NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Melissa Orsen
Chief Executive Officer

DATE: April 12, 2016

SUBJECT: Agenda for Board Meeting of the Authority April 12, 2016

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

Chief Executive Officer's Monthly Report to the Board

Incentive Programs

Bond Projects

Loans/Grants/Guarantees

Edison Innovation Fund

Office of Recovery

Board Memorandums

Real Estate

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

March 11, 2016

MINUTES OF THE MEETING

Members of the Authority present: Al Koeppe, Chairman; Peter Simon representing Acting State Treasurer Ford M. Scudder; Jeffrey Stoller representing Commissioner Hal Wirths of the Department of Labor and Workforce Development; Public Members: Charles Sarlo, David Huber, Fred B. Dumont; Massiel Medina Ferrara, and Harold Imperatore, Third Alternate Public Member.

Members Present via conference call: Colleen Kokas representing the Commissioner of the Department of Environmental Protection; and Public Member Philip B. Alagia.

Absent: Commissioner Richard Badolato of the Department of Banking and Insurance; Public Members Joseph McNamara, Vice Chairman; Larry Downes, Patrick Delle Cava, First Alternate Public Member; William J. Albanese, Sr., Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Bette Renaud, Deputy Attorney General; Michael Collins, Governor's Authorities' Unit; and staff.

Chairman Koeppe called the meeting to order at 10 a.m.

Pursuant to the Internal Revenue Code of 1986, Ms. Orsen announced that this was a public hearing and comments are invited on any Private Activity bond projects presented today.

In accordance with the Open Public Meetings Act, Ms. Orsen 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 State House.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the February 9, 2016 meeting minutes. A motion was made to approve the minutes by Mr. Stoller and seconded by Mr. Huber, and was approved by the 10 voting members present.

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

CHIEF EXECUTIVE OFFICER'S MONTHLY REPORT TO THE BOARD

INCENTIVE PROGRAMS

Grow New Jersey Assistance Program

ITEM: Conifer Asset Solutions, LLC APPL.#42216
REQUEST: To approve the application of Conifer Asset Solutions, LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, in Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development, Jobs with Salary in Excess of County Average and Targeted Industry of Finance. The estimated annual award is $440,000 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: Symrise, Inc. APPL.#41647
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

ITEM: Symrise, Inc. APPL.#41647
REQUEST: To approve the application of Symrise Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Branchburg Twp. and Teterboro Borough, NJ. Project location of Branchburg Twp., in Somerset County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Capital Investment in Excess of Minimum (non-Mega), Large Number of New/Retained F/T Jobs and Targeted Industry of Manufacturing. The estimated annual award is $255,437 for a 10-year term. In addition, the project location of Teterboro Borough, in Bergen County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development, Jobs with Salary in Excess of County Average, Large Number of New/Retained F/T Jobs and Targeted Industry of Manufacturing. The estimated annual award is $769,993 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: Tangoe, Inc. APPL.#42129
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

ITEM: Tangoe, Inc. APPL.#42129

REQUEST: To approve the application of Tangoe, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Parsippany-Troy Hills, NJ. Project location of Parsippany-Troy Hills, in Morris County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Large Number of New/Retained F/T Jobs and Targeted Industry of Technology. The estimated annual award is $504,381 for a 10-year term.

MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Huber **AYES:** 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: United States Fire Insurance Company APPL.#42217

REQUEST: To approve the application of United States Fire Insurance Company, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, in Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development, Jobs with Salary in Excess of County Average and Targeted Industry of Finance. The estimated annual award is $800,000 for a 10-year term.

MOTION TO APPROVE: Mr. Huber **SECOND:** Ms. Ferrara **AYES:** 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Grow New Jersey Assistance Program Modifications

ITEM: EMR Eastern, LLC APPL.#41233

REQUEST: To approve the modification request for deadline extension.

MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

BOND PROJECTS

Combination Preliminary and Bond Resolutions

ITEM: Yeshiva Shagas Aryeh, Inc. APPL.#41030

LOCATION: Lakewood Twp., Ocean County

PROCEEDS FOR: Refinancing

FINANCING: $3,600,000 Tax-exempt bond

MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller **AYES:** 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

Preliminary Bond Resolutions

ITEM: MSC Vine Street LLC APPL.#42262
LOCATION: Camden City, Camden County
PROCEEDS FOR: Renovation of existing building
FINANCING: $38,980,000
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Uncommon CP Properties II, LLC APPL.#42263
LOCATION: Camden City, Camden County
PROCEEDS FOR: Renovation of Existing Building
FINANCING: $35,795,000
MOTION TO APPROVE: Mr. Huber **SECOND:** Ms. Ferrara **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

LOANS/GRANTS/GUARANTEES

New Markets Loan Program

ITEM: Goodmill, LLC
REQUEST: Six month maturity extension.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Ferrara **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Camden Economic Recovery Board

ITEM: Camden Economic Recovery Board
REQUEST: To approve modifications for previously approved projects and suspension of Business Lease and Improvement Incentive Grant programs.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Petroleum Underground Storage Tank Program

FOR INFORMATION ONLY: PUST and HDSRF Program Funding Status

ITEM: Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Estate of Conrad Vuocolo, Jr. APPL.#41266
LOCATION: Point Pleasant Beach Borough, Ocean County
PROCEEDS FOR: Remediation
FINANCING: $236,953

PROJECT: Ness, Inc. . APPL.#40632
LOCATION: Chatham Borough, Morris County
PROCEEDS FOR: Remediation
FINANCING: $115,015

PROJECT: James Thoma APPL.#41060
LOCATION: East Rutherford Borough, Bergen County
PROCEEDS FOR: Remediation
FINANCING: $59,084

PROJECT: Clementina Carrero . APPL.#41836
LOCATION: Gloucester City, Camden County
PROCEEDS FOR: Remediation
FINANCING: $154,360

Hazardous Discharge Site Remediation Fund Program

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Imperatore **SECOND:** Mr. Stoller **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Foundry Street Development, LLC APPL.#41160
LOCATION: Newark, Essex County
PROCEEDS FOR: Remedial Investigation
FINANCING: $350,000

PROJECT: Camden Redevelopment Agency APPL.#41723
LOCATION: Camden City, Camden County
PROCEEDS FOR: Remedial Investigation
FINANCING: $42,454

EDISON INNOVATION FUND

Edison Venture Capital Growth Funds

ITEM: DealCloud, Inc.
REQUEST: Approval of $1,000,000 loan from Edison VC Growth Fund.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Prazas Learning, Inc.
REQUEST: Approval of $800,000 loan from Edison VC Growth Fund.
MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

BOARD MEMORANDUMS

ITEM: Sterling National Bank
REQUEST: Approve addition of Sterling National Bank as a Premier Lender.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Ms. Ferrara **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

FOR INFORMATION ONLY: Projects Approved Under Delegated Authority

Premier Lender Program:
CPTC Real Estate Holdings LLC (P41967)

Small Business Fund Program:
Jaryi Family Shore Holding, LLC (P42083)

Camden ERB:
Dean Taly Properties Inc. (P42058)

Stronger NJ Business Loan Program:
Bobbalooch and Fats LLC (P41621)
Cayman Associates LLC (P41643 & P41507)

New Jersey Business Growth Fund – Modification:
Clifton-Wallington Medical Group, P.A. and Bartnik Properties LLC (P42099)

REAL ESTATE

ITEM: FMERA Purchase and Sale & Redevelopment Agreement
REQUEST: To consent to the Fort Monmouth Economic Revitalization Authority entering into the redevelopment agreement that is contained within FMERA's Purchase and Sale & Redevelopment Agreement with Monmouth County for the sale and renovation of Building 2657 in the Tinton Falls section of the former Fort Monmouth.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

ITEM: FMERA Purchase and Sale & Redevelopment Agreement
REQUEST: To consent to the Fort Monmouth Economic Revitalization Authority entering into the redevelopment agreement that is contained within FMERA's Purchase and Sale & Redevelopment Agreement with Kiely Realty, LLC for the sale and renovation of the Pistol Range, the Fire and Police Training Area and the Satellite Drive Parcel in the Tinton Falls section of the former Fort Monmouth.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Dumont **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

ITEM: Camden Waterfront – Approval of Master Plan
REQUEST: Approval of the proposed master plan, entitled "Camden Waterfront 2016: A Master Plan Vision".
MOTION TO APPROVE: Mr. Huber **SECOND:** Ms. Ferrara **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PUBLIC COMMENT

Garret O'Connor, Organizer, Retail, Wholesale, and Department Store Union (RWDSU) thanked the board for allowing him to speak last month regarding his concerns pertaining to Deep Foods, a company allegedly engaging in harsh anti- union tactics against employees who are attempting to unionize. Deep Foods has been approved for financing from the EDA.

Mr. O'Connor introduced Tom Walsh, President Local 262, RWDSU; and Cesar Suarez, former Deep Foods employee who says he was terminated for attempting to unionize. Mr. O'Connor and Mr. Suarez addressed the board and expressed their gratitude for allowing them to speak. Their statements are attached.

Chairman Koeppe thanked all for keeping the Board informed, and stated that they would be interested in the outcome of the unfair labor practice complaint which is pending with the National Labor Relations Board.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a real estate matter. The minutes will be made public when the need for confidentiality no longer exists.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

The Board returned to Public Session.

The next item was to approve a real estate matter pertaining to the Camden Waterfront Replacement Parking Improvements.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Imperatore **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

There being no further business, on a motion by Mr. Huber, and seconded by Ms. Ferrara, the meeting was adjourned at 11:25am.

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.

Erin Gold, Director, Governance & Communications
Assistant Secretary

Statement from Tom Walsh, President of Local 262 of the Retail, Wholesale, and Department Store Union (RWDSU) to the New Jersey Economic Development Authority on March 11, 2016.

Good morning Board members and staff. I appreciate you taking a few minutes to hear from me and from prospective members of our union, about a serious issue regarding one of your grantees.

My name is Tom Walsh and I'm the President of Local 262 of the Retail, Wholesale, and Department Store Union, based in Kenilworth. We represent hundreds of workers, mostly in industrial jobs. Right now, about 250 workers at an NJEDA grantee- Deep Foods in Union and Chetak NY in Edison- are organizing to build a better future here in New Jersey for themselves and their families.

At the last NJEDA meeting, my colleagues from the RWDSU and AFL-CIO provided you with the findings of a National Labor Relations Board complaint issued to Deep Foods, the recipient of a $26.9 million tax abatement. The complaint found that Deep Foods had violated a laundry list of labor laws in response to its employees exercising their right to organize including coercion, intimidation, surveillance, threats, and illegal terminations. I appreciate that the Authority has taken the time to investigate the developing situation at Deep Foods and the information you've shared with us.

If I've understood correctly, Deep Foods has not yet received funding through the NJEDA because it has yet to meet its job creation goals. From what we've observed, Deep Foods may actually have decreased its workforce, and we know for sure that four people have lost their jobs since Deep Foods became a grantee: Cesar Suarez, Antonio Lopez, Manuel Saenz, and Yusdel Caraballo. According to the NLRB charges, all four of these workers were fired by Deep Foods for exercising their right to organize.

I'd like to echo the call that my colleagues made at the last NJEDA meeting: It's time that the Authority ensure that, while creating space for businesses to grow, grants are not awarded to the worst employers. We urge the Economic Development Authority to consider instituting clawback mechanisms for all grants in all cases that grantees violate federal labor law and the rights of their workers. Taxpayer money should be used to create good jobs across our state, and we should ensure that we're expanding opportunities for good employers to create good jobs, rather than allowing businesses like Deep Foods to use the NJEDA as a vehicle to increase their profits while violating their workers' rights. Additionally, I'd like to call on the Authority to study its other grantees to make sure that major workers' rights and human rights violators are not being subsidized through taxpayer money.

I understand that the Board may not have actually disbursed any funds to Deep Foods to date. However, that money is budgeted, and whatever money Deep Foods receives in abatements has to be made up elsewhere in the budget. Our prospective members at Deep Foods pay taxes; so imagine how it would feel to know that your employer may be using your own money to illegally suppress your voice on the job. Considering the National Labor Relations Board's findings regarding Deep Foods' behavior, we're sure that there are more worthy employers out there who would take seriously the goal of creating good jobs in New Jersey, and that such businesses and their workers could really benefit from the $26.9 million currently budgeted to Deep Foods. We ask that the Authority consider all options available to ensure that current and future grantees respect their workers' rights, respect the law, and respect the mission of the NJEDA itself, and make sure that bad actors like Deep Foods aren't rewarded. I appreciate the opportunity to comment today and look forward to working with the Authority in any way I can to make sure the NJEDA is able to provide opportunities for good businesses, workers, families, and communities to grow and prosper together.

Statement from Cesar Suarez to the New Jersey Economic Development Authority on March 11, 2016.

Good morning Board members and staff. Thank you for the opportunity to speak to you today about how one of your grantees' behavior has affected my life.

My name is Cesar Suarez and I am one of the workers illegally fired by Deep Foods for my leadership in organizing my coworkers to exercise their right to unionize. Through no fault of my own, I lost my job, as did three of my coworkers, while my employer has been awarded $26.9 million supposedly to create jobs. I'm here to ask that the NJEDA add clauses to its grants that allow it to end its relationship with bad actors like my former company, Deep Foods.

Like many of my coworkers, I came to New Jersey to work for a better life for myself and my family. When people ask me where I am from I normally tell them Ecuador, but I'm proud to know that my daughter, when asked the same question, will be able to say, "I'm from New Jersey." The work and hours at Deep Foods weren't easy, especially when juggling a second job, but I took comfort in knowing that my hard work would mean a better future and more opportunities for my children, who are now college students. . I joined the effort to form a union at my job not just for more money or better benefits, but for my family's future. Although executives at Deep Foods have expanded a small company into a multinational empire for the Amin family, conditions at the plant among workers who make the food have continued to deteriorate. Plant managers and human resource managers' abusive and unprofessional behavior had taken the dignity out of our work, so we decided to form a union to bring fairness and justice into our workplace, and get the simple respect we deserve as people and as workers.

When Deep Foods and the Amin family found out that its workers were exercising their right to form a union they had a choice: they could work with their employees to fix the growing problems at the plant, or they could fight the very people who helped them to grow their business. They seem to have chosen the latter, dedicating their resources to surveillance, intimidation, and to contracting highly-paid unscrupulous union busters to do their dirty work. I was fingered as the leader of the effort to organize, and was first coerced with offers of more money and promotions, and then fired when I refused their attempts to persuade me to join their attack on my coworkers' rights. Their activity is not in keeping with the law, nor with the mission of the NJEDA.

That is why I, as a taxpayer myself, join the call for the NJEDA to include clawbacks in its grant agreements that would allow it to sever ties with companies like Deep Foods that are found to have violated workers' rights. As I mentioned before, I've worked two jobs to support my family. In addition to my work at Deep Foods, I also work as a tax preparer, helping New Jerseyans of all stripes to contribute their share to grow and protect our communities. Many of my clients are low-wage workers who, like me, work more than one job, and do their job well. There is no tax abatement for those honest, responsible workers, and there shouldn't be any abatements for companies like Deep Foods that fail to act honestly and responsibly toward the workers whose sweat creates their wealth.

It is not uncommon for employers to violate the labor law during a union organizing drives, but few violations rise to the level of seriousness as those committed by Deep Foods. This NJEDA grantee, through its actions, is on track to cement its reputation as one of the worst violators of workers' rights in our state. The NJEDA should work to ensure that it does not affiliate itself with an unscrupulous company like Deep Foods. Provisions should be added to grants that make sure that the NJEDA is only granting money to companies that create good jobs and do not violate workers' rights.

I've been out of a job now for nearly seven months because of Deep Foods' illegal actions. That is a job that has been unnecessarily lost because of the reckless behavior of an NJEDA grantee. Above all else I'm here to try to make sure that honest, hard-working, people do not have to see their tax dollars go companies that turn around violate their rights. With clawback mechanisms, money budgeted to Deep Foods could be re-purposed and used to help good companies grow, rather than aiding bad actors efforts to oppress and intimidate.

I appreciate you providing me the opportunity to share a bit of my story today, and I pledge to help in any way I can to make sure that companies receiving grants be held responsible for their actions. Thank you.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Melissa J. Orsen
Chief Executive Officer

DATE: April 12, 2016

RE: Monthly Report to the Board

EDA-SUPPORTED PROJECTS HIGHLIGHTED IN MARCH

Touting the lowest level of unemployment since August 2007, Governor Christie visited three companies in March that were encouraged to locate or expand in New Jersey through the approval of Grow New Jersey tax credits. The federal Bureau of Labor Statistics recently released new data showing New Jersey's unemployment rate hit 4.3 percent in February, the lowest level in more than eight years. The Garden State's unemployment rate is now 0.6 percentage points below the national rate and has dropped by 2 percentage points since a year ago.

In Newark's Ironbound section, the Governor visited Aerofarms, a cutting edge company using aeroponic technology to grow produce, which is expected to create 70 new jobs. In addition to Grow NJ tax credits, a related company was approved for a commercial Economic Redevelopment and Growth grant for the construction of the company's new state-of-the-art research and design facility and corporate headquarters.

Also in Newark, the Governor visited HelloFresh, an internet-based, direct-to-home meal delivery service expected to create 400 new jobs and retain more than 120.

In Parsippany, the Governor helped to celebrate the groundbreaking of UPS's global information technology facility, expected to be completed in 2017. Grow NJ tax credits helped the company preserve 700 high-paying, skilled jobs in Morris County.

Combined, these three projects represent more than $113 million of private investment in the State.

NEIGHBORHOOD AND COMMUNITY REVITALIZATION PROJECTS REACH MILESTONES

Projects approved under the Neighborhood and Community Revitalization program are reaching significant milestones, with construction of several projects underway. The program is supported through New Jersey's Community Development Block Grant – Disaster Recovery (CDBG-DR) allocation.

In Asbury Park, the installation of new boardwalk lighting will wrap up in the coming weeks, and in Jersey City, residents are starting to enjoy Berry Lane Park's newly constructed ball fields, courts, tree plantings, landscaping, paths and other amenities available at the 17-acre park. In Sea Bright, the beautification of the business district along Ocean Avenue is expected to begin this month.

Projects supported by other CDBG-DR programs continue to advance, such as McLoone's Rum Runner, an iconic restaurant in Sea Bright, which is expected to reopen before Mother's Day after a complete demolition and rebuilding of the business supported by Stronger NJ Business loans.

FMERA FINALIZES SALE OF FORMER CHILD DEVELOPMENT CENTER TO TRINITY HALL

The Fort Monmouth Economic Revitalization Authority (FMERA) marked another important step forward in the redevelopment of Fort Monmouth in March with the sale of the former Child Development Center in Tinton Falls to Trinity Hall.

Trinity Hall, a non-profit corporation, plans to move its all-girls high school to the building for the start of the 2016-2017 school year. Work has already begun to convert the former childcare facility into a modern educational setting for the high school students. Trinity Hall expects to create 100 new jobs as it continues its expansion.

Employment opportunities were also highlighted at a job fair held on March 13 at the Fort Monmouth Recreational Center. More than 100 job seekers attended the four-hour long event, which promoted three-to-nine month job opportunities with the Monmouth County Park System, including camp counselors, lifeguards, retail clerks, and more.

CLOSED PROJECTS

Through March 2016, EDA closed on $27.8 million in traditional lending assistance to support 50 projects, leveraging $38.1 million in public/private investment and the creation of an estimated 115 new permanent jobs and 50 construction jobs, and the retention of 372 existing jobs.

