms. Its pipelines target innovative therapy for cancer, serious infections, and cardiovascular diseases

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

Nevakar Inc.: Based in Bridgewater, NJ. is a specialty pharmaceutical company focused on developing innovative products in the injectable and ophthalmic space.

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

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

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

Scynexis, Inc.: Based in Jersey City, NJ, is a biotechnology company focused on clinical research and development of ibrexafungerp, a novel oral and intravenous (IV) triterpenoid antifungal, to treat life-threatening fungal infections, such as vulvovaginal candidiasis (VVC), invasive aspergillosis (IA), invasive candidiasis (IC), and refractory invasive fungal infections (rIFI). (and is new to ATC).

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

SplitByte, Inc: Based in Princeton, NJ. is a digital “safe-harbor” platform for decentralized data protection, which randomizes and geo-disperses data, offering a higher level of data protection than traditional encryption. The SplitByte "cyber vaccine" protects against the cyber pandemic of system breaches, ransomware, quantum attacks and insider threats.

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

Svelte Medical Systems, Inc.: Based in New Providence, NJ, has developed the lowest profile and most deliverable balloon expandable stent in the market, along with technology to create a noninflammatory Drug Eluting Stent (DES).

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

Vitalize Health, Inc.: Based in Hoboken, NJ, has designed a software to be used on mobile phones, tablets, laptops and desktops that enable independent primary care physicians to offer telemedicine, chronic care management, behavioral health, and other preventive services remotely to senior patients. The company is in the process of expanding its technology offering to practices including a clearing house solution that optimizes billing and a patient management dashboard offering access to a suite of tools to help manage patient care.

XLink LLC: Based in Morristown, NJ. is researching, developing, testing, and building computer-controlled automated machines, robots, and systems to be used in the warehouse, distribution, ecommerce, and retail industries.

Angel Tax Credit Program Q3 2022 Declinations

Company	Investors	Reason for Declination
Ventis Medical, Inc	GHO Ventures, LLC	did not meet the ATC program employee requirements.
	Eric H. Waser	did not meet the ATC program employee requirements.
	Karen Laub	did not meet the ATC program employee requirements.

From program inception in 2013 through Q3 of 2022, the Authority has approved 2,556 applications for tax credits representing over $791 million invested in 132 New Jersey-based businesses.

Please find a detailed list of all ATC applications that were approved under delegated authority during the third quarter of 2022 in Exhibit A.

NJ Ignite Program

NJ Ignite offers grants to support the rent of early-stage technology and life science companies located in a NJ Ignite approved collaborative workspace. Grants vary in amount. The start-up must commit to work for a specified time at the collaborative space under established agreements in which the workspace will partner to forego an element of the rent to support the business. As of December 31st, 2021, there were 22 approved collaborative spaces in New Jersey.

As of January 7, 2021, the Governor signed into law the Economic Recovery Act of 2020 (ERA) which results in the creation of the NJ Ignite Statutory Program. To ensure continuous NJ Ignite program operations, specific changes were approved by the Board on May 12, 2021, so that the NJ Ignite Pilot Program conforms to the NJ Ignite Legislative Program as outlined in the ERA. These updates included moving the annual reporting deadline to the calendar year end from one year anniversary date, increasing the maximum benefit from $15,000 to $25,000, expanding the eligible industries to align with current NJEDA targeted industries, extending the earliest formation date from application date to seven years, and adding two more stackable bonuses for M/WBEs and foreign companies. Updated Regulations for the NJ Ignite Legislative Program created by the ERA are anticipated to be presented to the Board in 2022.

NJ Ignite Program – Q3 2022 Review

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

In the third quarter of 2022, staff continued conducting the required annual review of all approved workspaces. The review includes verification each workspace held at least eight eco-system building events throughout the year. Each workspace will also be required to submit a current certificate of liability insurance and tax clearance. Upon request for year-end reports, of the 18 workspaces, 1 withdrew from the program, 5 completed and submitted all documents, 5 have partially submitted the required docs, and 8 have been unresponsive. Follow-up with the outstanding workspaces will continue throughout the fourth quarter. Explanations for NJ Ignite site withdrawals include executive decisions to not forego rent, the difficulty of holding events in spaces, and worksite closures.