In addition to the assistance provided through traditional lending programs, EDA also executed agreements, pending certification, with five incentive projects for $143.7 million, leveraging $377.9 million in private investment, the estimated creation of 372 new jobs and 669 construction jobs, and the retention of 555 jobs at risk of leaving New Jersey.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 27 events in March. These included the NAIOP NJ Public Policy Syposium in New Brunswick, the NRBP Real Estate Market Forecast in Newark and the NJ Alliance for Action – Investing in South Jersey event in Galloway.

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INCENTIVES PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: April 12, 2016

RE: Notice of Adoption – Proposed Rule Amendments
N.J.A.C. 19:31-18.2, 18.3, 18.5, 18.8, 18.11, 18.15 and 18.16
Grow NJ Program – Successors-Affiliates/Proximate Buildings/Subleasing

Request:

The Members are requested to approve a notice of adoption for amendments to the rules implementing the Grow New Jersey Assistance (Grow NJ) Program, as discussed below.

Background:

On January 4, 2016, proposed rule amendments approved by the EDA Board were published in the New Jersey Register which implement greater efficiencies in administration of the Grow NJ Program involving successor and affiliate entities of a business; factors considered by the EDA when determining a standard of time requirement for full-time employees at the qualified business facility; clarification of minimum capital investment and job eligibility for certain proximate buildings; and subleasing of a qualified business facility.

The 60-day comment period expired on March 4, 2016 with comments submitted by the Hon. Dana L. Redd, Mayor, City of Camden and Kevin D. Sheehan, Esquire, Parker McCay, P.A., as summarized in the attached adoption along with the EDA's responses. The notice of adoption includes a non-substantial change that does not require additional public notice and comment, specifically, the term "or" is added in the definition of "business," which was inadvertently deleted upon publication.

The following summarizes the amendments to the Grow NJ Program rules, as referenced above and as contained in the adoption

Successor and Affiliate Entities:

- Revise the definition for "business" to include a successor to the business and a successor to an affiliate of the business if the business applied for a credit based upon any capital investment made by or full-time employees of the affiliate, provided any successor must execute the incentive agreement and comply with its requirements.

- Provide that the incentive agreement shall include: the obligation to not reduce the number of full-time employees in the successor's Statewide employment in the last tax period prior to the approval of the award; an agreement that all parties to the incentive agreement are jointly and severally liable under the incentive agreement; and an acknowledgment that the tax credit will be allocated to each party to the incentive agreement in accordance with the number of full-time employees that each employs at the qualified business facility.
- For purposes of the requirement to maintain 80 percent of the business's Statewide workforce, define "business" to include any affiliate that contributed to the full-time employees at the qualified business facility for the relevant tax period or contributed capital investment to the project. To facilitate the calculation of the Statewide workforce, the application will ask for a list of all affiliates directly or indirectly controlled by the business along with the Statewide workforce of these affiliates. The business must also include in its' annual report the list of affiliates that contributed to the full-time employees at the qualified business facility and, for each such affiliate not listed in the application, the number of full-time employees in New Jersey in the last tax period prior to the credit amount approval.

Determination of Required Time Spent at the Qualified Business Facility:

- Provide that the characteristics of the employee's job and time at the facility will be the factors considered the EDA to determine whether to allow a full-time employee to be an eligible position if he or she spends less than 80 percent of his or her time at the qualified business facility. The characteristics of the employee's job and time include, but are not limited to, the amount of continuous time spent at the facility and the economic impact of the employee on the area in which the facility is located.

Clarification of Minimum Capital Investment and Job Eligibility:

- Establish requirements for the aggregation of the required minimum capital investment which shall apply only for buildings that are proximate and have the same minimum investment per square feet of gross leasable area; and that proximate buildings shall include, but not be limited to, buildings that are adjacent to each other or across a single public right of way from each other.
- Provide that the minimum number of new or retained full-time jobs may be met in the aggregate in a complex of buildings; however, if a complex of buildings includes one or more buildings located in a Garden State Growth Zone (GSGZ) or a county for which the minimum number of new or retained full-time jobs is reduced, i.e., Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean or Salem counties, the business shall meet the minimum job requirement by locating no less than the reduced minimum number of new or reduced full-time jobs at the building in the GSGZ or one of the counties for which the minimum capital investment required is reduced.

Determination of Grant Amount; Bonus Award:

- Provide that the total amount of tax credit shall be calculated by combining the jobs in buildings that have the same factors set forth in the section that affect the tax credit calculation; and that the total amount of tax credit shall be calculated separately for jobs in a building with factors that are different than the factors affecting the calculation for jobs in the other buildings in a complex of buildings.

Economic Analysis to Support Material Factor:

- Provide that, unless the EDA determines that extraordinary circumstances such as geographic or regulatory constraints exist, the business shall provide a full-economic analysis of the in-State and out-of-State alternatives to support the requirement that the business demonstrate that the grant award is a material factor in its' decision to create or retain jobs.

De Minimis Subleasing:

- Provide that the business may lease or sublease an amount up to five percent of the qualified business facility to a new tenant without forfeiting any of the business's credits, provided no full-time employees or capital investment by the new tenant shall contribute to the business's eligible full-time employees or capital investment.

Recommendation:

The Members are asked to approve the attached adoption and also are asked to authorize staff to submit the notice of adoption for promulgation in the New Jersey Register, subject to final review and approval by the Office of the Attorney General and the Office of Administrative Law (OAL).

Timothy Lizura

Attachment(s)
Prepared by: Maureen Hassett/Jacob Genovay

DRAFT

OTHER AGENCIES

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Authority Assistance Programs; Grow New Jersey Assistance Program

Adopted Amendments: N.J.A.C. 19:31-18.2, 18.3, 18.5, 18.8, 18.11, 18.15 and 18.16

Proposed: January 4, 2016, at 47 N.J.R. 3104(a).

Adopted: ________ __, 2016, by the New Jersey Economic Development Authority, Melissa Orsen, Chief Executive Officer.

Filed: ________ __, 2016, as R.2016 d.___, **with a non-substantial change** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: P.L. 2011, c. 149.

Effective Date: _________ __, 2016.

Expiration Date: November 9, 2017.

Summary of Public Comments and Agency Response:

Hon. Dana L. Redd, Mayor, City of Camden / Kevin D. Sheehan, Esquire, Parker McCay, P.A.

COMMENTS: The proposed rule amendments at N.J.A.C. 19:31-18.3 establish requirements for the aggregation of the required minimum capital investment, which shall apply to buildings that are proximate, as determined by the Authority, and have the same minimum investment per square feet of gross leasable area. In addition, the proposed rule amendments provide that proximate buildings shall include, but not be limited to, buildings that are adjacent to each other or across a single public right-of-way from each other. The stated purpose of the Grow New Jersey Assistance (Grow NJ) Program is to encourage economic development and job creation and to preserve jobs currently in New Jersey. The incentives provided seek to encourage economic development in the state's most depressed municipalities and the five Garden State Growth Zones including the City of Camden. The ability to spur economic development in Garden State Growth Zones, and specifically, Camden is complicated by a lack of property available for development within those municipalities – currently, several manufacturing businesses looking for property of eight acres or more in Camden that cannot find suitable property available. The problem is particularly complicated for other manufacturing businesses that have had to assemble property from several different property owners in order to locate in Camden; and others have assembled property that is proximate but not adjacent or separated by only one public right of way. Therefore, only allowing a business to aggregate its capital expense if buildings are proximate, as defined in the proposed rule, will prohibit further manufacturing development in the Garden State Growth Zones, especially Camden. Accordingly, the requirement that buildings be proximate in order to aggregate the capital investment of a business should not apply to projects located in a Garden State Growth Zone.

RESPONSE: The requirements at N.J.A.C. 19:31-18.3(a)1v pertain to how the required minimum capital investment for certain buildings, will be determined by the Authority, based on minimum factors set forth in the subparagraph. The provision has been developed with flexibility for the Authority to consider multi-building projects on an individual basis and in all areas of the State, therefore excepting the requirement that buildings shall be proximate for projects located in Garden State Growth Zones, is not necessary.

Summary of Agency-Initiated Change:

The definition of "business" includes the term "or," pertaining to the capital investment made by or full-time employees of certain affiliates for the purposes of the determination by the Authority of successors to a qualified business and affiliates of a qualified business, which was inadvertently deleted upon publication.

Federal Standards Statement

A Federal standards analysis is not required because the adopted amendments are not subject to any Federal requirements or standards.

Full text of the adoption follows (additions to proposal indicated in boldface with asterisks *thus*).

"Business" means an applicant proposing to own or lease premises, or that has acquired the premises within 24 months prior to project application, in a qualified business facility that is: a corporation that is subject to the tax imposed pursuant to section 5 of P.L. 1945, c. 162 (N.J.S.A. 54:10A-5), a corporation that is subject to the tax imposed pursuant to sections 2 and 3 of P.L. 1945, c. 132 (N.J.S.A. 54:18A-2 and 54:18A-3), section 1 of P.L. 1950, c. 231 (N.J.S.A. 17:32-15) or N.J.S.A. 17B:23-5, or is a partnership, an S corporation, or a limited liability company or a non-profit corporation. If the business or tenant is a cooperative or part of a cooperative, then the cooperative may qualify for credits by counting the full-time employees and capital investments of its member organizations, and the cooperative may distribute credits to its member organizations. If the business or tenant is a cooperative that leases to its member organizations, the lease shall be treated as a lease to an affiliate or affiliates. In connection with a regional distribution facility of foodstuffs, the business entity or entities that own or lease such facility shall qualify as a business regardless of the type of the business entity or entities that own or lease such facility; the ownership or leasing of such facility by more than one business entity; or the ownership of the business entity or entities that own or lease such facility. Such ownership or leasing, whether by members, shareholders, partners, or other owners of the business entity or entities, shall be treated as ownership or leasing by affiliates. Such members, shareholders, partners, or other ownership or leasing participants and others that are tenants in the facility shall be treated as affiliates for the purpose of counting the full-time employees and capital investments in the facility. For the purposes of a regional distribution facility of foodstuffs, leasing shall include subleasing and tenants shall include subtenants. A business shall include an affiliate of the business if that business applies for a credit based upon any capital investment made by ***or*** full-time employees of an affiliate. After approval by the Board of the incentive, a business shall include a successor, as determined by the Authority in its sole discretion, to the business and a successor, as determined by the Authority in its sole discretion, to an affiliate of the business if the business applied for a credit based upon any capital investment made by or full-time employees of the affiliate, provided any successor must execute the incentive agreement, which shall include: the obligation to not reduce the number of full-time employees in the successor's Statewide employment in the last tax period prior to the approval of the award; an agreement that all parties to the incentive agreement are jointly and severally liable under the incentive agreement; and an acknowledgment that the tax credit will be allocated to each party to the incentive agreement in accordance with the number of full-time employees that each employs at the qualified business facility.

[TEXT]

PUBLIC INFRASCTRUCTURE PROJECT TAX CREDIT PROGRAM (PIP)

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

To: Members of the Authority

From: Timothy Lizura
President and Chief Operating Officer

Date: April 12, 2016

RE: **Bayfront Redevelopment, LLC (Central Park, The Promenade, and The Green)**
Public Infrastructure Project Tax Credit Program ("PIP Tax Credit")
(P#40976)

Request

The Members are asked to approve the application of Bayfront Redevelopment, LLC (the "Applicant") for a PIP Tax Credit of a public infrastructure project located in Jersey City, Hudson County (the "Public Infrastructure Project"). The issuance of tax credits will be pursuant to the PIP Tax Credit program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2014, N.J.S.A. 34:1B-251 ("Act"), and as amended by L. 2015, c. 217.

The total costs of the Public Infrastructure Project are estimated to be $29,400,000. The recommendation is to provide an award, not to exceed $2,000,000. The Applicant is an affiliate of Honeywell International Inc., the designated redeveloper of the site. The project is limited to an award of $2,000,000 since it is located in an Urban Transit HUB Municipality as defined in the GROW Program.

Project Description

The Public Infrastructure Project will be the development of approximately 13 acres of land located in Jersey City, Hudson County into three public parks (Central Park, The Promenade and The Green). The Projects are phases in the Bayfront I Redevelopment Plan that was adopted in 2008. When completed, the "Enterprise" will consist of between 4,200 and 8,100 new residential units, up to 600,000 square feet of retail space, and up to 1 million square feet of office space. The Jersey City Master Plan dated May 2000 designated the Redevelopment Area for Waterfront Planned Development. The purpose of the Waterfront Planned Development District is to promote water-oriented commercial, residential, and recreational uses. The City of Jersey City later adopted a new land Development Ordinance in conformance with the Master Plan and placed the site within the Waterfront Planned Development District. The future development of the site into open parks and mixed use development is in conformance with the redevelopment plans previously approved for the site whose goals are to replace industrial development with mixed use development.

The project is the construction of three parks in the Bayfront I Redevelopment plan that will consist of approximately 13 acres. The parks will provide open green space for future residents of the redevelopment area and will include walking trails, sitting areas, and common areas for passive recreation. The three parks are designed to provide a convenient means to walk throughout the site including pathways to walk to a planned light rail station that will be located on the north side of the site.

The ownership of the Parks will be transferred to Jersey City upon completion. Staff estimates the fair market value of the open spaces to exceed $5 million, based on the cost of the improvements. The Applicant has stated no costs have been incurred yet for the open space improvements, thus meeting the requirement under the Act that the construction commences after January 1, 2013. The Applicant has represented at least $10 million of new capital investment will be developed at the site by December 31, 2019.

Recommendation

Authority staff has reviewed the application for Bayfront Redevelopment, LLC and finds that it is consistent with eligibility requirements of the Act. It is recommended that the Members approve and authorize the Authority to issue an approval letter to the Applicant.

Issuance of the Public Infrastructure Approval Letter is contingent upon the Applicant meeting the following condition within 3 months of this approval:

1. Submission of a Jersey City resolution consenting to the award of PIP Tax Credits.

Issuance of the PIP Tax Credits are contingent upon the Applicant completing construction by December 31, 2019 and providing the following documentation by March 1, 2020:

1. Evidence of completion of the Public Infrastructure Project, including a submission of a detailed list of all eligible costs, verified by a CPA and satisfactory to the NJEDA; and
2. Evidence of transfer of the Public Infrastructure Project to the City of Jersey City; and
3. Assessment of fair market value, based on verified costs of no lower than $5,000,000; and
4. Evidence of the expenditure of at least $10 million in new capital investment at the site.

It is recommended that the members authorize the CEO of the EDA to execute any assignment agreements necessary to effectuate this transaction

Total Eligible Project Costs: $29,400,000.

Eligible Tax Credits and Recommended Award: Not to exceed $2,000,000.

Total Remaining Public Infrastructure Tax Credits: $5,000,000

Timothy Lizura

Prepared by: Matthew Boyle

GROW NEW JERSEY ASSISTANCE PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Amerinox Processing, Inc. P42322

PROJECT LOCATION: 2201 Mt. Ephraim Avenue Camden City Camden

GOVERNOR'S INITIATIVES:
(X) NJ Urban Fund ( ) Edison Innovation Fund ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Amerinox Processing, Inc. processes stainless, aluminum and galvanized steel on a toll basis for third party customers. The company's processing capabilities include three cut-to-length lines, one coil-to-coil wet polishing line and a plate/sheet polishing line for steel manufacturers as well as manufacturers of consumer goods such as refrigerators, washers & dryers, etc. Founded in 2002 in Camden, NJ, today the company operates from a 97,000 sq. ft. facility with 45 full-time employees. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The proposed project is located in Camden, NJ, a city that ranked 566 out of 566 municipalities in the 2007 New Jersey Municipal Revitalization Index. In recognition of Camden's inability to attract investment, in the New Jersey Economic Opportunity Act, the Legislature declared that Camden and the other Garden State Growth Zones presented significant challenges to development and created incentives unique to Camden and other similarly situated Garden State Growth Zones to overcome these barriers.

The management of Amerinox Processing, Inc. has indicated that the grant of tax credits is a material factor in the company's decision whether or not to locate the project in Camden. The Authority is in receipt of an executed CEO certification by Seth Young, the CEO of Amerinox Processing, Inc., which states that the Grow New Jersey award is a material factor in the company's decision to make the capital investment and locate the project in Camden. The CEO certification also states that the application has been reviewed and the information submitted and representations contained therein are accurate.

Staff reviewed the project and finds support for management's assertion that the award of tax credits is a material factor in the company's decision to locate in Camden. If Amerinox Processing, Inc. chooses the Camden option, the company would update its existing facility by purchasing new machinery and equipment to increase its product line to compete within its industry. The alternative is to relocate to a 118,596 sq. ft. facility in Beach Bottom, West Virginia about an hour south of Pittsburgh, which would provide access to new markets. The company has been looking in the Pittsburgh area as it is closer to the three primary stainless steel mills and offers access to Midwest market.

This project represents a significant positive step forward for Camden's redevelopment efforts, retaining a metal processing company in the city. It is estimated that the project would have a net benefit to the State of $4.6 million over the 35 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 45 New Jersey jobs listed in the application are at risk of being located outside the State on or before December 31, 2016, when the alternate facility would be ready for occupancy. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the award of the Grow New Jersey tax credits is a material factor in the applicant's decision to make a capital investment and locate in Camden.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - **Rehabilitation Projects**	**$ 20**
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

*Minimum capital investment amounts are **reduced by 1/3 in GSGZs** and in eight South Jersey counties: Atlantic, Burlington, **Camden**, Cape May, Cumberland, Gloucester, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and **manufacturing businesses**	**10 / 25**
Other targeted Industries	25 / 35
All other businesses/industries	35 / 50

*Minimum employment numbers are **reduced by 1/4 in GSGZs** and in eight South Jersey counties: Atlantic, Burlington, **Camden**, Cape May, Cumberland, Gloucester, Ocean and Salem*

As an Industrial - Rehabilitation Project for a manufacturing business in Camden County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	$1,302,707	$2,830,000
New Jobs	8	8
Retained Jobs	19	45

Provided the company complies with all other program requirements, a reduction in the number of new or retained full-time jobs indicated in the company's annual report below the number certified in the initial CPA certification shall proportionately reduce the amount of tax credits the company may apply against liability in the relevant tax period. Also, if the number of new and retained full-time jobs, as indicated by the company's annual report, is reduced below the required number in the table above, the tax credits that the business may take shall be subject to the annual limit corresponding to the new and retained full-time jobs.

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Garden State Growth Zone	Base award of $5,000 per year for projects located in a Garden State Growth Zone	Camden is a Garden State Growth Zone
Increase(s) Criteria		
Deep Poverty Pocket or Choice Neighborhood	An increase of $1,500 per job for a project locating in a Deep Poverty Pocket or Choice Neighborhood	2201 Mt. Ephraim Avenue is located in a Deep Poverty Pocket.
Transit Oriented Development	An increase of $2,000 per job for a project locating in a Transit Oriented Development	2201 Mt. Ephraim Avenue is located in a Transit Oriented Development by virtue of being within 1 mile (GSGZ project) of the midpoint of a New Jersey Transit Corporation rail station.
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.
Mega/GSGZ Ind. Project w/ Cap. Inv. In Excess of Min	An increase of $1,000 per job for a Mega Project or a project located in a Garden State Growth Zone for each additional amount of capital investment that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of $5,000	The proposed project is in a Garden State Growth Zone. The proposed capital investment of $2,830,000 is 111% above the minimum capital investment resulting in an increase of $5,000 per year.

2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem	An increase of $1,000 per job for locating in a municipality with a 2007 Revitalization Index greater than 465	Camden City has a 2007 Revitalization Index of 565

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	**The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.**
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $15,000 = $7,500) or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($2,830,000/ 10 / (8 + 45) = $5,339) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:

Garden State Growth Zone		$5,000

INCREASES:

Deep Poverty Pocket:	$1,500	
Transit Oriented Development:	$2,000	
Targeted Industry (Manufacturing):	$ 500	
Mega/GSGZ Ind. Project w/ Cap. Inv. In Excess of Min:	$5,000	
2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem:	$1,000	

INCREASE PER EMPLOYEE: $10,000

PER EMPLOYEE LIMIT:

Garden State Growth Zone	$15,000	

LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT: $15,000

AWARD:

New Jobs:	8 Jobs X $15,000 X 100% =	$120,000
Retained Jobs:	45 Jobs X $15,000 X 100% =	$675,000
	Total:	**$795,000**

ANNUAL LIMITS:

Garden State Growth Zone and MRERA	$35,000,000	

TOTAL ANNUAL AWARD **$795,000**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 2,830,000
EXPECTED PROJECT COMPLETION:	November 30, 2016
SIZE OF PROJECT LOCATION:	97,703 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:		8
RETAINED FULL-TIME JOBS:		45
STATEWIDE BASE EMPLOYMENT:		45
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:		N/A
MEDIAN WAGES:	$	34,948

GROSS BENEFIT TO THE STATE (OVER 35 YEARS, PRIOR TO AWARD):	$	12,566,490
TOTAL AMOUNT OF AWARD:	$	7,950,000
NET BENEFIT TO THE STATE (OVER 35 YEARS, NET OF AWARD):	$	4,616,490

ELIGIBILITY PERIOD: 10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the award of the Grow New Jersey tax credits is a material factor in the applicant's decision to make a capital investment and locate in Camden; 2) approve the proposed Grow New Jersey grant to encourage Amerinox Processing, Inc. to locate in Camden. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: C. Fuentes **APPROVAL OFFICER**: T. Wells

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: BAYADA Home Health Care, Inc. P42313

PROJECT LOCATION: 4300-4350 Haddonfield Road Pennsauken Township Camden County

GOVERNOR'S INITIATIVES:
(X) NJ Urban Fund ( ) Edison Innovation Fund ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
BAYADA Home Health Care, Inc., established in 1975, is a privately held home health care company providing in-home nursing services including short-term nursing, rehabilitative, therapeutic, and assistive care services. The applicant employs over 20,000 in 300 service offices located in 22 States, Germany and India. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The applicant is facing multiple lease expirations and is considering a consolidation of several corporate offices into one location. The projects under consideration are two existing office buildings located in Pennsauken Township which the applicant would purchase and renovate, or a to be constructed office building in Philadelphia, PA that the applicant would lease. The applicant will consolidate 357 positions from locations throughout NJ, and 48 from locations in PA, as well as create 114 new positions at the facility in order to reduce redundancy and increase efficiency and scalability of its back office operations.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of BAYADA Home Health Care, Inc. has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by J. Mark Baiada, the Owner and President of BAYADA Home Health Care, Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $86.1 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 357 New Jersey jobs listed in the application are at risk of being located outside the State on or before October 31, 2017, as the applicant would be able to occupy the alternate location on that date. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	**$ 40**
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are ***reduced by 1/3 in*** *GSGZs and in eight South Jersey counties: Atlantic, Burlington,* ***Camden****, Cape May, Cumberland, Gloucester, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	**25 / 35**
All other businesses/industries	35 / 50

Minimum employment numbers are ***reduced by 1/4 in*** *GSGZs and in eight South Jersey counties: Atlantic, Burlington,* ***Camden****, Cape May, Cumberland, Gloucester, Ocean and Salem*

As an Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Project for an other targeted industry business in Camden County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	$3,392,827	$11,502,955
New Jobs	19	162
Retained Jobs	27	357

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Distressed Municipality	Base award of $4,000 per year for projects located in a designated Distressed Municipality	Pennsauken Township is a designated Distressed Municipality

Increase(s) Criteria		
Jobs with Salary in Excess of County/GSGZ Average	An increase of $250 per job for each 35% the applicant's median salary exceeds the median salary of the County, or the Garden State Growth Zone, in which the project is located with a maximum increase of $1,500	The proposed median salary of $65,000 exceeds the Camden County median salary by 35.9% resulting in an increase of $250 per year.
Large Number of New/Retained Full-Time Jobs	An increase of $500 per job for 251-400 new or retained jobs, $750 per job for 401-600 new or retained jobs, $1,000 for 601-800 new or retained jobs, $1,250 for 801-1,000 new or retained jobs and $1,500 for more than 1,000 new or retained jobs	The applicant is proposing to create/retain 519 Full-Time Jobs at the project location resulting in an increase of $750.
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Health business.
2007 Revit. Index>465 in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem	An increase of $1,000 per job for locating in a municipality with a 2007 Revitalization Index greater than 465	Pennsauken Township has a 2007 Revitalization Index of 481

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	**GRANT CALCULATION**
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $6,500 = $3,250) or

	- **The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (\$11,502,955 / 10 / (162 + 357) = \$2,216)** In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:			
Distressed Municipality			\$ 4,000
INCREASES PER EMPLOYEE:			
Jobs with Salary in Excess of County Average:		\$ 250	
Large Number of New/Retained F/T Jobs:		\$ 750	
Targeted Industry (Health):		\$ 500	
2007 Revit. Index>465 in Camden:		\$ 1,000	
INCREASE PER EMPLOYEE:			\$ 2,500
PER EMPLOYEE LIMIT:			
Distressed Municipality		\$11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			\$ 6,500
AWARD:			
New Jobs:	162 Jobs X \$6,500 X 100% =		\$1,053,000
Retained Jobs:	357 Jobs X \$2,216 X 100% =		\$ 791,112
		Total:	**\$1,844,112**
ANNUAL LIMITS:			
Distressed Municipality		\$ 8,000,000	
TOTAL ANNUAL AWARD			**\$1,844,112**

PROJECT IS: (X) Expansion (X) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 11,502,955
EXPECTED PROJECT COMPLETION:	October 31, 2019
SIZE OF PROJECT LOCATION:	127,231 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	162
RETAINED FULL-TIME JOBS:	357
STATEWIDE BASE EMPLOYMENT:	986
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Moorestown Mount Laurel Burlington Wenonah
MEDIAN WAGES:	$ 65,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 104,587,247
TOTAL AMOUNT OF AWARD:	$ 18,441,120
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 86,146,127
ELIGIBILITY PERIOD:	10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before October 31, 2017; 2) approve the proposed Grow New Jersey grant to encourage BAYADA Home Health Care, Inc. to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: J. Kenyon **APPROVAL OFFICER**: D. Poane

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Corning Pharmaceutical Glass, LLC P42305

PROJECT LOCATION: 563 Crystal Avenue Vineland City Cumberland County

GOVERNOR'S INITIATIVES:
(X) NJ Urban Fund ( ) Edison Innovation Fund ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Corning Pharmaceutical Glass, LLC ("CPG"), a subsidiary of Corning Incorporated, was established as a result of Corning's November 2015 acquisition of Gerresheimer AG's pharmaceutical glass tubing manufacturing facilities in Vineland, NJ and Pisa, Italy. CPG manufactures a variety of clear and amber glass tubing products, which are converted by the company's customers into pharmaceutical packaging (vials, cartridges, ampoules and syringes) for the storage, delivery and eventual administration of injectable pharmaceutical products and other applications. Corning's vision is to launch a new proprietary innovation product to address a number of issues in the glass injectable market, such as damage, breakage on high speed pharmaceutical filling lines and contamination from cracks in glass. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

MATERIAL FACTOR/NET BENEFIT:
Corning Pharmaceutical Glass is evaluating its manufacturing operations in anticipation of the production of the new product line. The location decision is to either remain at its current 660,000 sq. ft. facility in Vineland, NJ or relocating the operations to an existing Corning facility of 478,000 sq. ft. in Harrodsburg, Kentucky. Both facilities have the production lines to accommodate the new capacity but would require significant capital investment in the purchase of machinery and equipment. The New Jersey project is the retention of 185 full-time jobs plus estimated capital investment of $37,726,000.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Corning Pharmaceutical Glass, LLC has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by John McDermott the CEO of Corning Pharmaceutical Glass, LLC, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $20 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 185 New Jersey jobs listed in the application are at risk of being located outside the State on or before July 1, 2016, when the company could proceed with relocating employees from New Jersey to Kentucky. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:
Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - **Rehabilitation Projects**	**$ 20**
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are ***reduced by 1/3 in*** *GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May,* ***Cumberland****, Gloucester, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and **manufacturing businesses**	**10 / 25**
Other targeted industries	25 / 35
All other businesses/industries	35 / 50

Minimum employment numbers are ***reduced by 1/4 in*** *GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May,* ***Cumberland****, Gloucester, Ocean and Salem*

As an Industrial Rehabilitation Project for a manufacturing business in Cumberland County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	$8,800,000	$37,726,000
New Jobs	8	0
Retained Jobs	19	185

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Distressed Municipality	Base award of $4,000 per year	Vineland City is a designated

	for projects located in a designated Distressed Municipality	Distressed Municipality.
Increase(s) Criteria		
Capital Investment in Excess of Minimum (non-Mega)	An increase of $1,000 per job for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of $3,000	The proposed capital investment of $37,726,000 is 328% above the minimum capital investment resulting in an increase of $3,000 per year.
Jobs with Salary in Excess of County/GSGZ Average	An increase of $250 per job for each 35% the applicant's median salary exceeds the median salary of the County, or the Garden State Growth Zone, in which the project is located with a maximum increase of $1,500	The proposed median salary of $63,110 exceeds the Cumberland County median salary by 71% resulting in an increase of $500 per year.
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.
2007 Revit. Index>465 in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem	An increase of $1,000 per job for locating in a municipality with a 2007 Revitalization Index greater than 465	Vineland has a 2007 Revitalization Index of 474.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.

federally declared disaster	
All other projects	**The Retained Full-Time Jobs will receive the lesser of:** - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $9,000 = $4,500)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($37,726,000 / 10 / (0 + 185) = $20,392) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:

Distressed Municipality		$4,000
INCREASES PER EMPLOYEE:		
Capital Investment in Excess of Minimum (non-Mega):	$3,000	
Jobs with Salary in Excess of County Average:	$ 500	
Targeted Industry (Manufacturing):	$ 500	
2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem:	$1,000	
INCREASE PER EMPLOYEE:		$5,000
PER EMPLOYEE LIMIT:		
Distressed Municipality	$11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$9,000

AWARD:

New Jobs:	0 Jobs X $9,000 X 100% =	$0,000
Retained Jobs:	185 Jobs X $9,000 X 50% =	$832,500
	Total:	**$832,500**

ANNUAL LIMITS:

Distressed Municipality $ 8,000,000

TOTAL ANNUAL AWARD **$832,500**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$37,726,000
EXPECTED PROJECT COMPLETION:	December 31, 2018
SIZE OF PROJECT LOCATION:	660,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	0
RETAINED FULL-TIME JOBS:	185
STATEWIDE BASE EMPLOYMENT:	185
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Vineland
MEDIAN WAGES:	$ 63,110

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$28,808,156
TOTAL AMOUNT OF AWARD:	$ 8,325,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$20,483,156

ELIGIBILITY PERIOD:	10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before July 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage Corning Pharmaceutical Glass, LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: J. Kenyon **APPROVAL OFFICER:** T. Wells

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Eastern Propak LLC P42195

PROJECT LOCATION: 800 Ellis St. Glassboro Borough Gloucester County

GOVERNOR'S INITIATIVES:
( ) NJ Urban Fund ( ) Edison Innovation Fund (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Eastern Propak LLC ("Propak") was created in 1996 by local New Jersey peach growers to pack and store their product. It now serves growers all over the region. It also offers packing and storing services for imported fruit during the counter-season to alleviate the growers' overhead. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Propak currently owns and operates a 96,000 SF building in Glassboro, where it offers packing and storage services for fresh fruit grown by farmers from around the region. To keep up with rapidly growing demand, Propak needs to construct a building adjacent to the existing structure if it is to remain at its current location. The additional 58,500 SF building with a 3,709 SF connecting corridor will also be used for packing and storage of fresh fruit. This expansion will expand Propak's capacity and allow it to keep up with demand. The additional refrigeration units in the new facility will allow Propak to handle frozen blueberries, a service that it cannot provide with its current facilities. The project will also add a significant amount of parking. Currently, Propak's parking lot cannot handle the volume of vehicles that need to use it for loading. The alternate site is a 150,000 SF facility in New Castle, DE.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Eastern Propak LLC has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Jeff Danner, the (General Manager) CEO of Eastern Propak LLC, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $9.1 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 65 New Jersey jobs listed in the application are at risk of being located outside the State on or before June 1, 2016, as Eastern Propak is at its limit with its current facility. If it stays in NJ, it will begin construction immediately. Otherwise it pays to move as quickly as possible. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/**Warehouse**/Logistics/R&D - **Rehabilitation Projects**	**$ 20**
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are ***reduced by 1/3 in*** *GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland,* ***Gloucester****, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	25 / 35
All other businesses/industries	**35 / 50**

Minimum employment numbers are ***reduced by 1/4 in*** *GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland,* ***Gloucester****, Ocean and Salem*

As a Warehouse - Rehabilitation Construction Project, for an other business in Gloucester County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment (Existing)	$2,109,454	$6,544,680
New Jobs	27	65
Retained Jobs	38	65

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Distressed Municipality	Base award of $4,000 per year for projects located in a designated Distressed Municipality	Glassboro Borough is a designated Distressed Municipality
Increase(s) Criteria		
2007 Revit. Index>465 in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem	An increase of $1,000 per job for locating in a municipality with a 2007 Revitalization Index greater than 465	Glassboro Borough has a 2007 Revitalization Index of 468.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	**The Retained Full-Time Jobs will receive the lesser of:** - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $5,000 = $2,500)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($6,544,680/ 10 / (65 + 65) = $5,034) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:			
Distressed Municipality			$4,000
INCREASES PER EMPLOYEE:			
2007 Revit. Index>465 in Gloucester:		$1,000	
INCREASE PER EMPLOYEE:			$1,000
PER EMPLOYEE LIMIT:			
Distressed Municipality		$11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			$5,000
AWARD:			
New Jobs:	65 Jobs X $5,000 X 100% =		$325,000
Retained Jobs:	65 Jobs X $5,000 X 50% =		$162,500
		Total:	**$487,500**
ANNUAL LIMITS:			
Distressed Municipality		$ 8,000,000	
TOTAL ANNUAL AWARD			**$487,500**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 6,544,680
EXPECTED PROJECT COMPLETION:	July 1, 2017
SIZE OF PROJECT LOCATION:	158,209 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	65
RETAINED FULL-TIME JOBS:	65
STATEWIDE BASE EMPLOYMENT:	65
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 21,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 13,931,260
TOTAL AMOUNT OF AWARD:	$ 4,875,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 9,056,260

ELIGIBILITY PERIOD: 10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before June 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage Eastern Propak to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: Justin Kenyon **APPROVAL OFFICER**: Mark Chierici

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT:	Mallinckrodt Enterprises LLC		P42291
PROJECT LOCATION:	289 King George Road	Warren Township	Somerset County

GOVERNOR'S INITIATIVES:
( ) NJ Urban Fund ( ) Edison Innovation Fund (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Mallinckrodt Enterprises LLC, established in 2010 as a wholly-owned indirect subsidiary of global specialty biopharmaceutical company Mallinckrodt plc, provides oversight and operational support for the parents US operations and performs functions including regulatory affairs, pharmacovigilance, medical affairs, health economics and outcomes research, legal and professional services and project management. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

MATERIAL FACTOR/NET BENEFIT:
The applicant is considering relocating its operations within an office facility in either Warren Township, NJ or King of Prussia, PA. The facility will be the operations center for regulatory affairs, medical health economics, outcome research, legal and professional services, and project management. The project would consist of the lease and renovation of office space, to which, the applicant would relocate 143 jobs currently in the State, and 337 jobs from locations outside of the State. Should the applicant choose to locate its project at the NJ location, it would lease and renovate 157,546 SF of office space. Alternatively, should the applicant decide to locate the project at the PA location, it would lease and renovate 147,197 SF of office space. Additionally, the applicant estimates the NJ location would be more expensive to operate primarily due to higher payroll costs.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Mallinckrodt Enterprises LLC has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Kathleen Schaefer, the President of Mallinckrodt Enterprises LLC, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $176.9 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 143 New Jersey jobs listed in the application are at risk of being located outside the State on or before December 31, 2016 as the alternate location would be prepared for occupancy at that time. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:
Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	**$ 40**
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	**25 / 35**
All other businesses/industries	35 / 50

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As an Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Project for an other targeted industry business in Somerset County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	**Minimum Requirement**	**Proposed by Applicant**
Capital Investment	$6,301,840	$29,374,452
New Jobs	25	337
Retained Jobs	35	143

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Priority Area	Base award of $3,000 per year for projects located in a designated Priority Area	Warren Township is a designated Priority Area
Increase(s) Criteria		
Jobs with Salary in Excess of County/GSGZ Average	An increase of $250 per job for each 35% the applicant's median salary exceeds the median salary of the County, or the Garden State Growth Zone, in which the project is located with a maximum increase of $1,500	The proposed median salary of $142,140 exceeds the County median salary by 105% resulting in an increase of $750 per year.
Large Number of New/Retained Full-Time Jobs	An increase of $500 per job for 251-400 new or retained jobs, $750 per job for 401-600 new or retained jobs, $1,000 for 601-800 new or retained jobs, $1,250 for 801-1,000 new or retained jobs and $1,500 for more than 1,000 new or retained jobs	The applicant is proposing to create/retain 480 Full-Time Jobs at the project location resulting in an increase of $750.
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Life Sciences business.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.