At the end of Quarter 3 of 2022, 17 approved workspaces remain active.

There was one new Tenant Application Approval and no new Workspace Approvals in the third quarter. One NJ Ignite benefit disbursement was made.

NJ Ignite Program Tenant Approvals

Tenant Name	Workspace Name	EDA Grant	Number of Employees	Approval Date
Project Plastic, LLC.	Princeton BioLabs	$19,600	2	8/17/2022

NJ Ignite Program Disbursements

Tenant Name	Workspace Name	EDA Grant	Number of Employees	Approval Date
Singlet02 Therapeutics LLC.	VentureLink (NJIT)	$14,000	6	9/30/2022

NJ Ignite Workspace Withdrawals

Workspace Name	Workspace Location
Mission 50	Hoboken, NJ

NJ Entrepreneur Support Program (NJESP) Covid Relief Program

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

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

Investors in three companies (Sunray Scientific LLC, POM Partners, Inc. and Ricovr Healthcare, Inc.) converted their promissory notes into equity within the one-year term of the guarantee. The Authority has received warrants in each company for the equity conversion as specified by the NJESP.

NJ Entrepreneur Support Program – Q3 2022 Review

All investor note guarantees and the window to request guarantee payment have reached the expiration. One investor (NAP IV LLC) in one company (Sweetberry Holdings LLC) had submitted a request for guarantee payment. Staff determined all conditions were met. Given partial repayment was made on the guarantee convertible, the guarantee amount was reduced accordingly. The request for guarantee payment was approved by the NJEDA and agreed to by the company and investor. The final note amount guaranteed by the NJEDA was $75,000 resulting in $60,000 payment to the investor (80% of investor's note). In accordance with the guarantee's terms, the NJEDA assumed the investor's note and final collection on the outstanding balance is being managed by NJEDA's Special Loan Management department.

This represents the last action for the NJESP. The Program will no longer be included in future memorandums to the Board.

NJ Accelerate Program

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

The Authority began accepting applications to become an approved accelerator during fourth quarter of 2020. On November 12th, 2020, Morgan Stanley Multicultural Innovation Lab became the first approved accelerator. The Authority approved Cleantech Open Northeast on April 13th, 2021, becoming the second approved accelerator, followed by VentureWell's Aspire program which was approved on May 14th, 2021. In the third quarter 2021, University City Science Center's Launch Lane Accelerator was approved to participate in the Program on September 1st, 2021. HAX LLC is the most recent Accelerator program approved for participation in NJ Accelerate on April 4th, 2022.

NJ Accelerate Program Approved Accelerators

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

NJ Accelerate Program – Q3 2022 Review

Reviews and discussions continued in the third quarter, but there were no new approvals for accelerator programs, accelerator event sponsorships, or graduate company rent benefits.

The loan benefit for NJ Accelerate does not have Delegated Approval Authority. Application recommendations are submitted to the NJEDA Board of Directors for final approval. At the end of the third quarter, the Board had approved loan benefit applications for four graduate companies. Those were ABF Creative Inc. (graduate of Morgan Stanley Multicultural Innovation Lab), Arke Aeronautics LLC (graduate of Launch Lane), and EnvoyatHome Inc. (graduate of Launch Lane). In second quarter Board meetings, a loan benefit application was approved for Princeton NuEnergy (graduate of Cleantech Open Northeast). Of these four, EnvoyatHome completed the closing process and receive the NJ Accelerate loan benefit in the third quarter. The other 3 companies declined to move forward with closing and withdrew due to receiving new financing from outside investors/capital sources or concerns around meeting program requirements.