The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $5,000 = $2,500)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($29,374,452 / 10 / (143 + 337) = $6,119) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:

Priority Area		$ 3,000

INCREASES PER EMPLOYEE:

Jobs with Salary in Excess of County Average:	$ 750	
Large Number of New/Retained F/T Jobs:	$ 750	
Targeted Industry (Life Sciences):	$ 500	
INCREASE PER EMPLOYEE:		$ 2,000
PER EMPLOYEE LIMIT:		
Priority Area	$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 5,000

AWARD:

New Jobs:	337 Jobs X $5,000 X 100% =	$1,685,000
Retained Jobs:	143 Jobs X $5,000 X 50% =	$ 357,500
	Total:	**$2,042,500**

ANNUAL LIMITS:

Priority Area (Est. 90% Withholding Limit) $ 4,000,000/($3,296,160)

TOTAL ANNUAL AWARD **$2,042,500**

PROJECT IS: (X) Expansion (X) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 29,374,452
EXPECTED PROJECT COMPLETION:	December 31, 2016
SIZE OF PROJECT LOCATION:	157,546 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	337
RETAINED FULL-TIME JOBS:	143
STATEWIDE BASE EMPLOYMENT:	163
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Bridgewater Township Hampton Township
MEDIAN WAGES:	$ 142,140

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 197,341,519
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 20,425,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 176,916,519
ELIGIBILITY PERIOD:	10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before December 31, 2016; 2) approve the proposed Grow New Jersey grant to encourage Mallinckrodt Enterprises LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: D. Ubinger **APPROVAL OFFICER:** D. Poane

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Mamacita, Inc. P42007

PROJECT LOCATION: West Garden Road Vineland City Cumberland County

GOVERNOR'S INITIATIVES:
(X) NJ Urban Fund ( ) Edison Innovation Fund ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Mamacita, Inc., established in 1982, is an ethnic frozen food processing company, whose primary food product is frozen empanada dough. Founded by Gerald Mangel in Camden, NJ, the company manufactured vegetable based products called Sofrito and Recaito. In 2001, the business relocated from Camden to Vineland, NJ and started producing empanada dough. The company produces the empanada dough for Goya Foods in its manufacturing facility in Vineland with 36 employees. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Mamacita is a rapidly growing company that can no longer expand within its current facility. The company has identified available land in Vineland on which to construct a new 60,000 sq. ft. building. The alternative would be to relocate to 56,186 sq. ft. facility located in the Eastwick section of Philadelphia, PA. The project would retain 36 full-time employees in Vineland and create an additional 15 jobs.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Mamacita, Inc. has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Jonathan Mangel, the CEO of Mamacita, Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $9 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 36 New Jersey jobs listed in the application are at risk of being located outside the State on or before January 1, 2017, when the alternate facility would be available for occupancy. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:
Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - **New Construction Projects**	**$ 60**
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

*Minimum capital investment amounts are **reduced by 1/3 in** GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, **Cumberland**, Gloucester, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and **manufacturing businesses**	**10 / 25**
Other targeted industries	25 / 35
All other businesses/industries	35 / 50

*Minimum employment numbers are **reduced by 1/4 in** GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, **Cumberland**, Gloucester, Ocean and Salem*

As an Industrial - New Construction Project for a manufacturing business in Cumberland County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	**Minimum Requirement**	**Proposed by Applicant**
Capital Investment	$2,400,000	$16,875,000
New Jobs	8	15
Retained Jobs	19	36

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	**Requirement**	**Proposed by Applicant**
Distressed Municipality	Base award of $4,000 per year for projects located in a designated Distressed Municipality	Vineland City is a designated Distressed Municipality
Increase(s) Criteria		
Capital Investment in Excess of Minimum (non-Mega)	An increase of $1,000 per job for each additional amount of	The proposed capital investment of $16,875,000 is

	capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of $3,000	603% above the minimum capital investment resulting in an increase of $3,000 per year.
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.
2007 Revit. Index>465 in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem	An increase of $1,000 per job for locating in a municipality with a 2007 Revitalization Index greater than 465	Vineland City has a 2007 Revitalization Index of 474.
On Site Solar Generation of ½ of Project's Elec. Needs	An increase of $250 per job for a project that generates ½ of its electricity via on-site solar power generation	The applicant has existing solar panels that generate in excess of ½ of the applicant's electricity needs.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	**The Retained Full-Time Jobs will receive the lesser of:** - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $8,750 = $4,375)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (16,875,000 Cap. Inv. / 10 / (15 + 36) = $33,088) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment

	than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:			
Distressed Municipality			$4,000
INCREASES PER EMPLOYEE:			
Capital Investment in Excess of Minimum (non-Mega):		$3,000	
Targeted Industry (Manufacturing):		$ 500	
2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem:		$1,000	
On Site Solar Generation of ½ of Project's Elec. Needs:		$ 250	
INCREASE PER EMPLOYEE:			$4,750
PER EMPLOYEE LIMIT:			
Distressed Municipality		$11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			$8,750
AWARD:			
New Jobs:	15 Jobs X $8,750 X 100% =		$131,250
Retained Jobs:	36 Jobs X $8,750 X 50% =		$157,500
		Total:	**$288,750**
ANNUAL LIMITS:			
Distressed Municipality		$ 8,000,000	
TOTAL ANNUAL AWARD			**$288,750**

PROJECT IS: (X) Expansion ( ) Relocation
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $ 16,875,000
EXPECTED PROJECT COMPLETION: February 1, 2018
SIZE OF PROJECT LOCATION: 60,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION? New
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Industrial
CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	15
RETAINED FULL-TIME JOBS:	36
STATEWIDE BASE EMPLOYMENT:	36
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Vineland
MEDIAN WAGES:	$ 43,212

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 11,992,478
TOTAL AMOUNT OF AWARD:	$ 2,887,500
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 9,104,978

ELIGIBILITY PERIOD: 10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before January 1, 2017; 2) approve the proposed Grow New Jersey grant to encourage Mamacita, Inc. to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: J. Kenyon **APPROVAL OFFICER**: T. Wells

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Mane USA, Inc. P42299

PROJECT LOCATION: 1000 The American Road Morris Plains Borough Morris County

GOVERNOR'S INITIATIVES:
( ) NJ Urban Fund ( ) Edison Innovation Fund (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Mane USA, Inc. (Mane) manufactures and distributes fragrances, flavors, seasonings and flavoring products at facilities around the world. The applicant's parent company, V. Mane Fils, S.A., was founded in 1871 and is based in La Bar-sur-Loup, France. Mane has six locations in the US with its corporate office and fragrance manufacturing facility located in Wayne, NJ, sales offices located in Fairfield, NJ and NYC and seasoning and flavor manufacturing facilitates located in Milford, OH, Lebanon, OH and Woodlawn, OH.

MATERIAL FACTOR/NET BENEFIT:
Mane's lease at its current corporate office and manufacturing facility in Wayne has recently expired and converted to a month-to-month lease. The lease at its Fairfield sales office is set to expire in October 2017. Mane is evaluating options to consolidate these operations into a single location at either a site identified in Morris Plains, NJ or at an existing owned facility in Woodlawn, OH.

The proposed NJ site would be purchased and the combined facilities would measure approximately 234,000 sq. ft. consisting of: (i) an existing 71,000 sq. ft. building that would be renovated and known as the Creative Center housing the corporate and sales offices as well as an R&D facility and (ii) a new building of approximately 163,000 sq. ft. that would be used primarily as a production facility. The combined project would result in the retention of Mane's existing 146 employees in the State and the creation of 44 new positions and represent a total capital investment at the site in excess of $55 million. Conversely, if Mane elects to relocate the New Jersey operations to Ohio it will construct two new buildings similar to the proposed New Jersey project with comparable capital investment at the existing owned location in Woodlawn, OH.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Mane has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Jean M. Mane, the CEO of Mane USA, Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $58.9 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 146 New Jersey jobs listed in the application are at risk of being located outside the State on or before October 1, 2017 as this is the date on which the last lease of the applicant's current New Jersey facilities expires. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements - **Creative Center**	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	**$ 40**
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

Minimum Capital Investment Requirements - **Manufacturing Facility**	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - **New Construction Projects**	**$ 60**
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and **manufacturing businesses**	**10 / 25**
Other targeted industries	25 / 35
All other businesses/industries	35 / 50

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As a Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Project in Morris County, and an Industrial – New Construction Project in Morris County for a manufacturing business, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment – Creative Center	$2,840,000	$16,556,000
Capital Investment – Manufacturing Facility	$9,772,560	$38,518,000
New Jobs	10	44
Retained Jobs	25	146

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project at the **Creative Center** location has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Priority Area	Base award of $3,000 per year for projects located in a designated Priority Area	Morris Plains Borough is a designated Priority Area
Increase(s) Criteria		
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.
Transit Oriented Development	An increase of $2,000 per job for a project locating in a Transit Oriented Development	1000 The American Road is located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a New Jersey Transit Corporation rail station.

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project at the **Manufacturing Facility** location has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Priority Area	Base award of $3,000 per year for projects located in a designated Priority Area	Morris Plains Borough is a designated Priority Area
Increase(s) Criteria		
Targeted Industry	An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life	The applicant is a Manufacturing business.

	Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	
Transit Oriented Development	An increase of $2,000 per job for a project locating in a Transit Oriented Development	1000 The American Road is located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a New Jersey Transit Corporation rail station.
Capital Investment in Excess of Minimum (non-Mega)	An increase of $1,000 per job for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of $3,000	The proposed capital investment of $38,518,000 is 294% above the minimum capital investment resulting in an increase of $3,000 per year.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for the **Creative Center** location of this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $5,500 = $2,750) or** - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($16,556,000 / 10 / (29+98) = $13,036) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for the **Manufacturing Facility** location of this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $8,500 = $4,250)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($38,518,000 / 10 / (15+48) = $61,139) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation – Creative Center

BASE GRANT PER EMPLOYEE:

Priority Area		$ 3,000
INCREASES PER EMPLOYEE:		
Targeted Industry (Manufacturing):	$ 500	
Transit Oriented Development:	$ 2,000	
INCREASE PER EMPLOYEE:		$ 2,500
PER EMPLOYEE LIMIT:		
Priority Area	$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 5,500

AWARD:

New Jobs:	29 Jobs X $5,500 X 100% =	$ 159,500
Retained Jobs:	98 Jobs X $5,500 X 50% =	$ 269,500
	Total:	**$429,000**

ANNUAL LIMITS:

Priority Area (Est. 90% Withholding Limit) $ 4,000,000/ ($491,945*)

TOTAL ANNUAL AWARD **$429,000**

* Reflects combined estimated 90% withholdings for project of $491,945(Creative Center - $407,293.50 + Manufacturing Facility - $84,651.50).

Grant Calculation – Manufacturing Facility

BASE GRANT PER EMPLOYEE:

Priority Area		$ 3,000

INCREASES PER EMPLOYEE:

Targeted Industry (Manufacturing):	$ 500	
Transit Oriented Development:	$ 2,000	
Capital Investment in Excess of Minimum (non-Mega):	$ 3,000	
INCREASE PER EMPLOYEE:		$ 5,500

PER EMPLOYEE LIMIT:

Priority Area	$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 8,500

AWARD:

New Jobs:	15 Jobs X $8,500 X 100% =	$127,500
Retained Jobs:	48 Jobs X $8,500 X 50% =	$204,000
	Total:	**$331,500**

ANNUAL LIMITS:

Priority Area (Est. 90% Withholding Limit) $ 4,000,000/ ($491,945*)

TOTAL ANNUAL AWARD **$331,500**

* Reflects combined estimated 90% withholdings for project of $491,945(Creative Center - $407,293.50 + Manufacturing Facility - $84,651.50).

PROJECT IS: (X) Expansion (X) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT (Creative Center):	$ 16,556,000
ESTIMATED ELIGIBLE CAPITAL INVESTMENT (Manufacturing Facility):	$ 38,518,000
EXPECTED PROJECT COMPLETION:	October 1, 2017
SIZE OF PROJECT LOCATION (Creative Center):	71,000 sq. ft.
SIZE OF PROJECT LOCATION (Manufacturing Facility):	162,876 sq. ft.
INDUSTRIAL OR NON-INDUSTRIAL FACILITY (Creative Center)?	Non-Industrial
INDUSTRIAL OR NON-INDUSTRIAL FACILITY (Manufacturing Facility)?	Industrial
NEW BUILDING OR EXISTING LOCATION (Creative Center)?	Existing
NEW BUILDING OR EXISTING LOCATION (Manufacturing Facility)?	New

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	44
RETAINED FULL-TIME JOBS:	146
STATEWIDE BASE EMPLOYMENT:	146
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Wayne Township Fairfield Township
MEDIAN WAGES (Creative Center):	$ 64,019
MEDIAN WAGES (Manufacturing Facility):	$ 46,995

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 66,494,404
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 7,605,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 58,889,404
ELIGIBILITY PERIOD:	10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.
6. For purposes of the project completion certification and annual reports required pursuant to the incentive agreement, the applicant shall meet the employment requirements related to the retained full-time jobs at each building before receiving benefits for new full-time jobs at any building. The applicant shall include as a retained full-time job a new eligible position that is filled by a full-time employee, regardless of the location of such position, provided that the position is included in the order of date of hire and is not the basis for any other incentive award, and shall be paid at the lower of (a) the tax credit for the new eligible position filled by a full-time employee or (b) the tax credit for the retained full-time job that no longer exists.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before October 1, 2017; 2) approve the proposed Grow New Jersey grant to encourage Mane USA, Inc. to increase employment in New Jersey. The recommended contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: Maggie Peters **APPROVAL OFFICER**: Kevin DeSmedt

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Ogilvy CommonHealth Worldwide LLC P42321

PROJECT LOCATION: 400 Interpace Parkway Parsippany-Troy Hills Morris County

GOVERNOR'S INITIATIVES:
( ) NJ Urban Fund ( ) Edison Innovation Fund (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Ogilvy CommonHealth Worldwide LLC ("Ogilvy") the health behavior change specialists of Ogilvy & Mather is committed to creativity and effectiveness in healthcare communications. Its global headquarters are in Parsippany, NJ, with additional hubs in New York, London, Paris and Singapore. Ogilvy provides marketing services including behavioral insights, content strategy and management, digital, interactive and new media services, marketing analytics and research, media planning and buying, and medical education. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

The applicant has an outstanding BEIP Award from the EDA, P16450, from 2006. Per the applicant's consultant, they are in compliance and plan to use employees from the BEIP Award in this Grow Award project, and as such, the BEIP will need to be unwound. The total amount to be paid to the EDA to unwind the BEIP is an estimated $74,570. This needs to be paid before the Incentives Agreement for the Grow NJ Award is sent.

MATERIAL FACTOR/NET BENEFIT:
Ogilvy currently occupies approximately 128,000 SF and 38,000 SF, respectively, at 400 Interpace Parkway in buildings B and C, of the Morris Corporate Center with a lease expiration of December 31, 2016. The Company is downsizing to 83,497 SF. It is considering taking 74,557 SF within Building C of the Corporate Center (which is physically connected to its current Building B) and keeping 8,940 SF in the first floor of Building B for reception, mailroom and conference areas. Alternatively, the Company would relocate its operations to 636 Eleventh Avenue in Manhattan to a building currently leased by the parent company of Ogilvy, where 100 of its jobs are already located. The Manhattan building's lease expires in 2029.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Ogilvy CommonHealth Worldwide LLC has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Matt Giegerich, the CEO of Ogilvy CommonHealth Worldwide LLC, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $167.6 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 447 New Jersey jobs listed in the application are at risk of being located outside the State on or before December 30, 2016, the expiration date of its current lease. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:
Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – **Rehabilitation Projects**	**$ 40**
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	25 / 35
All other businesses/industries	**35 / 50**

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As a **Non-Industrial – Rehabilitation Project**, for an other business in Morris County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	$3,339,880	$11,914,616
New Jobs	35	60
Retained Jobs	50	447

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	**Requirement**	**Proposed by Applicant**
Priority Area	Base award of $3,000 per year for projects located in a designated Priority Area	Parsippany-Troy Hills is a designated Priority Area
Increase(s) Criteria		
Jobs with Salary in Excess of County/GSGZ Average	An increase of $250 per job for each 35% the applicant's median salary exceeds the median salary of the County, or the Garden State Growth Zone, in which the project is located with a maximum increase of $1,500	The proposed median salary of $104,000 exceeds the County median salary by 50.5% resulting in an increase of $250 per year.
Large Number of New/Retained Full-Time Jobs	An increase of $500 per job for 251-400 new or retained jobs, $750 per job for 401-600 new or retained jobs, $1,000 for 601-800 new or retained jobs, $1,250 for 801-1,000 new or retained jobs and $1,500 for more than 1,000 new or retained jobs	The applicant is proposing to create/retain 507 Full-Time Jobs at the project location resulting in an increase of $750.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	**GRANT CALCULATION**
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	**The Retained Full-Time Jobs will receive the lesser of:** - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $4,000 = $2,000)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($11,914,616 / 10 / (60 + 447) = $2,350) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and

	the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:		
Priority Area		$ 3,000
INCREASES PER EMPLOYEE:		
Jobs with Salary in Excess of County Average:	$250	
Large Number of New/Retained F/T Jobs:	$750	
INCREASE PER EMPLOYEE:		$ 1,000
PER EMPLOYEE LIMIT:		
Priority Area	$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 4,000
AWARD:		
New Jobs:	60 Jobs X $4,000 X 100% =	$ 240,000
Retained Jobs:	447 Jobs X $4,000 X 50% =	$ 894,000
	Total:	**$1,134,000**
ANNUAL LIMITS:		
Priority Area (Est. 90% Withholding Limit) $4,000,000/($2,241,802)		
TOTAL ANNUAL AWARD		**$1,134,000**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 11,914,616
EXPECTED PROJECT COMPLETION:	January 1, 2017
SIZE OF PROJECT LOCATION:	83,497sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	60
RETAINED FULL-TIME JOBS:	447
STATEWIDE BASE EMPLOYMENT:	447
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Parsippany-Troy Hills
MEDIAN WAGES:	$ 104,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 178,958,020
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 11,340,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 167,618,020

ELIGIBILITY PERIOD:	10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.
6. The BEIP Award needs to be re-paid before the Incentives Agreement for the Grow NJ Award is sent.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before December 30, 2016; 2) approve the proposed Grow New Jersey grant to encourage Ogilvy CommonHealth Worldwide LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: Diane Ubinger **APPROVAL OFFICER**: Mark Chierici

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Quality Packaging Specialists International, LLC P41641

PROJECT LOCATION: 2030 Route 130 Florence Township Burlington County

GOVERNOR'S INITIATIVES:
( ) NJ Urban Fund ( ) Edison Innovation Fund (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Quality Packaging Specialists International, LLC, established in 1992, is a provider of product and retail packaging services. The applicant currently operates seven facilities with locations in PA, LA, IN, IL and NJ. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The applicant is planning to expand its NJ operations into either a 377,440 SF warehouse facility in Florence, NJ, or a 361,665 SF warehouse facility in Bethlehem, PA. QPSI anticipates relocating 170 jobs currently in NJ to the project location, as well as creating 220 new full-time jobs at the same location. The applicant will construct a warehouse facility at the selected project location. The applicant estimates the potential projects to be substantially similar in scope, though the NJ facility would be more costly to construct.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Quality Packaging Specialists International, LLC has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Kenneth Ricketts, the CEO of Quality Packaging Specialists International, LLC, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $19.5 million over the 30 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 170 New Jersey jobs listed in the application are at risk of being located outside the State on or before April 17, 2017, as it anticipates the project being completed at this time. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/**Warehouse**/Logistics/R&D - **New Construction Projects**	**$ 60**
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are ***reduced by 1/3 in*** *GSGZs and in eight South Jersey counties: Atlantic,* ***Burlington****, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	25 / 35
All other businesses/industries	**35 / 50**

Minimum employment numbers are ***reduced by 1/4 in*** *GSGZs and in eight South Jersey counties: Atlantic,* ***Burlington****, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem*

As a Warehouse - New Construction Project for an other business in Burlington County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	$15,097,600	$41,173,465
New Jobs	27	220
Retained Jobs	38	170

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Mega Project	Base award of $5,000 per year for projects designated as a Mega Project	A Qualified Business Facility located in an Priority Area that qualifies as a Mega Project by virtue of being in an area in Need of Redevelopment prior to October 24, 2014 within Burlington county having a Capital Investment in excess of $20,000,000 and having more than 150 employees created or retained.

Increase(s) Criteria		
Transit Oriented Development	An increase of $2,000 per job for a project locating in a Transit Oriented Development	2030 Route 130, Florence Township is located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a New Jersey Transit Corporation rail station.
Large Number of New/Retained Full-Time Jobs	An increase of $500 per job for 251-400 new or retained jobs, $750 per job for 401-600 new or retained jobs, $1,000 for 601-800 new or retained jobs, $1,250 for 801-1,000 new or retained jobs and $1,500 for more than 1,000 new or retained jobs	The applicant is proposing to create/retain 390 Full-Time Jobs at the project location resulting in an increase of $500.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $7,500 = $3,750)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($41,173,465 / 10 / (220 + 170) = $10,557) In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:

Mega Project		$ 5,000

INCREASES PER EMPLOYEE:

Transit Oriented Development:	$ 2,000	
Large Number of New/Retained F/T Jobs:	$ 500	
INCREASE PER EMPLOYEE:		$ 2,500

PER EMPLOYEE LIMIT:

Mega Project	$15,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 7,500

AWARD:

New Jobs:	220 Jobs X $7,500 X 100% =	$1,650,000
Retained Jobs:	170 Jobs X $7,500 X 50% =	$ 637,500
	Total:	**$2,287,500**

ANNUAL LIMITS:

Mega Project	$30,000,000	
TOTAL ANNUAL AWARD		**$2,287,500**

PROJECT IS: (X) Expansion (X) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 41,173,465
EXPECTED PROJECT COMPLETION:	April 17, 2017
SIZE OF PROJECT LOCATION:	377,440 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	New
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	220
RETAINED FULL-TIME JOBS:	170
STATEWIDE BASE EMPLOYMENT:	170
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Burlington Township
MEDIAN WAGES:	$ 30,000

GROSS BENEFIT TO THE STATE (OVER 30 YEARS, PRIOR TO AWARD):	$ 42,419,676
TOTAL AMOUNT OF AWARD:	$ 22,875,000
NET BENEFIT TO THE STATE (OVER 30 YEARS, NET OF AWARD):	$ 19,544,676

ELIGIBILITY PERIOD: 10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before April 17, 2017; 2) approve the proposed Grow New Jersey grant to encourage Quality Packaging Specialists International, LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: J. Kenyon **APPROVAL OFFICER:** D. Poane

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura, President and COO

DATE: April 12, 2016

SUBJECT: Sharp Electronics Corporation

Purpose:

This memorandum addresses the legal matters of Sharp Electronics Corporation ("Sharp") related to the company's pending Grow New Jersey application.

Background:

Sharp, formed in 1962 is a New York corporation with its principal place of business in New Jersey. Sharp is a wholly owned subsidiary of Sharp Corporation, the more than 100 year old company based in Osaka, Japan and publicly traded on the Nikkei index.

Analysis of Litigation as Grounds for Possible Disqualification:

Pursuant to the Authority's regulations, N.J.A.C. 19:30-2-1 et seq., criminal convictions, violations of certain laws and guilty pleas can serve as the basis for disqualification or debarment.

Listed below are the relevant actions relating to the applicant and the fines assessed and paid as reviewed by staff with guidance from the Attorney General's Office:

Plea to Three Counts Relating to Engaging in Bilateral Information Exchanges for Purposes of Fixing the Price of Products Sold to Three Customers:

Sharp, along with many of its competitors in the TFT-LCD panel business, were subject to a Department of Justice investigation into possible price fixing, which investigation began in December of 2006. In December 2008 Sharp's parent company, Sharp Corporation, entered into a plea agreement with the U.S. Department of Justice in connection with the allegations of price fixing in the TFT-LCD panel market which required the payment of a $120 million criminal penalty. There were three separate counts that Sharp Corporation pleaded guilty to:

- Count One – from on or about April 1, 2001 to on or about December 1, 2006, Sharp Corporation conspired to suppress and eliminate competition by engaging in bilateral telephone discussions and attending bilateral meetings to fix the price of TFT-LCD sold to Dell;
- Count Two – from on or about September 1, 2005 to on or about December 1, 2006, Sharp Corporation conspired to suppress and eliminate competition by engaging in bilateral telephone discussions and attending bilateral meetings to fix the price of TFT-LCD sold to Apple;
- Count Three – from the fall of 2005 to the middle of 2006, Sharp Corporation conspired to suppress and eliminate competition by engaging in bilateral telephone discussions and attending bilateral meetings to fix the price of TFT-LCD sold to Motorola;

Sharp Corporation's plea agreement involved a 5 year payment plan, since extended to 8 years, which Sharp Corporation is currently compliant with.

Mitigating Factors:

Several mitigating factors provided by the applicant regarding the conduct described in this memorandum are worthy of consideration. They are as follows:

- No charges were brought against applicant Sharp and it was ultimately released from any liability from the Department of Justice.

- Since the investigation started back in December 2006, Sharp has taken many proactive steps to reduce the chance of further illegal behavior from recurring:
  - Establishment of an Ethics and Compliance Committee in 2009 which continues to meet 6 to 8 times per year;
  - Appointment of a Chief Compliance Officer in 2009 whose duties are now held by the Director of Corporate Compliance, reporting to the General Counsel;
  - Establishment of a Compliance and Ethics Hotline in 2009 to ensure anonymous reporting of concerns or violations of corporate policy;
  - Annual review and revisions to Sharp's Code of Conduct by Sharp's Board of Directors;
  - Annual training company-wide on the Code of Conduct, including compliance with the company's Antitrust Policy;
  - All new employees hired since 2010 receive training in the Code of Conduct, Antitrust Policy and Employee Handbook at the time of hiring.

- The investigation ultimately determined that only a small number of employees engaged in culpable conduct, none of whom remain employed with the company.

Recommendation:

Staff has performed a review of these actions with guidance from the Attorney General's office and weighed the seriousness of the offenses in conjunction with the mitigating factors. Staff does not believe disqualification is warranted.

Timothy Lizura, President and COO

Prepared by: Marcus Saldutti

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program's rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: Sharp Electronics Corporation P42486

PROJECT LOCATION: 100 Paragon Drive Montvale Borough Bergen County

GOVERNOR'S INITIATIVES:
( ) NJ Urban Fund ( ) Edison Innovation Fund (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Sharp Electronics Corporation is the U.S. sales and marketing subsidiary of the Sharp Corporation, a Japanese designer of electronic products. The applicant markets and distributes items within the consumer products, business solutions and device components business units. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Sharp Electronics Corporation currently maintains its North American headquarters in a two building campus in Mahwah, NJ, on which it has recently completed a sale and lease back with the intention of consolidating all of its staff into one of the two buildings. Following the completion of the sale/leaseback of the campus, the applicant was approached by a company seeking to sublease that building in its entirety. In an effort to reduce its overall occupancy costs, the applicant has engaged with its landlord and the interested company and has secured a deal that would allow for Sharp Electronics Corporation to exit the Mahwah campus in 2016. The applicant is considering relocating its current operations to either a 105,288 SF office building in Montvale, NJ, or to a 105,806 SF office building in Pearl River, NY. The applicant would lease and renovate the selected space, and relocate the 346 full-time positions currently in place at the Mahwah facility to the selected project location.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Sharp Electronics Corporation has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification by Toshiyuki Osawa, the CEO of Sharp Electronics Corporation, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $116.3 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 346 New Jersey jobs listed in the application are at risk of being located outside the State on or before August 1, 2016, as it would be able to exercise its lease termination agreement for its current location at that time. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program's rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	($/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	**$ 40**
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	$120

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	25 / 35
All other businesses/industries	**35 / 50**

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As an Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Project for an other business in Bergen County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	**Minimum Requirement**	**Proposed by Applicant**
Capital Investment	$4,211,520	$7,297,886
New Jobs	35	0
Retained Jobs	50	346

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Priority Area	Base award of $3,000 per year for projects located in a designated Priority Area	Montvale Borough is a designated Priority Area
Increase(s) Criteria		
Jobs with Salary in Excess of County/GSGZ Average	An increase of $250 per job for each 35% the applicant's median salary exceeds the median salary of the County, or the Garden State Growth Zone, in which the project is located with a maximum increase of $1,500	The proposed median salary of $102,515 exceeds the Bergen County median salary by 72.5% resulting in an increase of $500 per year.
Large Number of New/Retained Full-Time Jobs	An increase of $500 per job for 251-400 new or retained jobs, $750 per job for 401-600 new or retained jobs, $1,000 for 601-800 new or retained jobs, $1,250 for 801-1,000 new or retained jobs and $1,500 for more than 1,000 new or retained jobs	The applicant is proposing to retain 346 Full-Time Jobs at the project location resulting in an increase of $500.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	The Retained Full-Time Jobs will receive the lesser of: - **½ of the Grant Calculation for New Full-Time Jobs (1/2 * $4,000 = $2,000)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($7,297,886 / 10 / (0 + 346) = $2,109)

	In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

BASE GRANT PER EMPLOYEE:			
Priority Area			$ 3,000
INCREASES PER EMPLOYEE:			
Jobs with Salary in Excess of County Average:		$ 500	
Large Number of New/Retained F/T Jobs:		$ 500	
INCREASE PER EMPLOYEE:			$ 1,000
PER EMPLOYEE LIMIT:			
Priority Area		$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			$ 4,000
AWARD:			
New Jobs:	0 Jobs X $4,000 X 100% =		$ 0
Retained Jobs:	346 Jobs X $4,000 X 50% =		$692,000
		Total:	**$692,000**
ANNUAL LIMITS:			
Priority Area (Est. 90% Withholding Limit)		$ 4,000,000/($1,793,536)	
TOTAL ANNUAL AWARD			**$692,000**

PROJECT IS: ( ) Expansion (X) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 7,297,886
EXPECTED PROJECT COMPLETION:	August 1, 2016
SIZE OF PROJECT LOCATION:	105,288 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	0
RETAINED FULL-TIME JOBS:	346
STATEWIDE BASE EMPLOYMENT:	346
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Mahwah
MEDIAN WAGES:	$ 102,515

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$123,271,695
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 6,920,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$116,351,695
ELIGIBILITY PERIOD:	10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before August 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage Sharp Electronics Corporation to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: M. Peters **APPROVAL OFFICER**: D. Poane

GROW NEW JERSEY ASSISTANCE PROGRAM - MODIFICATIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Automatic Switch Company and Affiliates ("ASCO") -
Grow New Jersey Assistance Program - Legacy ("Legacy Grow") Modification - P37447

Request
Approval of ASCO Power Technologies, L.P. ("Power") and ASCO Services, Inc. ("Services") as successor entities for purposes of the Legacy Grow incentive.

Background
Emerson Electric Co. ("Emerson"), formed in 1890, is a global manufacturing and technology company and the parent company of all the six entities associated with this project known as ASCO and Affiliates.

In July, 2012, the members approved ASCO for a $24,500,000, 10 year Legacy Grow tax credit based on the retention of 350 jobs at risk of relocating out of New Jersey to North Carolina and Michigan. The approval of the Legacy Grow incented the applicant to build a 160,000 sf headquarter facility which is currently under construction in Florham Park. ASCO's application was based upon the capital investment and full-time employees of Power, Services, and three other affiliates. Upon receipt of this request, staff re-confirmed that the contribution of capital investment and full time employees is consistent currently with the information provided in the application.

ASCO has advised EDA it is spinning out two of its companies, Power and Services. Upon completion of this transaction, Power and Services will continue to have the same statewide numbers, same eligible jobs and be located at the same Qualified Business Facility.

ASCO, which owns all the equity in Power and Services, will distribute its equity interests in these companies to Emerson through its two intermediate holding companies, EECO, Inc. and Emerson Electric (U.S.) Holding Corporation. Emerson will then transfer all the equity in Power and Services to form a new wholly-owned subsidiary ("Newco"). Upon conclusion of these transactions, Power and Services will be wholly owned subsidiaries of Newco. Newco shares will be distributed to Emerson shareholders and will then be a separate publicly traded company. Because ASCO will no longer control Power and Services, Power and Services will cease being affiliates of ASCO under the Grow award. Please refer to the attached post spin-off legal structure chart.

In order for ASCO to include the Newco-owned Power and Services as part of the ASCO Grow award, ASCO has asked EDA to approve them as successor entities, that is, to take the same place of Power and Services when they were affiliates of ASCO. Power and Services will continue to operate and employ positions and/or contribute capital investment at the qualified business facility.

Pursuant to the rule adoption, a business may include a successor entity to an affiliate of the business if the business applied for a credit based upon any capital investment or full-time employees of the affiliate. The decision whether a new entity is a successor of an affiliate for purposes of the Grow award is made by the Authority, in its sole discretion. The rules also require Power and Services, as successor entities, to execute the ASCO incentive agreement, which will also include: the obligation of Power and Services not to reduce the number of full-time employees in their Statewide employment prior to the approval of ASCO's award; an agreement that ASCO (and its affiliates) and Power and Services are jointly and severally liable under the incentive agreement; and an acknowledgement that the tax credit will be allocated to each party to the incentive agreement in accordance with the number of full time employees that each employs at the qualified business facility. Staff has reviewed the applicant's request against these criteria and believes the applicant fulfills the requirements necessary to qualify as successor entities.

It is anticipated that Power and Services will only contribute jobs at the qualified business facility. These jobs are consistent with the retained jobs contemplated prior to the spin-off of Power and Services. Power and Services and ASCO are committed to maintaining 80% of the statewide employment indicated in the application. The capital investment will be provided by one of the original approved affiliate entities (and grant recipient) of ASCO, ASCO Valve Manufacturing, LLC. Power and Services and ASCO will continue to have operations at the qualified business facility for the commitment duration.

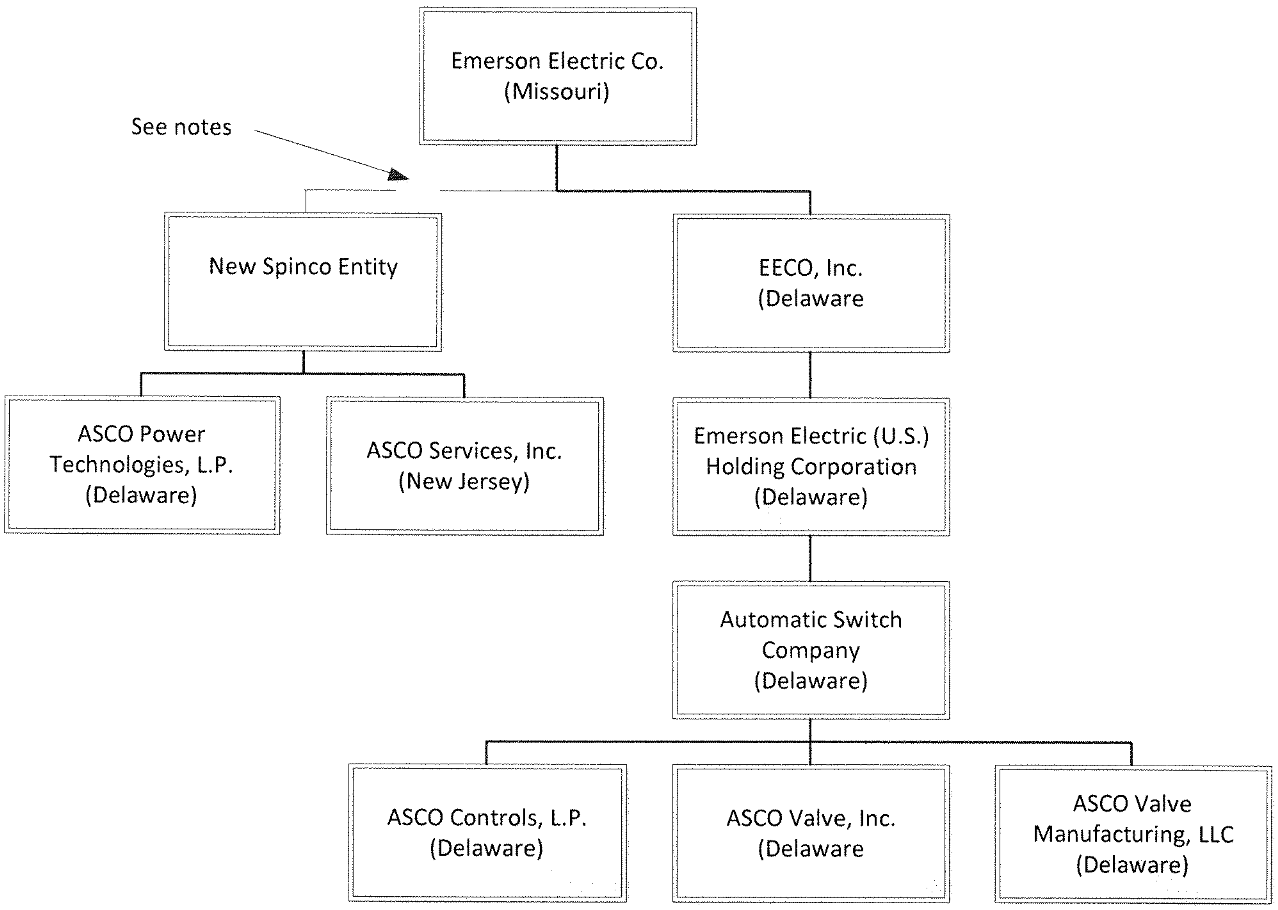
Also noted is that there will be a long-term lease under which Power and Services will lease a portion of the qualified business facility from ASCO. The leased space for Power and Services will generally be segregated from the space used by ASCO, although there could be some minor shared common spaces. The only shared business relationship to continue between Power and Services and Emerson and ASCO is a supplier of ASCO Power. The sub-lease of space is permissible under the statute if the members approve the adding of these entities as successors to the Grow. Absent that relationship, i.e., if the sub-lease was instead to a third party, it would not meet the requirements of the program pursuant to the law.

Recommendation:
Consent to approving Power and Services as successor entities to ASCO, eligible to receive tax credits under the Legacy Grow award.

Attachment

Prepared by: Karen Gallagher and Lisa Petrizzi

LEGAL STRUCTURE
POST SPIN-OFF



Notes

1. Prior to spin-off, new Spinco entity will be 100% owned by Emerson Electric Co.

2. 100% of Spinco shares will be distributed to Emerson shareholders.

3. Immediately post-spin, Spinco and Emerson will have identical shareholder groups.

AMENDED BOND RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Family Intervention Services, Inc.
Essex County, NJ
$1,305,000 Tax Exempt Stand Alone Bond (P28918)

Request:
Consent to amend the Bond's interest rate from a floating LIBOR based rate to a fixed rate.

Background:
Founded in 1981, Family Intervention Services, Inc. is a 501 (C) (3) not-for-profit entity which provides crisis intervention, therapeutic counseling, case management, education, and support to New Jersey individuals. The majority of its offices are located in Morris, Essex, Passaic, and Sussex counties; however their services cover nine Northern NJ counties.

In December 2006, the Authority approved a $1.2 million tax-exempt Stand Alone Bond to acquire an existing building to consolidate two offices in Morris County. The 2006 Bond was directly purchased by Commerce Bank (now T.D. Bank) and remains outstanding.

In December 2010, the Authority approved a $1,305,000 tax-exempt bond with a 10% Authority guarantee for five years (which has since expired) to enable the borrower to acquire an additional existing two-story building to expand its services. The 2010 Bond, directly purchased by TD Bank, has a variable interest rate of one-month LIBOR plus 300 bps with a floor of 5% which the Borrower has fixed for five years at 4.04% via a swap agreement with the Bank. The Bond has a 20 year term with call options every 5 years, subject to TD Bank and the borrower entering into a new 5 year swap agreement. The outstanding principal balance on the Bond is approximately $895,000, and as a conduit financing, the Authority has no credit exposure.