New Jersey Zero-emission Incentive Program (NJ ZIP)

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

The primary goals of this pilot program are to:

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

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

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

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

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

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

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

New Jersey Zero-emission Incentive Program – Q3 2022 Review

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

In the third quarter of 2022, no new zero-emission vehicle vendors were approved to participate in NJ ZIP, however one vendor did withdraw, reducing the total approved vendors to sixteen (16). Three (3) other vendors applied but did not submit complete applications and thus were not approved before the Phase 1 application closed. In Q3 2022, forty-four (44) new purchaser waitlist submission were made to the Program. Of these, forty (40) have been moved from waitlist to submitted status. Inclusive of waitlist submissions that have transitioned to submitted applications, the total submitted purchaser applications is two-hundred seventy-five (275). Of these, fifty-eight (58) purchaser applications were approved in Q3 2022 for a total of $11,687,250 across 111 vouchers. These 58 purchasers' 111 vouchers support the addition of 111 zero-emission medium-duty vehicles on New Jersey roads once the vouchers are redeemed, supplied by 5 different vendors. In Q3, 96.5% of the approved purchaser applicants are small businesses (receiving a 25% funding bonus) and 60% are minority-, woman-, and/or veteran-owned (receiving an additional $4,000 bonus per vehicle per qualifying certification); all Q3 2022 approved applicants will operate and/or register their vehicles within the greater Camden (4 purchasers), greater Newark (18 purchasers), greater New Brunswick (6 purchasers), or greater Shore (30 purchasers) areas. One applicant withdrew from the program in Q3, as they could not agree to the contractual terms of the program. The remaining applications received through the end of the third quarter are currently under review by Staff. In total, eleven approved vouchers have been redeemed as of the end of the third quarter, totaling $3,405,000.

New Jersey Zero-emission Incentive Program Q3 2022 Results

Purchaser Applicant	Vendor	Purchaser Location	SBE	MBE	WBE	VBE	# of Vehicles	Voucher Approved $
Gerson Bakery & Café Company	Adomani Inc	Greater Newark	Yes				1	$93,750
Nicholas Tjoumakaris	Endera Motors, LLC*	Greater Shore	Yes				2	$225,000
Wysocki Electric	Adomani Inc	Greater Camden	Yes				2	$187,500
Mohamed Abouhalawa	Endera Motors, LLC*	Greater Shore	Yes	Yes			2	$233,000
Mohammed Alam	Endera Motors, LLC*	Greater Shore	Yes	Yes			1	$116,500
Zerin Tanmim	Endera Motors, LLC*	Greater Shore	Yes	Yes	Yes		2	$241,000
Dennis Fitzgerald	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
MD Nezam U Khan	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
Pantelis Kounis	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
Vicki Piperato	Endera Motors, LLC*	Greater Shore	Yes				2	$233,000
Raymond J. Williams	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
Amazon Logistics Inc	Hudson County Motors, Inc.	Greater Newark					15	$1,500,000
Salvatore Bancheri	Endera Motors, LLC*	Greater Shore	Yes				2	$225,000
Sirajul Islam	Endera Motors, LLC*	Greater Shore	Yes	Yes			2	$233,000
Stefanos Koutsfetsoulis	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
Thanh K. Hong	Endera Motors, LLC*	Greater Shore	Yes	Yes			1	$116,500

Tony Kara	Endera Motors, LLC*	Greater Shore	Yes				2	$225,000
Salvatore Calabro	Endera Motors, LLC*	Greater Shore	Yes				2	$225,000
Tango Direct NJ LLC	H.K. Trucking Services Inc	Greater Newark	Yes				1	$125,000
Seung Hee Yoo	Endera Motors, LLC*	Greater Shore	Yes	Yes			1	$116,500
CHE Newspapers LLC	GreenPower Motor Company, Inc.	Greater New Brunswick	Yes	Yes			1	$97,750
Ahasanul Hasan	Endera Motors, LLC*	Greater Shore	Yes	Yes			2	$233,000
Konstantinos Gasis	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
Siming Xie	Endera Motors, LLC*	Greater Shore	Yes	Yes			1	$116,500
LA DELICIOSA LLC	Adomani Inc	Greater Newark	Yes				2	$187,500
Picco Partners, LLC	GreenPower Motor Company, Inc.	Greater Newark	Yes				3	$281,250
Supreme Green Team LLC	HK Truck Services Inc	Greater Newark	Yes	Yes			3	$387,000
Rival Gauthier	Endera Motors, LLC*	Greater Shore	Yes	Yes			2	$233,000
Zaharias Bournousouzis	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
Jazbell Transportation LLC	Adomani Inc.	Greater Newark	Yes	Yes	Yes		2	$199,000
Alerta Delivery LLC	Adomani Inc	Greater Newark	Yes	Yes	Yes		2	$199,500
Carlos Savinon	Endera Motors, LLC	Greater Shore	Yes	Yes			1	$116,500
T & P Jitney	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500

T&S Alexandria Transport	T&S Alexandria Transport	Greater Shore	Yes	Yes			2	$233,000
Brian Reich	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
NightStar Blends Transport LLC	H.K. Trucking Services Inc	Greater Newark	Yes	Yes	Yes		1	$133,000
Jesus Sorto	Endera Motors, LLC*	Greater Shore	Yes	Yes			2	$233,000
Bendita Arepa	GreenPower Motor Company, Inc.	Greater Newark	Yes	Yes	Yes		3	$305,250
Pick & Send LLC	Adomani Inc	Greater Camden	Yes	Yes			4	$391,000
Cassandra Clark	Endera Motors, LLC*	Greater Shore	Yes	Yes	Yes		1	$120,500
Yun Lee	Endera Motors, LLC*	Greater Shore	Yes	Yes			1	$116,500
D&S Management Consulting LLC	Envirotech Vehicles Inc	Greater Newark	Yes	Yes	Yes		2	$199,000
Fiozait-A LLC	Envirotech Vehicles Inc	Greater Newark	Yes				2	$187,500
IPPsolar Transport LLC	H.K. Trucking Services Inc	Greater Newark					5	$500,000
Sabor 3 Colores LLC	Adomani Inc	Greater New Brunswick	Yes	Yes			1	$97,750
William Rogers	Endera Motors, LLC*	Greater Shore	Yes				1	$112,500
D.I.A. Supermarket LLC	Adomani Inc	Greater Newark	Yes	Yes			1	$97,750
King Delicatessen LLC	Adomani Inc	Greater New Brunswick	Yes	Yes			1	$97,750
Garden Paper NJ Corp	Adomani Inc	Greater Newark	Yes	Yes	Yes		1	$99,500
Kevin Chau	Endera Motors, LLC*	Greater Shore	Yes	Yes			1	$116,500

Auto Virtual LLC	Adomani Inc	Greater Camden	Yes	Yes			7	$684,250
Salus Per Aquam LLC	GreenPower Motor Company, Inc.	Greater Newark	Yes	Yes	Yes		2	$205,500
KLM Transportation LLC	Envirotech Vehicles Inc	Greater New Brunswick	Yes	Yes	Yes		2	$99,500
Geoponica Greens LLC	Envirotech Vehicles Inc	Greater Camden	Yes	Yes			1	$97,500
Order and Ease LLC	GreenPower Motor Company, Inc.	Greater Newark	Yes	Yes	Yes		1	$101,750
Dafer Tax & Accounting Services	GreenPower Motor Company, Inc.	Greater New Brunswick	Yes	Yes	Yes		1	$101,750
Edison TexMex Deli LLC	GreenPower Motor Company, Inc.	Greater New Brunswick	Yes	Yes			1	$97,750
Alberta Delivery LLC	Adomani Inc	Greater Newark	Yes	Yes	Yes		1	$99,500
Totals:	**58 applicants**						**111**	**$11,687,250**

*Vendor qualified for NJ Manufacturing bonus (additional 25% on top of base voucher)
Note: Adomani Inc changed its name to Envirotech Vehicles Inc.