Currently the Bank and Borrower have negotiated a new fixed rate option for the 2010 Bond and are requesting Authority consent to modify the Bond's current interest rate to a fixed rate of 2.99% for 5 years. Thereafter the Bond will have rate resets based upon the Bank's internally posted cost of funds plus 2.50% on the 5^{th} and 10^{th} anniversary from date of the modification until 2031, final maturity of the Bond. The Members' approval will allow the Borrower to obtain a new lower fixed rate without the use of an interest rate swap.

Chiesa, Shahinian & Giantomasi, Bond Counsel to the Authority, has advised that the interest rate modification will constitute a reissuance of the Bond for Federal tax law purposes. They have also opined that the tax exempt status of the Bond will not be adversely affected as a result of this modification.

The modification request is also being presented for a Public Hearing upon advice of bond counsel to ensure compliance with IRS requirements due to the reissuance of the 2010 Bond.

Recommendation:
Consent to the modification of the Bond's interest rate as described above to reduce Borrower's interest costs.

Prepared By: Lori Zagarella

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

SUBJECT: Kontos Foods, Inc.
Appl. P34499

DATE: April 12, 2016

REQUEST:
Authorize allocation of $2,308,569 from 2016 Volume Cap to the Kontos Foods, Inc. manufacturing project.

BACKGROUND
Kontos Foods, Inc., a manufacturer of authentic hand stretched flatbread located in Paterson, Passaic County, received Authority assistance in 2011 via tax exempt bond financing in the aggregate amount of $8,960,000 to acquire two buildings, make renovations and purchase machinery and equipment. The 2011 Bond, directly purchased by TD Bank, N.A., consisted of four bond series: The Series A and Series B in the aggregate principal amount of $5.76 million for the real estate financing, the Series C in amount of $800,000, and Series D in amount of $2.4 million for the purchase of machinery and equipment. The proceeds from the Series A, Series B and Series C bonds were fully disbursed within the calendar year of 2011 and the Series D Bond was issued as a draw down bond to be disbursed in the future.

Due to delays in the project, the Series D Bond was not drawn on until in 2014, at which time the Authority allocated $2.4 million from its 2014 Volume Cap. However, Kontos Foods used only $91,431 from the 2014 Volume Cap allocation and has requested TD Bank, as bondholder to draw down the remainder of the proceeds in the amount of $2,308,569. In accordance with the IRS requirements, a draw down bond must receive an allocation of the State volume cap for tax-exempt private activity bonds in each calendar year in which proceeds of the Bonds are drawn.

RECOMMENDATION
Based upon the above description, the Members are requested to authorize a $2,308,569 allocation to Kontos Foods, Inc. from the Authority's 2016 volume cap for the remainder of the proceeds of the 2011 Series D Bond.

Prepared by: Teresa Wells

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Doane Academy P42357

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 350 Riverbank Burlington Township (N) Burlington

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Doane Academy is a co-educational independent private day school located in Burlington, New Jersey. It was founded as St. Mary's Hall in May 1837 by the Right Reverend George Washington Doane, the second Episcopal bishop of New Jersey, and is recognized as the first all-girls, academic boarding school in the United States. In 1966, an all-boys school, Doane Academy, was opened in Burlington in association with St. Mary's Hall. In 1974, the two schools merged to form the co-educational St. Mary's Hall-Doane Academy. In April 2008, the name was shortened to Doane Academy. The Academy is situated on a 10 acre riverfront campus with four main buildings with enrollment of 230 students in grades pre-K through 12 and a faculty of 42 teachers. George Sanderson is the Headmaster and Audrey Winzinger is the President of the Board.

The project is being reviewed by the Attorney General's Office relating to the First Amendment's Establishment Clause.

The applicant is a 501(c)(3) not-for-profit entity for which the Authority may issue tax exempt bonds as permitted under Section 103 and Section 145 of the Internal Revenue Code, as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the applicant to refinance conventional debt plus pay a portion of the costs of issuance. The difference in the project costs and the bond amount will be funded by the Applicant.

FINANCING SUMMARY:

BOND PURCHASER: TD Bank, N.A. (Direct Purchase)

AMOUNT OF BOND: $7,000,000 Tax-exempt Bond

TERMS OF BOND: 20 years; Fixed interest rate for 10 years based on the tax-exempt equivalent of TD Bank's cost of funds plus 1.25%; subject to rate resets at the same index and call options on the 10th anniversary. The estimated rate as of 3/29/16 is 2.996%.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	$7,000,000
Finance fees	$70,000
Legal fees	$60,000
TOTAL COSTS	$7,130,000

JOBS: At Application 63 Within 2 years 4 Maintained 0 Construction 0

PUBLIC HEARING: 04/12/16 (Published 03/28/16) **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: K. Durand **APPROVAL OFFICER:** T. Wells

PRELIMINARY RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Hi -Seas LLC P42394

PROJECT USER(S): Cary Compounds LLC * * - indicates relation to applicant

PROJECT LOCATION: 75 Mount Vernon Road Manalapan Township (N) Monmouth

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Hi-Seas LLC was formed in November of 2015 for the purpose of acquiring space for its operating company, Cary Compounds LLC. Cary Compounds LLC, formed in 1999 by Kenneth Cary Jr., now operated by his son, Charles Cary, is a manufacturer of flexible and semi-rigid PVC compounds in ground pellet form primarily for use in the coating of cable and wire. Cary Compounds LLC creates customized compound blends to meet specific customer application requirements. Since Charles Cary assumed the role of President in 2008, the company has expanded its product offerings to include specialty compounds allowing the company to enter new markets including the plenum and footwear markets.

APPROVAL REQUEST:

Authority assistance will enable the applicant to acquire and renovate a 134,000 sq. ft. building, and will relocate its entire existing manufacturing operation from its current facility in Dayton, NJ to the project site in Manalapan, NJ. The difference between total costs and the bond amount is anticipated to be funded by the applicant via cash on hand. The applicant has applied for an Authority guarantee of a portion of the bond.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	$5,200,000
Renovation of existing building	$540,000
Closing Costs	$100,000
TOTAL COSTS	$5,840,000

JOBS: At Application 34 Within 2 years 6 Maintained 0 Construction 4

PUBLIC HEARING: **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: M. Athwal **APPROVAL OFFICER:** D. Poane

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Yeshiva Tifereth Torah, Inc. P42393

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 873 Vine Avenue Lakewood Township (T/UA) Ocean

GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Yeshiva Tifereth Torah is a boys elementary school founded in 1985 with only 20 students. The school caters to students from kindergarten to grade eight. For the 2015 - 2016 year, the school has 450 students enrolled with the capacity to add an additional 150 students.

Yeshiva Tifereth Torah was started by Rabbi Yisroel Gelwachs. The initial school was located in a small factory at 422 2nd Street in Lakewood. In 1989, the student enrollment grew to 75. The school then relocated to 75 East End Ave in Lakewood. As the student population continued to grow to 400 students, the school purchased a property in 2015 to accommodate the student body. The property located at 873 Vine Avenue was completed in January 2016. The faculty and students have moved into the new facility.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the applicant to reduce its interest expense by refinancing outstanding conventional debt on a tax exempt basis.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	$6,000,000
Closing Costs	$100,000
TOTAL COSTS	$6,100,000

JOBS: At Application 18 Within 2 years 18 Maintained 0 Construction 0

PUBLIC HEARING:

BOND COUNSEL: Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: M. Athwal

APPROVAL OFFICER: M. Chierici

LOANS/GRANTS/GUARANTEES

PREMIER LENDER PROGRAM – MODIFICATION

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Britton Realty of Lawrenceville, LLC
$1,924,694 Premier Lender Participation Loan
P40543

Request:
Consent to a partial release of collateral in exchange for a $2.3 million pay down on the $7.4 million Wells Fargo PLP loan with EDA receiving its pro rata share (~$598,000). Following the prepayment, the loan will be re-amortized over the remainder of the amortization period (approximately 14 years).

Background:
Britton Industries, Inc. was founded in August 1990 by James Britton as a landscaping business. Presently, Britton Industries operates three main lines of business including land clearing, mulch manufacturing and ready-mixed concrete. Britton Realty of Lawrenceville, LLC ("Borrower") is a related real estate holding company that owns several industrial properties on Bakers Basin Road, Lawrenceville, NJ.

In June 2015, EDA provided the Borrower a $2.0 million (26%) participation in a $7.8 million loan with Wells Fargo to refinance an existing commercial mortgage. The loan had a 5 year term with a 15 year amortization, and has been handled as agreed.

The Borrower is requesting consent to sell a portion of the property (276 Bakers Basin Road) which encompasses a water and cell tower that is currently not used for the company's operations. In conjunction with the sale of the property, the loan will be paid down in an amount equal to the sale price of the collateral being sold. Following the prepayment, the loan payments will be reset using the new principal balance amortized over the remainder of the original 15 year amortization period.

Recommendation:
Consent to the sale and release of lien of the property located at 276 Bakers Basin Road in Lawrenceville, NJ in exchange for a $2.3 million cash pay down of the loan, to be shared pro rata between the lenders.

Prepared by: Heather M. O'Connell

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

The following commercial and residential grant projects have been approved by the Department of Environmental Protection to perform Remediation, Upgrade and Closure activities. The scope of work is described on the attached project summaries:

UST Commercial Grants:	
Anthony DiPalma	$ 66,671
Emmanuel Auto Service	$ 101,642
Total	**$ 168,313**
UST Residential Grants:	
Robert Buchman	$ 141,826
Charles Moore	$ 107,897
Total	**$ 249,723**
Total UST Funding – April 2016	**$ 418,036**

Timothy Lizura

Prepared by: Wendy Wisniewski

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Anthony DiPalma P41847

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 201 Henley Ave. New Milford Borough (N) Bergen

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Between August 2009 and October 2011, Anthony DiPalma, the former owner of the project site, who has maintained responsibility for the remediation, received an initial grant in the amount of $16,665 under P26246 and a supplemental grant in the amount of $87,765 under P35987. The tanks were decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional groundwater investigation.

Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial hardship test for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting additional supplemental grant funding in the amount of $66,671 to perform the approved scope of work at the project site. Because the supplemental funding including this request exceeds the maximum delegation approval of $100,000, it requires EDA's board approval. Total grant funding including this approval is $171,101.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $66,671

TERMS OF GRANT: No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act.

PROJECT COSTS:

Remediation	$66,671
NJDEP oversight cost	$6,667
EDA administrative cost	$500
TOTAL COSTS	$73,838

APPROVAL OFFICER: K. Junghans

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Emmanuel Auto Service P41844

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 635 Teaneck Rd. Teaneck Township (N) Bergen

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Between August 2008 and November 2009, Emmanuel Auto Service received an initial grant in the amount of $36,187 under P22119 and a supplemental grant in the amount of $44,868 under P28175 to perform groundwater remediation for the closure of the former underground storage tanks (USTs) at the project site. The tanks were decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional groundwater investigation, soil delineation and vapor intrusion investigation.

Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial hardship test for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of $101,642 to perform the approved scope of work at the project site. Total funding including this approval is $182,697.

The NJDEP oversight fee of $10,164 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $101,642

TERMS OF GRANT: No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act.

PROJECT COSTS:

Remediation	$101,642
NJDEP oversight cost	$10,164
EDA administrative cost	$500
TOTAL COSTS	$112,306

APPROVAL OFFICER: K. Junghans

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Robert Buchman P41489

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 510 East Freehold Rd. Freehold Township (N) Monmouth

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Robert Buchman is a homeowner seeking to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial hardship test for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of $141,826 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $14,183 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $141,826

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	$141,826
NJDEP oversight cost	$14,183
EDA administrative cost	$250
TOTAL COSTS	$156,259

APPROVAL OFFICER: K. Junghans

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Charles Moore P42094

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 72 Kentnor St. Metuchen Borough (N) Middlesex

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Charles Moore is a homeowner seeking to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial hardship test for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of $107,897 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $10,790 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $107,897

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	$107,897
NJDEP oversight cost	$10,790
EDA administrative cost	$250
TOTAL COSTS	$118,937

APPROVAL OFFICER: K. Junghans

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: NJDEP Hazardous Discharge Site Remediation Fund Program

The following grant project has been approved by the Department of Environmental Protection to perform Remedial Investigation and Remedial Action activities. The scope of work is described on the attached project summaries:

HDSRF Commercial Loans:		
Andrew G. Tirpok, Jr.	$	300,991
DiMarcar, LLC	$	113,512
Total	**$**	**414,503**
HDSRF Municipal Grant:		
Mercer County Improvement Authority (Roebling Complex Block 3)	$	137,793
Total HDSRF Funding – April 2016	**$**	**552,296**

Timothy Lizura

Prepared by: Wendy Wisniewski

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG PROGRAM

APPLICANT: Andrew G. Tirpok, Jr. (Andrew G. Tirpok) P42318

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 6 Reaville Ave. Flemington Borough (N) Hunterdon

GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Andrew Tirpok is the retired, former owner of Tirpok Cleaners, a dry cleaning service with several locations in Hunterdon and Warren County. The dry cleaning business is currently 100% owned and operated by Mr. Tirpok's son. Mr. Tirpok owns two of the properties occupied by Tirpok Cleaners. The subject request is based on remediation required for the property located at 6 Reaville Rd in Flemington, NJ.

Since 2008, remedial work has been performed on the subject property which includes removal and disposal of contaminated soil, collection of soil samples, installation of new groundwater monitoring wells, and other activities. There is an outstanding invoice balance of $300,991 with the remediation company, TRC Solutions on work to be completed. Remediation activities to be conducted include the installation of new monitoring wells, collection and testing of ground water, abandonment of old monitoring wells and issuance of a Remedial Action Outcome letter. The applicant intends to retain the property upon remediation and the dry cleaner will continue be run by Mr. Tirpok's son.

APPROVAL REQUEST:

Approval of a $300,991 HDSRF term loan is recommended.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: $300,991

TERMS OF LOAN: 10 year term and amortization. The rate will be the Federal Discount Rate set at time of approval or closing (whichever is lower), with a floor of 5.00%. Indicative rate of 5.00%.

PROJECT COSTS:

Haz. Remediation	$300,991
Finance fees	$3,510
TOTAL COSTS	$304,501

APPROVAL OFFICER: A. Lipton

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG PROGRAM

APPLICANT: DiMarcar, LLC d/b/a Boom Supermarket P42250

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 3607 & 3609 Ventor Ave. Atlantic City (T) Atlantic

GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Dimarcar, LLC d/b/a Boom Supermarket ("the Applicant") is an ethnic supermarket operating out of the property located at 3601 Ventnor Ave. in Atlantic City, NJ. The building is owned by a third party landlord to which the applicant pays rent. The business has been operating since 2003. In addition to operating the supermarket, the applicant also owns three properties in Atlantic City which serve as a parking lot and storage for the supermarket. The three properties were purchased on July 22, 2011. It should be noted that the three lots were previously used as a gasoline station. The applicant plans to build on the properties in the future and make them the new location for the Boom Supermarket.

Since July of 2011, remedial work has been performed on the three lots to remove underground gas tanks, totaling $349,841 paid for by the owners. There is an outstanding invoice balance of $59,132 with Groundswell Environmental, LLC. The applicant has indicated that further remediation totaling $54,380 is required for abandoning and building new monitoring wells, bringing the total amount of remediation to $463,353. Completed remedial action to date includes removal and disposal of waste oil tank, removal of contaminated soil, collection of soil samples, installation of new groundwater monitoring wells, and other activities.

APPROVAL REQUEST:

Approval of a $113,512 HDSRF term loan is recommended.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: 113,512

TERMS OF LOAN: 5 year term and amortization. The rate will be set at the Federal Discount Rate set at time of approval or closing (whichever is lower), with a floor of 5.00%. Indicative rate of 5.00%.

PROJECT COSTS:

Remedial Action	$113,512
Finance fees	$1,635
TOTAL COSTS	$115,147

APPROVAL OFFICER: A. Lipton

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Mercer County Improvement Authority (Roebling Complex Block P41415

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 21-71 Clark Street Trenton City (T/UA) Mercer

GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

The project site, identified as Block 15901, Lots 1,2, and 3, is a former wire rope manufacturer which has potential environmental areas of concern (AOCs). The Mercer County Improvement Authority (MCIA) currently owns the project site and has satisfied proof of site control. It is MCIA's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed use.

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

APPROVAL REQUEST:

The MCIA is requesting grant funding to perform (RI) in the amount of $137,793 at the Roebling Complex Block 3 project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $137,793

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	$137,793
EDA administrative cost	$500
TOTAL COSTS	$138,293

APPROVAL OFFICER: K. Junghans

EDISON INNOVATION FUND VC GROWTH FUND PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - EDISON INNOVATION VC GROWTH FUND PROGRAM

APPLICANT: Admera Health LLC P41579

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 126 Corporate Blvd South Plainfield Borough (N) Middlesex

GOVERNOR'S INITIATIVES: ( ) Urban (X) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:

Admera Health is an advanced molecular diagnostics company focused on personalized medicine and non-invasive cancer testing. Dedicated to developing cutting-edge diagnostics that span the continuum of care, Admera Health will fulfill unmet medical needs with cost-effective tests and accurate analysis to guide patient care. Utilizing next generation sequencing technologies and advanced bioinformatics, Admera Health seeks to redefine disease screening, diagnosis, treatment, monitoring, and management through its innovative, personalized solutions.

APPROVAL REQUEST:

Approval is recommended for a $1,000,000 loan from the Edison Innovation VC Growth Fund as proposed.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: $1,000,000.00

TERMS OF LOAN: 5 Year Term. The proposed loan will have a rate of 4.2% with no payments for the initial 12-month period. Interest during this period will accrue and will be capitalized. Followed by interest only payments from months 13 to 18. Beginning month 19 principal plus interest payments will begin for the remaining three and a half year term to fully amortize the loan.

PROJECT COSTS:

Working capital	**$1,000,000**
TOTAL COSTS	**$1,000,000**

JOBS: At Application 30 Within 2 years 51 Maintained 0 Construction 0

DEVELOPMENT OFFICER: K. Hashmi **APPROVAL OFFICER:** M. Bhatia

OFFICE OF RECOVERY

ENERGY RESILENCE BANK (ERB)

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: April 12, 2016

RE: Energy Resilience Bank – ERB Program Guide Revisions

Request:

The Members are requested to review and approve changes to the (1) Energy Resilience Bank's (ERB) Financing Program Guide, (2) ERB Funding Round 1: Water and Wastewater Treatment Facilities Program Guide, and (3) ERB Funding: Hospitals-Healthcare Facilities Program Guide, which are attached in substantially final form.

Background:

In July, 2014, the Members approved the creation of the Energy Resilience Bank, initially capitalized with $200 million of Community Development Block Grant Disaster Recovery ("CDBGDR") funds, to address statewide energy resilience needs. In October 2014, the Members approved the ERB Financing Program Guide and launched ERB's Funding Round 1 for Water and Wastewater Treatment Facilities and in October 2015, the Board approved the Funding Round 2 for Hospitals and Related Healthcare Facilities.