New Jersey Film and Digital Media Tax Credit Program

Originally created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 35% of qualified film production expenses, or 30% of qualified film production expenses incurred for services performed and tangible personal property purchased for at a sound stage or other 30-mile radius of the intersection of Eighth venue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New, York. Under the Digital Media Tax Credit Program, applicants are eligible for 30% of qualified digital media production expenses and 35% for qualified digital media production expenses purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

On April 13, 2022, the Board approved the delegations of authority for the New Jersey Film and Digital Media Tax Credit Program. Film Tax Credit applications seeking $10 million or less, and

Digital Media Tax Credit applications seeking $3 million or less in tax credits can be approved under the updated delegations of authority.

New Jersey Film and Digital Media Tax Credit Program Q3 2022 Results

In the third quarter of 2022, there were 13 applications approved under delegated authority for a total of $20,692,252.

	Applicant Name	PROD #	Award Amount	Approval
1	AT Films LLC	PROD-00301943	$ 450,382	7/13/2022
2	Bibi Productions, LLC	PROD-00288729	$ 300,742	7/20/2022
3	DOTB Film LLC	PROD-00303207	$ 1,303,940	7/21/2022
4	Eternal Buzz Inc	PROD-00303861	$ 946,324	7/28/2022
5	Gadget Films LLC	PROD-00303065	$ 1,719,603	8/15/2022
6	Vacation Home Productions, LLC	PROD-00303896	$ 1,883,490	8/15/2022
7	Gadget Films LLC	PROD-00303065	$ 1,719,603	8/15/2022
8	ABC Signature NJ LLC	PROD-00303866	$ 2,005,673	8/16/2022
9	Minstinct Inc	PROD-00303887	$ 3,903,597	8/22/2022
10	Universal Television LLC	PROD-00302559	$ 2,286,581	8/22/2022
11	Universal Television LLC	PROD-00303181	$ 626,642	8/24/2022
12	TKR The Movie Inc	PROD-00303064	$ 3,162,368	8/29/2022
13	Queens LLC	PROD-00300645	$ 383,307	9/16/2022
			$ 20,692,252	

Tim Sullivan, CEO

Angel Investor Tax Credit Prepared by:
Christopher Shyers

NJ Ignite Prepared by:
Jerrel Burney

NJ Entrepreneur Support Program Prepared by:
Clark Smith

NJ Accelerate Prepared by:
Monika Athwal

New Jersey Zero-emission Incentive Program Prepared by:
Victoria Carey

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

Memo Prepared by:
Clark Smith

EXHIBIT A

Q3 2022 Delegated Approvals - Angel Investor Tax Credit

Investor	Employees	Company Invested In	Investment Amount	Tax Credit Amount
Gerald Owens & Jaquelyn Keene-Owens		4.0 ANALYTICS INC	$50,000	$10,000
1	**NJ: 2 Total: 2**	4.0 ANALYTICS INC	$50,000	$10,000
Ivan Wanat Martin		911inform Holdings Inc	$300,000	$60,000
Simran Bhatia		911inform Holdings Inc	$50,000	$10,000
Simran Bhatia		911inform Holdings Inc	$30,000	$6,000
Richard Ruffino		911inform Holdings Inc	$50,000	$10,000
John Peter Tsakiris		911inform Holdings Inc	$50,000	$10,000
5	**NJ: 23 Total: 30**	911inform Holdings Inc	$480,000	$96,000
David S Washburn		Acuitive Technologies, Inc.	$225,000	$45,000
Michael P McCarthy		Acuitive Technologies, Inc.	$250,000	$50,000
2	**NJ: 20 Total: 20**	Acuitive Technologies, Inc.	$475,000	$95,000
David M Stern Family 2011 Trust		Angel Medical Systems, Inc.	$50,000	$10,000
Gordon Nye		Angel Medical Systems, Inc.	$50,000	$10,000
2	**NJ: 28 Total: 31**	Angel Medical Systems, Inc.	$100,000	$20,000
Barbara Cordes		Aspargo Laboratories, Inc.	$25,000	$5,000
Sean T. Keating		Aspargo Laboratories, Inc.	$20,000	$4,000
2	**NJ: 2 Total: 2**	Aspargo Laboratories, Inc.	$45,000	$9,000
GVC Holdings (USA) Inc		BetMGM LLC	$9,999,960	$500,000
MGM Sports & Interactive Gaming, LLC		BetMGM LLC	$10,000,000	$500,000
2	**NJ: 85 Total: 100**	BetMGM LLC	$19,999,960	$1,000,000
Christiane Buyle		BioAegis Therapeutics, Inc.	$25,000	$5,000
Bert Claeys		BioAegis Therapeutics, Inc.	$25,000	$5,000
Paulus Balthazar De Winter		BioAegis Therapeutics, Inc.	$24,996	$4,999
Jan Daneels		BioAegis Therapeutics, Inc.	$20,415	$4,083
Luc Neyrinck - Carine Franssen		BioAegis Therapeutics, Inc.	$14,975	$2,995
Luc De Groote		BioAegis Therapeutics, Inc.	$28,613	$5,723
Brecht Gielen		BioAegis Therapeutics, Inc.	$44,700	$8,940
Patrick van den Nest		BioAegis Therapeutics, Inc.	$20,438	$4,088
Ellen van Lierde-Bonte		BioAegis Therapeutics, Inc.	$16,365	$3,273
Dan Pritchett		BioAegis Therapeutics, Inc.	$306,563	$61,313
Bernard Opsomer		BioAegis Therapeutics, Inc.	$10,358	$2,072