As we proceed with ERB program implementation and review of potential projects, we have determined that certain ERB Program and financing terms require clarification or modification. To that end, as indicated in the attached ERB Financing Program Guide we have provided clarifications regarding:

1. Eligibility of batteries for storage of electricity
    a. Staff is adding the above language to remove any ambiguity as it relates to battery storage.
2. Consideration for flexibility for combined heat and power (CHP) projects located in most impacted areas regarding the 65 % system efficiency threshold
    a. Staff has determined that to balance the societal benefit of serving critical facilities located in the most impacted counties and serving the most impacted communities, it is appropriate to allow for a lower CHP system efficiency threshold of at least 50%.

3. Defining eligible "Resilient Costs" as incremental additional costs required to make distributed generation system islandable, including blackstart and grid isolation components (e.g., interconnection costs), and the costs associated with hardening/raising/flood-proofing the facility to protect eligible distributed energy resources and supporting systems.
    a. Staff is adding the above definition to identify the resilient costs eligible for a grant/forgivable loan, as discussed below, which is appropriate for the societal benefit that these costs support.

In recognition that resiliency costs are significant to an energy project, while providing little economic value to the applicants, the ERB Financial Product Terms in both the Water and Wastewater Treatment (WWWT) Facilities and Hospitals-Healthcare Facilities Program Guides are being modified to reflect that for public and/or not-for-profit applicants, ERB will provide 100% of the project's unmet need as:

1) a grant/forgivable loan (not to exceed $25 million) for all eligible Resilient Costs, as described in the Program Guide and defined above;
2) a grant/forgivable loan equal to 40% of the remaining eligible project costs; and,
3) an amortizing, 2% interest rate loan with a term up to 20 years, for the balance of ERB project funding.

The ERB funding terms for for-profit businesses remain the same and require an equity contribution as well as a project specific underwriting process analyzing rate of return and ensuring that the for-profit business is not unduly enriched.

There is no longer a $65 million ERB funding set-aside reserved for WWWT applicants. All applicants in the Water and Wastewater Treatment sector will have the opportunity to continue to submit Intake applications for the ERB until all funds are reserved and all applicants in the Hospitals-Healthcare sector will have the opportunity to continue to submit Intake applications for the ERB until September 30, 2016 or until all funds are reserved.

Recommendation:

The Members are requested to review and approve changes to the (1) Energy Resilience Bank's (ERB) Financing Program Guide, (2) ERB Funding Round 1: Water and Wastewater Treatment Facilities Program Guide, and (3) ERB Funding: Hospitals-Healthcare Facilities Program Guide, which are attached in substantially final form.

Attached:

- ERB Financing Program Guide
- ERB Funding Round 1: Water and Wastewater Treatment Facilities Financing Program Guide
- ERB Funding: Hospitals-Healthcare Facilities Financing Program Guide

Prepared by: Liza Nolan/Russel Like

New Jersey Energy Resilience Bank
Grant and Loan Financing Program Guide

Date: October 14, 2014

Revisions: July 9, 2015

October 15, 2015

April 12, 2016

SECTION 1: INTRODUCTION

As part of New Jersey's ongoing efforts to minimize the potential impacts of future major power outages and increase energy resiliency, the State has established the New Jersey Energy Resilience Bank ("ERB" or the "Bank"), a first-of-its-kind in the nation energy recovery and resilience financing initiative. The Bank is a new, direct and innovative approach to addressing significant energy infrastructure vulnerabilities arising in the aftermath of Superstorm Sandy.

New Jersey took various steps to assess Superstorm Sandy's impact on the State's energy infrastructure in order to develop long-term recovery strategies focused on hardening critical facilities and enhancing energy resilience. As one example, the State partnered with the U.S. Department of Energy (USDOE), the USDOE's National Renewable Energy Laboratory (NREL), and the Federal Emergency Management Agency (FEMA) to study opportunities to expand energy resilience for critical infrastructure and assets. The State also has engaged electric distribution companies regarding their recovery and resiliency plans. Additionally, the State has undertaken a cross-agency initiative to enhance the State's mapping capabilities to more easily identify practical opportunities to incorporate cost-effective resilient energy technologies. New Jersey also partnered with President Obama's Hurricane Sandy Rebuilding Task Force, USDOE, and Sandia National Laboratories to study energy resilience through expanded use of microgrid networks to protect critical facilities in urban centers as well as transportation networks. These and other efforts have directly informed the State's holistic approach to enhancing energy infrastructure resiliency following Superstorm Sandy. The Bank is a central component of that broader effort.

Financing through the Bank will be used to develop or enhance distributed energy resource ("DER") technologies at critical facilities that were directly or indirectly impacted by Superstorm Sandy or directly impacted by other eligible disasters. DER technologies with islanding and blackstart capabilities, described below, proved extremely resilient in the aftermath of Superstorm Sandy, allowing facilities equipped with them to continue to operate despite failures of the larger power grid. By contrast, other facilities not equipped with resilient energy resources could not operate effectively with the larger power grid down for an extended period of time, resulting in various, severe community and environmental impacts. Discharges of untreated wastewater into New Jersey waterways and numerous boil water advisories following Superstorm Sandy are just two examples of these impacts.

While DER technologies are generally more cost effective over time as compared to other resilient power options, the initial costs of installation at critical facilities are considerable. For this reason, many facilities in the past have opted to pursue less expensive diesel-powered generators, despite the fact that DER technologies are less reliant on liquid fuel supply and availability, have longer continuous run times, and have less environmental impacts. The ERB was created to assist eligible facilities with the substantial upfront costs in order to encourage wider adoption of resilient DER technologies. Utilizing $200 million of second round Community Development Block Grant-Disaster Recovery ("CDBG-DR") funds allocated to New Jersey by the U.S. Department of Housing and Urban Development ("HUD"), ERB funds will allow critical facilities to invest in new or upgraded DER technologies that will allow the facilities to operate when the larger power grid goes down ("islanding") and provide electrical start-up capabilities in the absence of a direct connection to the electric grid ("blackstart").

The Bank will be administered by the New Jersey Economic Development Authority ("NJEDA") with technical assistance from the New Jersey Board of Public Utilities ("BPU"). This arrangement was memorialized in a June 2015 Amendment to the original agreement executed by the Boards of both agencies in July 2014. Both agencies have been directing resources to effectively develop and administer this initiative.

This Program Guide marks the next step in developing and implementing the ERB. It is intended to:

- Summarize the energy-related vulnerabilities at critical facilities arising after Sandy;
- Provide information about the DER technologies that will be funded through the ERB;
- Set forth eligibility and funding requirements applicable to all ERB financial products across all market sectors, as well as eligible product costs; and
- Describe the ERB project application and funding process.

Additionally, along with this Guide, NJEDA and BPU have provided proposed guidance regarding the first financial product that will be made available through the ERB -- up to $65 million in funding for public, not-for-profit or certain eligible for-profit water and wastewater treatment plant operators. Current federal regulatory requirements restrict the ERB from offering financial products to critical facilities in certain other market sectors, as explained in detail below. BPU and NJEDA plan to develop products specifically for these sectors as regulatory impediments are addressed, and will roll out additional products in future ERB finance rounds.

SECTION 2: ENERGY INFRASTRUCTURE AND NEW JERSEY CRITICAL FACILITIES

Following Sandy, the State commissioned a study by Rutgers' Center for Energy, Economics and Environmental Policy ("CEEEP") regarding energy vulnerabilities and resiliency needs. Utilizing New Jersey storm electric outage data from the National Oceanic and Atmospheric Administration ("NOAA") in addition to New Jersey electric distribution companies' annual reports, the study found, among other things, that New Jersey experienced 143 events that caused a sustained power outage (i.e., an outage greater than five minutes) between 1985 and 2013.These events include tropical storms, hurricanes, wind and rain storms, ice storms, tornados, and winter storms/nor'easters. More important, of those 143 sustained outages, 27 qualified as "major outages" (i.e., an outage that impacts more than 100,000 electric customers for a period that extends beyond one day). This equates to almost one "major outage" in New Jersey every calendar year.

Superstorm Sandy was unique for New Jersey in terms of the extent of the damage and challenges resulting from power outages at critical facilities caused by the storm, but major outages are not uncommon for New Jersey. **As a result, it is crucial for the State to assist critical facilities with securing resilient energy technologies that will make them – and, by extension, the communities they serve – less vulnerable to future severe weather events and other emergencies.**

2.1 Superstorm Sandy's Impact on New Jersey Critical Facilities

Superstorm Sandy caused extensive damage to New Jersey's energy infrastructure. As a result, New Jersey's critical infrastructure and assets experienced significant disruption in service that brought everyday operations to a standstill and had significant and, in some cases, life-threatening community impacts.

Ninety-four wastewater treatment plants across all twenty-one counties lost power and were flooded. Failed pumps allowed salt water intrusion into the systems, destroying electrical equipment. It is estimated that between three and five billion gallons of untreated wastewater were discharged into New Jersey waterways. Two hundred and sixty-seven of the 604 water systems across the State were without power, and thirty-seven of those systems issued boil water advisories following the storm. One month after Sandy made landfall, seven drinking water systems were still subject to boil water advisories.

Hospitals, nursing homes, long-term care facilities, domestic violence shelters, foster homes, mental health facilities, and other critical social service providers throughout the State were forced to contemplate evacuation in light of prolonged power outages. Low-lying facilities in flood hazard areas could not operate pumping stations without power, causing direct and significant long-term damage to facilities. Police stations, fire stations, 9-1-1 call centers, and other buildings were also severely hindered in their efforts to provide emergency services.

After Sandy, New Jersey took various steps to assess the storm's impact on the State's energy infrastructure in order to develop long-term recovery strategies focused on hardening critical infrastructure and enhancing energy resilience. Some examples of these efforts include:

- Partnering with USDOE, NREL and FEMA to study opportunities to expand energy resilience for the State's critical infrastructure and assets. As a part of this partnership, NREL conducted a comprehensive analysis of energy needs at various critical facilities and identified opportunities for communities to enhance energy resilience by pursuing innovative and cost-effective energy solutions;
- Increasing funding to the New Jersey Clean Energy Program to provide increased rebates for recovery and resilience projects that incorporate clean energy and Energy Star standards and reduce grid demand in Sandy-affected areas;
- Undertaking a cross-agency initiative to enhance the State's mapping capabilities so the State can more easily identify practical opportunities to incorporate cost-effective distributed generation technologies; and
- Partnering with President Obama's Hurricane Sandy Rebuilding Task Force, the USDOE, and Sandia National Laboratories to study energy resilience through expanded use of microgrid networks to protect critical facilities in urban centers and transportation networks.

The State also has been working actively with electric distribution companies ("EDCs") regarding their plans for hardening energy infrastructure.

Superstorm Sandy also demonstrated the value of having more resilient energy technologies at critical facilities. Despite widespread failure of the electric distribution system, there were several entities throughout New Jersey in storm-impacted areas that maintained full power despite prolonged and diffuse failures of the larger electric grid. These "islands of power" had distributed generation units, which allowed the facilities to operate as microgrids while the electric grid was down. For example, Princeton University's combined heat and power (CHP) microgrid operated for a week when the larger grid failed, saving the University millions in avoided losses of irreplaceable research projects. The College of New Jersey's CHP microgrid provided heat, power, hot food and hot showers to 2,000 mutual aid workers from other states that helped to restore power after the storm. Several medical facilities also were able to maintain power through CHP microgrids, becoming larger shelters as well as accepting patients from other facilities. President Obama's Hurricane Sandy Rebuilding Task Force described the Bergen County Utilities Authority in Little Ferry, New Jersey, as a model for the region and nation because it was able to use a "biogas-powered [combined heat and power] system to keep its sewage treatment facilities working during and after the storm" in the face of a prolonged power outage.

The resilience of these facilities highlighted opportunities to protect certain critical infrastructure by pursuing commercially available technologies that allow facilities to operate independently from the grid. These technologies bring the added benefit of being more cost-effective, energy efficient and cleaner power options. HUD, USDOE, and the U.S. Environmental Protection Agency all have recognized that DER technologies, in addition to providing resilience, can reduce monthly energy costs, reduce emissions, provide stability in the face of uncertain electrical prices and increase overall efficiency.

For some time, New Jersey has encouraged the use and deployment of DER technologies. For example, the Christie Administration's Energy Master Plan calls for a 17% reduction of the electrical energy usage through energy efficiency measures from 2010 levels by 2021, and the development of 1,500 megawatts of new distributed generation resources where net economic and environmental benefits can be demonstrated. The Energy Master Plan also emphasizes the need to develop new, clean, cost-effective sources of electricity that reduce the State's reliance on older plants that have more emissions and environmental impacts. New Jersey's Clean Energy Program offers several incentive programs to advance DER through the use of CHP, fuel cells, and other renewable technologies.

Nevertheless, the up-front costs of installation have kept some critical facilities from pursuing DER technologies despite the longer-term cost effectiveness and enhanced resiliency generated by such investments. Additionally, Sandy highlighted the fact that a significant number of DER systems that are currently installed and operating in New Jersey did not operate during or after the storm because they lacked "islanding" and "blackstart" capabilities. Even the installation of new technology to provide this additional functionality to existing systems (i.e., resilience upgrading) is generally quite expensive.

ERB financing incentives will help critical facilities overcome this financial hurdle for installing cleaner, more efficient resilient energy technologies. This will make critical facilities, and the communities they serve, more resilient to future severe weather events and other emergencies.

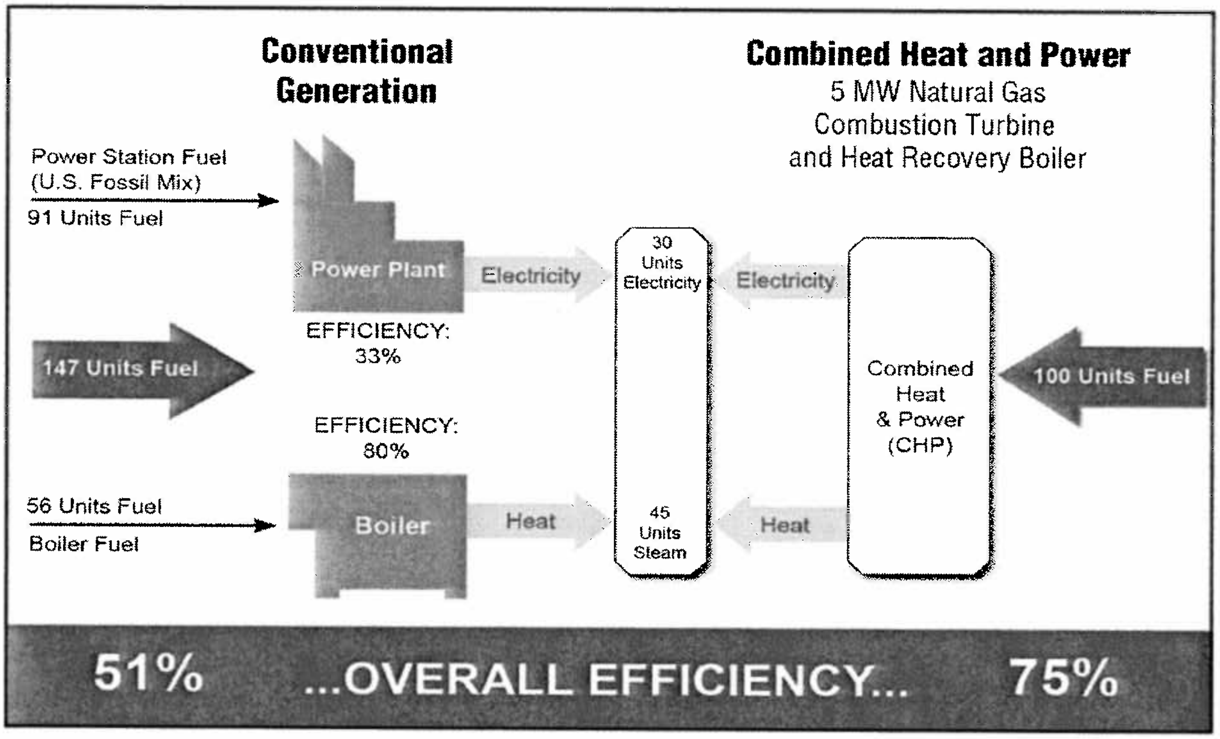
SECTION 3: DISTRIBUTED ENERGY RESOURCE TECHNOLOGIES

The intent of the ERB is to finance the installation or upgrading of commercially available and cost effective resilient energy technologies at critical facilities. In this way, the ERB is technology neutral. Presently, the ERB is focusing on existing commercially available and cost effective DER technologies, including combined heat and power, fuel cells, and renewable technologies. However, the ERB can adapt with the emergence of new markets and new technologies that are practical, offer the same or greater resiliency benefits as current DER technologies, and are cost effective.

DER technologies include energy systems, fixtures or processes that are small, modular and decentralized, and are either located on-site or very near the location where energy is to be used. A DER system can include, energy efficiency (EE), distributed generation (DG) and technology that allows the facility to voluntarily adjust the amount or timing of its energy consumption ("Demand Response" or "DR"). DER systems can also include engines, turbines, combined heat and power (CHP), fuel cells (FC) and renewables such as solar panels with off-grid inverters and battery storage. DER systems can be designed to function in "island" mode, isolated from the grid during a power outage or other event. During normal, non-island mode, the DER system is operating in synchronization with the grid. A system with islanding capabilities would be defined as a microgrid within the larger electric distribution system if it was capable of starting up without connection to the electric grid. This is typically accomplished through utilizing a small diesel generator or battery system.

DER systems are generally understood to be energy efficient technologies. They generate power at the point of use including both electricity and thermal energy for heating and cooling. Because of this dual operation at the point of use, DER systems are more efficient than the conventional, large, and centralized electric generating facilities. Typically, because the DER generating system is more modern than the equipment used in the older centralized power plants, it will also be more efficient. Efficiency also is achieved, in part, by the fact that centralized power plants must transmit power over long distances through transmission and distribution, which results in line losses of the power that those systems generate.

Additionally, DER systems utilize waste heat produced from the electric generation system to heat and cool the facility, including the production of hot water. Compared to larger, centralized power plants – which simply emit this waste heat – the DER system's reuse of this thermal energy adds to the system's overall efficiencies. In other words, facilities receiving their electricity through the transmission and distribution systems associated with centralized power plants must have a separate thermal energy system to provide the same level of heating and cooling provided by DER systems. The efficiencies are reflected in the following graphic, which uses a CHP system as an example:



In the graphic, the CHP system and the centralized power plant with a separate thermal energy system each produce 75 units of useful energy. However, the centralized power plant and its separate thermal energy system use 147 units of energy (i.e., 91 units for electricity production and 56 units to produce thermal energy heating and cooling), while the CHP system needs only 100 units of energy to produce the same result. Importantly, this efficiency is the same whether or not the CHP system is designed to be a microgrid with islanding capabilities. A CHP unit with islanding capabilities still would be defined as an energy efficient system.

Fuel cells are a second DER technology that will be eligible for ERB funding. Most fuel cells that generate electricity without utilizing the produced thermal energy are more efficient sources of power than other traditional generation systems. This efficiency increases when line losses from the centralized power plant are taken into account. Moreover, fuel cells are one of the "cleanest" DER systems that use a fossil fuel; it has essentially zero nitrogen oxide (NOx), Sulfur Dioxide (SO_2) and Mercury (Hg) emissions and generates no waste or wastewater. While there is a certain level of carbon dioxide (CO_2) emission associated with fuel cells, which varies depending on the fuel source used, CO_2 emissions are low due to the efficiency of the system (i.e., they are approximately equal to CO_2 emissions associated with combustion of methane or natural gas). Moreover, fuel cells present the added benefit of capacity (i.e., the measure of the run-time electric generating system). Because fuel cells generate electricity by moving gases through a membrane, the systems essentially contain no moving parts, resulting in a capacity factor of 98% or higher. Finally, fuel cells are an extremely quiet DER system, so they can be placed in locations where other conventional electric generators like turbines or engines would violate noise ordinances.