Robert and Mary Cavello		BioAegis Therapeutics, Inc.	$9,923	$1,985
Christine E Lagana		BioAegis Therapeutics, Inc.	$40,875	$8,175
Steven van den Ham		BioAegis Therapeutics, Inc.	$20,438	$4,088
Tristar Foundation		BioAegis Therapeutics, Inc.	$20,513	$4,103
Thiark Sietzema		BioAegis Therapeutics, Inc.	$23,595	$4,719
Jurgen Van Berleere		BioAegis Therapeutics, Inc.	$12,000	$2,400
C.G. Van Ham Blacquiere		BioAegis Therapeutics, Inc.	$36,788	$7,358
Jan Hengeveld		BioAegis Therapeutics, Inc.	$55,000	$11,000
19	**NJ: 10 Total: 11**	BioAegis Therapeutics, Inc.	$756,555	$151,314
Siew L. Chung		Bionex Pharmaceuticals LLC	$200,000	$50,000
1	**NJ: 4 Total: 4**	Bionex Pharmaceuticals LLC	$200,000	$50,000
Mark Leslie Baum		Calamu Technologies Corporation	$20,000	$4,000
1	**NJ: 6 Total: 7**	Calamu Technologies Corporation	$20,000	$4,000
Affinity Healthcare Special SG, L.P.		Ceptur Therapeutics Inc.	$2,000,000	$400,000
Affinity Healthcare Fund LP		Ceptur Therapeutics Inc.	$1,800,000	$360,000
2	**NJ: 3 Total: 4**	Ceptur Therapeutics Inc.	$3,800,000	$760,000
Breakthrough Diagnostics, LLC		Durin Technologies Inc.	$3,320,100	$500,000
Rene Chaze		Durin Technologies Inc.	$180,000	$36,000
Breakthrough Diagnostics, LLC		Durin Technologies Inc.	$3,320,000	$500,000
Rene Emile Chaze		Durin Technologies Inc.	$180,000	$36,000
4	**NJ: 4 Total: 5**	Durin Technologies Inc.	$7,000,100	$1,072,000
Joel L Hochman Revocable Trust		Elucida Oncology, Inc.	$24,999	$5,000
Renee Herzing 2018 Revocable Trust		Elucida Oncology, Inc.	$121,600	$24,320
The Carnahan Trust UAD 8/11/95 Kevin Carnahan & Laurie Carnahan TTEE		Elucida Oncology, Inc.	$100,000	$20,000
Kirill Tatarinov		Elucida Oncology, Inc.	$47,250	$9,450
4	**NJ: 14 Total: 17**	Elucida Oncology, Inc.	$293,849	$58,770
Laurence L Betterley Revocable Trust		Endomedix, Inc	$15,000	$3,000
1	**NJ: 2 Total: 2**	Endomedix, Inc	$15,000	$3,000
Schone Afwerking, LLC		Evergreen Theragnostics, Inc.	$50,000	$10,000
Bepex Holdings LTD		Evergreen Theragnostics, Inc.	$499,974	$99,995

2	**NJ: 4 Total: 4**	Evergreen Theragnostics, Inc.	$549,974	$109,995
The Kihara Kiarie Revocable Trust		FKAWV Inc	$11,357	$2,271
1	**NJ: 4 Total: 4**	FKAWV Inc	$11,357	$2,271
Lauren Rosenberg-Moffitt		Hope Portal Services, Inc	$50,000	$10,000
Lauren Rosenberg Moffitt		Hope Portal Services, Inc	$250,000	$50,000
Robert Connell		Hope Portal Services, Inc	$600,000	$120,000
Vincent Tizzio		Hope Portal Services, Inc	$100,000	$20,000
4	**NJ: 5 Total: 6**	Hope Portal Services, Inc	$1,000,000	$200,000
Realaspire, LLC		ImageProVision, Inc.	$25,000	$6,250
1	**NJ: 1 Total: 1**	ImageProVision, Inc.	$25,000	$6,250
Pacific Premier Trust Custodian FBO Jai Prakash Pandu IRA		Inspirit Group LLC	$50,000	$10,000
Makina Group LLC		Inspirit Group LLC	$12,000	$2,400
James Courter		Inspirit Group LLC	$50,000	$10,000
3	**NJ: 17 Total: 22**	Inspirit Group LLC	$112,000	$22,400
Robert Meggs		Integrate Tech, Inc.	$20,000	$4,000
1	**NJ: 3 Total: 3**	Integrate Tech, Inc.	$20,000	$4,000
Wirta Family Trust		iSport360, Inc.	$250,000	$50,000
1	**NJ: 3 Total: 3**	iSport360, Inc.	$250,000	$50,000
Frederick Margulies		Leap Holdings Inc	$25,000	$5,000
1	**NJ: 11 Total: 13**	Leap Holdings Inc	$25,000	$5,000
Haoming Qu		NanoTech Pharma, Inc.	$500,000	$100,000
Xiaofei Wang & Yanhua Zhang		NanoTech Pharma, Inc.	$500,000	$100,000
Jing Lu		NanoTech Pharma, Inc.	$285,750	$57,150
Min Zhang		NanoTech Pharma, Inc.	$100,000	$20,000
Haoming Qu		NanoTech Pharma, Inc.	$100,000	$20,000
5	**NJ: 9 Total: 9**	NanoTech Pharma, Inc.	$1,485,750	$297,150
Lymo LP		Neumentum, Inc.	$16,000	$3,200
MIBIT Capital Holding Co.		Neumentum, Inc.	$381,500	$76,300
Venture LW, LLC		Neumentum, Inc.	$500,000	$100,000
Thomas S. Glover Securities LLC		Neumentum, Inc.	$25,000	$5,000
Kristoffer Ryan Alpas de Lara		Neumentum, Inc.	$40,000	$8,000
Timothy Hogue		Neumentum, Inc.	$50,000	$10,000
Michael Bosner		Neumentum, Inc.	$10,000	$2,000

Mark A. Brodsky Restated 2013 Revocable Trust		Neumentum, Inc.	$1,500,000	$300,000
Satterfield Vintage Investments LP		Neumentum, Inc.	$2,200,000	$440,000
Granite Creek Exempt Trust		Neumentum, Inc.	$600,000	$120,000
10	**NJ: 3 Total: 3**	Neumentum, Inc.	$5,322,500	$1,064,500
Sunita Yeleswarapu		Nevakar Inc.	$100,000	$20,000
New Ventures Funds LLC		Nevakar Inc.	$200,000	$40,000
2	**NJ: 65 Total: 65**	Nevakar Inc.	$300,000	$60,000
Robert W. Fischman		POM Partners, Inc.	$49,998	$12,500
1	**NJ: 5 Total: 6**	POM Partners, Inc.	$49,998	$12,500
PNE LIMITED PARTNER LLC		Princeton NuEnergy Inc.	$1,500,000	$375,000
Anthink Limited		Princeton NuEnergy Inc.	$250,000	$62,500
2	**NJ: 12 Total: 16**	Princeton NuEnergy Inc.	$1,750,000	$437,500
Brian Quantz Streit		Ricovr Healthcare Inc.	$25,000	$5,000
1	**NJ: 4 Total: 4**	Ricovr Healthcare Inc.	$25,000	$5,000
Armando Anido		SCYNEXIS, INC.	$31,250	$6,250
Steven Gilman		SCYNEXIS, INC.	$25,000	$5,000
Guy Macdonald		SCYNEXIS, INC.	$50,000	$10,000
3	**NJ: 45 Total: 37**	SCYNEXIS, INC.	$106,250	$21,250
Gurpartap S. Sachdeva		SHINKEI THERAPEUTICS INC	$100,000	$20,000
ANDA Investment Fund LLC		SHINKEI THERAPEUTICS INC	$1,500,000	$300,000
Ram Potti Sudha R Potti		SHINKEI THERAPEUTICS INC	$300,000	$60,000
Arvind and Leena Jindia		SHINKEI THERAPEUTICS INC	$150,000	$30,000
Jahnvi Gaudani		SHINKEI THERAPEUTICS INC	$100,000	$20,000
Sukhjender S. Goraya		SHINKEI THERAPEUTICS INC	$100,000	$20,000
6	**NJ: 3 Total: 3**	SHINKEI THERAPEUTICS INC	$2,250,000	$450,000
Vijai Aanand Rangarajan		SplitByte, Inc.	$50,000	$10,000
1	**NJ: 1 Total: 1**	SplitByte, Inc.	$50,000	$10,000
Tech Council Ventures II LP		SunRay Scientific, Inc.	$496,565	$124,141
Tech Council Ventures II-AI LP		SunRay Scientific, Inc.	$125,935	$31,484
2	**NJ: 8 Total: 8**	SunRay Scientific, Inc.	$622,500	$155,625
David R Fischell		Svelte Medical Systems, Inc.	$11,585	$2,317
Croce Family Gift Trust		Svelte Medical Systems, Inc.	$275,165	$55,033
Sarah Fischell Family Trust		Svelte Medical Systems, Inc.	$8,367	$1,673
Croce Family Gift Trust		Svelte Medical Systems, Inc.	$274,843	$54,969
Sarah Fischell Family Trust		Svelte Medical Systems, Inc.	$8,045	$1,609
5	**NJ: 18 Total: 19**	Svelte Medical Systems, Inc.	$578,005	$115,601

Robert P. Roesener		Vaneltix Pharma Inc	$6,000	$1,500
Ron Busslinger		Vaneltix Pharma Inc	$35,000	$8,750
Pamela Marrs		Vaneltix Pharma Inc	$50,000	$12,500
3	**NJ: 2 Total: 2**	Vaneltix Pharma Inc	$91,000	$22,750
Khaled Kana'an		Vytalize Health Inc.	$120,000	$24,000
Mark El-Khoury		Vytalize Health Inc.	$500,000	$100,000
Christopher Denis Landgraff		Vytalize Health Inc.	$50,000	$10,000
SRG Capital LLC		Vytalize Health Inc.	$250,000	$50,000
4	**NJ: 7 Total: 9**	Vytalize Health Inc.	$920,000	$184,000
Andrew K. & Elizabeth B. Sands		XLINK LLC	$180,000	$36,000
Nathan Irwin Eckstut		XLINK LLC	$49,680	$9,936
James Stephen DuBroff		XLINK LLC	$49,680	$9,936
Glenn Joseph Eckstut		XLINK LLC	$49,680	$9,936
Andrew K. Sands 2012 Trust		XLINK LLC	$540,000	$108,000
5	**NJ: 3 Total: 3**	XLINK LLC	$869,040	$173,808
TOTAL: 110			**$49,648,838**	**$6,738,684.00**