Solar photovoltaic (PV) systems equipped with off grid inverters and switch gear represent a third key eligible DER system. Solar PV systems convert sunlight to direct current (DC) electricity, which then must be converted to alternating current (AC) electricity to service a critical facility's energy system and fixtures. An inverter transforms DC power into AC power and connects the solar PV system to the local distribution grid. Additionally, when equipped with an off grid inverter and switch gear, the solar PV system can operate when the grid is down by generating power solely for the facility. A backup generator would be required to maintain critical load for the facility; however, this will not be funded by the ERB. Due to these higher efficiencies across the different DER technologies, on-site DER systems are defined as energy efficient systems. The overall on-site DER systems save energy usage to the facility and save on the facility's overall energy costs. In addition, their emissions levels are lower, they generate less waste and wastewater, and they use less water in comparison to traditional centralized power plants. These efficiencies and savings are the same regardless of whether the system is designed to be a microgrid with islanding capabilities or not. Finally, designing an on-site DER does not change its overall efficiencies or definition as energy efficient.

SECTION 4: ERB PROGRAM & ELIGIBILITY REQUIREMENTS

4.1 New Jersey's Energy Resilience Bank Overview

The ERB will finance the design, acquisition, construction, and installation of distributed energy resources that will improve and increase the energy resiliency at certain New Jersey critical facilities. ERB financing may include grants, forgivable loans and longer term, low-interest loans. The ERB funding also may include reimbursement of the cost for feasibility studies related to a project, but only if the applicant proceeds with the DER project and it is funded by the ERB.

The DER technologies to be financed under the ERB include, but are not limited to:

- CHP systems using various sized gas turbines, reciprocating internal combustion (IC) engines, or microturbines and may include thermal storage;

- Fuel cells with and without heat recovery; and

- Upgrades to solar panel systems with off-grid inverters and switch gear, and/or batteries. (The ERB will not finance the cost for installation of solar PV panels or for any balance-of-system fixtures related to solar PV panels.)

CHP or fuel cells can be fueled with fossil fuel natural gas or renewable fuels such as biogas methane from landfills or digesters or hydrogen generated from a renewable source.

The energy resiliency of the critical facility must include, at a minimum, the ability of the DER technology to operate isolated from the electric utility grid as a microgrid in times when the larger electric grid is down due to extreme weather events, reliability events, security events or other grid failures. The DER technology financed through the ERB also must be capable of starting up without connection to the electric grid.

In addition to energy resiliency, the DER technologies to be financed by the ERB must include designs for flood hardening the facility in which the DER technology will be constructed and installed, as set forth in the State's Comprehensive Risk Analysis, detailed in Substantial Amendment No. 7 to New Jersey's CDBG-DR Action Plan ("Action Plan"). At a minimum, all resilient generation or storage systems of the project within the facility will be required to be constructed above FEMA's best available data for base flood elevations, plus any additional requirements that may be imposed by federal, state, or local ordinance, statute or regulation.

As further explained in the Action Plan, any pertinent infrastructure vulnerabilities should be identified and evaluated in the feasibility and design stage using, among other tools, the National Oceanic and Atmospheric Administration's (NOAA) Sea Level Rise Tool for Sandy Recovery at http://www.globalchange.gov/browse/sea-level-rise-tool-sandy-recovery#overlay-context. Applicants also must consult applicable New Jersey Department of Environmental Protection (DEP) guidance on flood protection located at http://www.nj.gov/dep/watersupply/pdf/guidance-ifp.pdf. Another resource that applicants may wish to use is Rutgers University's coastal flooding and sea level rise interactive mapping tool located at http://slrviewer.rutgers.edu/. Additionally, to the maximum extent practicable and reasonable, all project designs – including both new construction, as well as resilience upgrades to existing facilities – should be cost effective and energy efficient. The ERB will require a detailed ASHRAE Level II energy audit, or other project related energy audit or feasibility study acceptable to EDA, be performed for each project, as described in more detail below. At a minimum, it is anticipated that projects financed by the ERB will meet the general state program performance goals of increasing energy efficiency and/or reducing energy consumption by15%. Additional financing for the installation of all practicable and reasonable energy efficiency can be developed through the BPU's Energy Saving Improvement Program (ESIP). Details on ESIP are available at http://www.njcleanenergy.com/commercial-industrial/programs/energy-savings-improvement-program.

Federal regulations governing CDBG-DR funds, and the application of the regulations to the ERB, restrict or limit the opening of ERB financing to certain types of critical facilities at this time. As a result, ERB funding will be distributed in discrete funding rounds. The first funding round will be open exclusively to water and wastewater treatment plant operators. In accordance with HUD CDBG-DR regulations and in conformance with the Waiver granted for the ERB in the Federal Register notice published on August 25, 2015, ERB applicants may be public facilities, not-for-profit entities, for-profit businesses, or a privately owned utility that owns and/or operates a critical facility, as described in Section 4.2, including for-profit or not-for profit businesses that have a contractual relationship with a critical facility for the purpose of operating and/or owning the critical facility's distributed or resilient energy resource system or for supplying energy to the critical facility.

4.2 ERB Target Market and Financing Product Development

The ERB will focus on providing capital to those facilities that offer the greatest resilience benefits for the State. In October 2014, the ERB released an initial financing product for the water treatment plant and wastewater treatment plant market sector. The ERB subsequently released a financing product for the hospitals sector in October 2015.

With any remaining funding that may be available, the ERB will consider targeting funds to other critical facilities, either individually or collectively, which may include:

- Long term care facilities
- Colleges and universities
- Primary and secondary schools that act as shelters, other facilities that act as shelters during disasters

- Multifamily housing units
- Transport and transit infrastructure
- Prisons
- Police departments
- Public safety answering points (PSAPS)
- Certain municipal buildings and town centers
- Other Tier 1 and Tier 2 Critical Facilities as defined by New Jersey's Office of Homeland Security and Preparedness

The ERB may develop additional financial products for other technology and types of critical facilities.

Where feasible, the ERB will encourage market sectors to leverage additional federal, state, private and other funding sources to realize critical energy resiliency initiatives. As one example, the ERB will closely coordinate with the New Jersey Environmental Infrastructure Trust (EIT) in instances where the ERB may be used to purchase new or upgrade DER technologies, whereas EIT funding may be used to harden the critical facility in order to better protect the DER technologies obtained through the ERB.

However, it should be noted that, in any instances where ERB and EIT funding may be used for the same energy investment (i.e., funding for DER technologies), projects which have already been approved for funding through the EIT are expected to proceed using EIT funding. Where the project scope goes beyond EIT funding, the project applicant may choose whether to pursue ERB allowing for a possible combination of EIT and ERB funding.

4.3 ERB General Program Requirements

The following subsections set out ERB eligibility requirements and guidelines that will apply to all financial products offered by the ERB, regardless of market sector. Among other things, this section is responsive to certain applicable HUD regulations implicated by the distribution of CDBG-DR funds through the ERB and describes eligible DER systems and project costs. Importantly, additional requirements may be incorporated, as necessary, into funding rounds through the ERB.

4.3.1 HUD Requirements

The ERB will comply with all applicable federal laws and regulations, including those promulgated by HUD pertaining to the use of CDBG-DR funds. This includes the following:

1. HUD requires that no more than 20% of the overall CDBG-DR funding may be allocated outside the nine most impacted counties as determined by HUD (that is, Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, and Union). In the administration of this program, NJEDA must remain cognizant of that requirement. Specifically for the ERB, the State has projected that no more than 50% of funding may be used outside the nine most impacted counties, though that projection is subject to change. If and when 50% (or the amended percentage, if changed) is reached in

CDBG-DR funding commitments, the ERB will not fund additional projects outside the nine most-impacted counties using CDBG-DR funding.

2. Applicants must show that the critical facility was either directly or indirectly impacted by Superstorm Sandy or directly impacted by another qualifying disaster listed in Appendix A. Direct impact means physical damage to the facility caused by the eligible disaster in the amount of $5,000 or more.

   To qualify for indirect impact, applicants must demonstrate that as a result of flooding and/or loss of power from Superstorm Sandy prevented the facility from being able to service the community which caused a risk to the health, safety or welfare of the citizens within the community. Applicants using indirect impact also must demonstrate that the project is supporting revitalization of the community in which it is located. Applicants claiming other indirect impact may qualify, though determination will be made on a case-by-case basis, and will likely involve consultation with HUD. Additionally, applicants may demonstrate that investment in a facility will contribute to economic community revitalization. If economic community revitalization is employed, a clear tie to the storm must be made and the applicant must show that making the resilience investment addresses an economic impact, such as job loss and/or tax revenue loss, from the storm and the project contributes to the economic revitalization of an area damaged by the storm.

   More specifically, Round 1 Water and Wastewater Treatment Facilities applicants might demonstrate one of the following indirect impacts: 1) where area flooding and/or loss of power from Superstorm Sandy prevented the facility from being able to treat waste water which caused there to be a release of sewage/storm water into the surrounding waterways, causing environmental damage; or caused a risk to health, safety or welfare of the people within the community; and 2) where area flooding and/or loss of power from Superstorm Sandy prevented the facility from operating and being able to treat drinking water, which caused a risk to health, safety or welfare of the people within the community.

3. Applicant facilities must be eligible CDBG-DR recipients pursuant to applicable HUD regulations. **In accordance with HUD CDBG-DR regulations and in conformance with the Waiver granted for the ERB in the Federal Register notice published on August 25, 2015, ERB applicants may be public facilities, not-for-profit entities, for-profit businesses, or a privately owned utility that owns and/or operates a critical facility, as described in Section 4.2, including for-profit or not-for profit businesses that have a contractual relationship with a critical facility for the purpose of operating and/or owning the critical facility's distributed or resilient energy resource system or for supplying energy to the critical facility.**

4. CDBG-DR funding may not be used within the Coastal Barrier Resource Area (CBRA). (An illustration of New Jersey's Coastal Barrier Resource System can be found at http://www.fema.gov/national-flood-insurance-program/coastal-barrier-resource-system-

new-jersey, but this map is not dispositive of whether a facility would be considered within a CBRA.)

5. Priority, as established through the scoring system discussed in this document and the funding round guide(s), is placed on projects which serve low and moderate income communities, which is referred to as the LMI National Objective. Further information regarding LMI National Objectives please see the Chapter 3 link at the following web address, http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/library/stateguide.

6. Project systems/fixtures must be permanently installed at a facility and be operational within two years of the closing of the ERB financing. Extension of this construction/operation timeframe may be granted for up to two six-month terms if the project documents significant progress has been made to date. The extension of the construction/operation timeframe will only be granted if the project documents that there were unforeseen reasons for the delay that were not known at the time of the award.

   - **All CDBG-DR funds in an approved project must be requested and disbursed by September 30, 2019. Any CDBG-DR funds not disbursed after September 30, 2019 will be rescinded.**

7. All resilient generation or storage systems within the project facility will be required to be constructed above FEMA's best available data for base flood elevations, plus any additional requirements that may be imposed by federal, state or local statutes or regulations.

8. Any entity that applied for and received flood-event-related assistance for damage to the property for which ERB financing is sought from any federal source for any previous Presidentially declared disaster (occurring after September 14, 1984) that required the mandatory purchase and maintenance of flood insurance pursuant to National Flood Insurance Program (NFIP) regulations, must have obtained and maintained flood insurance (unless the federally required period for maintaining flood insurance has lapsed). As a condition of receiving ERB financing, applicant will be required to purchase and maintain flood insurance to the extent required by any applicable federal regulations.

9. Consistent with the State's CDBG-DR Action Plan, any proposed project design must ensure that energy technology will be appropriately resilient to potential future flooding and storm surge. Tools that can help assess these risks include the NOAA Sea Level Rise Tool for Sandy Recovery at http://www.globalchange.gov/browse/sea-level-rise-tool-sandy-recovery#overlay-context= and Coastal Vulnerability Index and Mapping Protocol at http://www.state.nj.us/dep/cmp/docs/ccvamp-final.pdf. Applicants also must consult applicable DEP guidance on flood protection located at

http://www.nj.gov/dep/watersupply/pdf/guidance-ifp.pdf. Another resource that applicants may wish to use is Rutgers University's coastal flooding and sea level rise interactive mapping tool located at http://slrviewer.rutgers.edu/.

10. All ERB projects must comply with all applicable federal and state requirements relating to CDBG-DR funds, which may include but not be limited to: Davis Bacon and/or Prevailing Wage requirements as set forth at N.J.S.A. 48:2-29.47 and N.J.S.A. 34:1B-5.1 et seq., Affirmative Action, subcontracting to small and minority-owned enterprises, National Environmental Policy Act (NEPA) environmental review, and National Historic Preservation Act (NHPA) historical review, among others. **No physical construction activity may occur on site until the completion of required federal environmental reviews.** Other work that does not involve on-site physical construction activities (e.g., architectural designs) may proceed prior to completion of federally required environmental reviews.

4.3.2 DER System Eligibility

Eligible DER systems may include new resilient DER systems, resilience upgrades to existing DER systems and microgrids as follows:

New Resilient DER Systems: The ERB will finance new resilient DER systems that incorporate any, or all, of:

- DER systems/fixtures, such as fuel cells with or without heat recovery; off grid inverters, switch gear and batteries associated with solar photovoltaic (PV) panels; and combined heat and power (CHP) systems including fuel cells, turbines or engines;

- DER systems/fixtures that are able to disconnect and operate independently of the electricity grid in the event of a blackout to provide continuous electricity supply to a facility (islanding); and

- DER systems/fixtures that are capable of starting up without connection to a functioning grid (blackstart).

Note: The ERB will not finance the cost or installation of solar photovoltaic (PV) panels, or any balance-of-system fixtures related to solar PV panels. However, off grid or dynamic inverters, switch gear and batteries related to solar PV panels will be financed. Any financed solar-related technology must be paired with a generating asset to meet the resiliency criteria set forth below.

Resilience Upgrades to Existing DER Systems: The ERB will finance resilience upgrades to existing DER systems that incorporate any, or all, of:

- Incremental distributed generation systems/fixtures, such as fuel cells without heat recovery; off grid inverters, switch gear, or batteries associated with solar PV panels;

and CHP systems including fuel cells, turbines or engines to meet the critical load requirement. Only the incremental expansion of DER systems/fixtures to generate electricity or useful thermal energy is eligible; and

- The addition of islanding and blackstart technology to meet the minimum resilient and critical load requirement.

For existing DER solar PV panels, this includes upgrades to an off-grid or dynamic inverter and switch gear, as well as batteries for storage of electricity.

Note: The ERB will not finance the cost or installation of solar photovoltaic (PV) panels, or any balance-of-system fixtures related to solar PV panels. However, off-grid or dynamic inverters and switch gear related to solar PV panels will be financed, as will batteries for storage. Any financed solar-related technology must be paired with a generating asset to meet the resiliency criteria set forth below

Microgrids: The ERB will finance technology fixtures necessary to connect a collection of load centers together to a distributed generation source. This may include demand management and other control technologies to match the electrical supply and demand.

For new DER technologies, resilience upgrades, and microgrids, all electric storage projects must be capable of operating during a continuous seven-day electric grid outage or as stated in a specific product sector funding guide. For solar this system can be paired with an on-site emergency or back-up generator with fuel storage. The ERB will not finance the cost of emergency back-up generators.

Note: Nothing contained in this Program Guide is intended to promote project configurations that are, or may be, inconsistent with existing statutes or regulations. Applicants should consult with appropriate energy and legal advisors and with their local electric distribution company regarding the operational and legal feasibility of proposed project configurations.

General Requirements:

To qualify for financing to install new resilient DER systems, resilience upgrades to existing DER systems, or microgrids through the ERB, the following general eligibility requirements must be met for all market sectors:

1. DER systems/fixtures must be new, commercially available and stationary or permanently installed on the customer side of the meter.

2. For projects incorporating renewable energy technology, in order to verify the renewable energy certificates (REC) for the DER systems (CHP or fuels cells fueled with biogas or renewable hydrogen), a separate performance meter must be installed that is capable of recording all renewable energy generation.

3. CHP systems should achieve an annual system efficiency of at least 65% based on the lower heating value (LHV), and fuel cells must achieve at least a 50% systemefficiency. System efficiency is defined as the total useful electrical, thermal and/or mechanical power produced by the system at normal operating rates and expected to be consumed in its normal application divided by the lower heating value of the fuel sources for the system. However, consideration will be given for CHP projects that attain at least a 50% system efficiency threshold, and based on location in one of the nine counties most impacted by Superstorm Sandy and by the number of most impacted municipalities served.

4. CHP or Fuel Cell system warranty, service contract, or equivalent must be all inclusive for at least ten years. The warranty must cover all components that are financed under the ERB. The warranty must cover the full cost of repair or replacement of defective components including all labor costs.

5. The DER system must be able to disconnect and operate independently of the electric grid in the event of an emergency that results in a grid outage. In order to prevent back feeding to the distribution system, all DER systems must be able to automatically disconnect from the utility in the event of a substantial congestion, grid interruption or grid power failure.

6. The DER system must be able to start up without connection to the electric grid.

7. The DER system must be designed to provide energy to all designated critical loads during a seven-day grid outage without a delivery of fuel to emergency generators. Over the course of such an outage, facilities could plan on using emergency generators and fuel storage in conjunction with the resilient DER system. The costs associated with emergency generators or fossil fuel storage tanks are not eligible for ERB funding.

8. The DER systems must be sized to supply the facility's critical loads. The critical loads are the sum of the electrical load of the facility system required to perform the facility's critical functions. This may result in excess useful thermal energy, which would need to be addressed in the feasibility study, energy audit and final design.

9. The critical function should include any anticipated shelter function to provide a safe and secure facility for displaced employees, customers or residents in the event of a disaster or other emergency. This may include microgrid capabilities to connect additional buildings or facilities.

10. The DER system must operate a minimum number of hours to have a CEEEP DER (or similar cost benefit model) cost-benefit ratio greater than 1.0 at all times under full load. The facility must document the ability to operate at that capacity during the full year. The

CEEEP DER Cost Benefit Model is available at http://ceeep.rutgers.edu/combined-heat-and-power-cost-benefit-analysis-materials/.

11. DER systems, except for solar off-grid inverter and switch gear systems as noted below, can be sized larger than the facility's electric and thermal loads provided they have customers for the additional electricity and useful thermal energy that meet the on-site definitions at N.J.S.A. 48:3-51 and 48:3-77.1. However, redundancy measures may not be funded by ERB.

12. Applicants are encouraged, to the extent possible, to make use of technology manufactured in and project construction to be completed by New Jersey-based businesses.

4.3.3 Applicant and Finance-Related Requirements

1. Applicants are responsible for obtaining all appropriate interconnection approval which may include a level III interconnection review by the appropriate electric distribution company (EDC) for the DER and storage systems and tariff approval, if required, from their local natural gas and electric utilities.

2. Applicants are responsible for obtaining and maintaining all construction and environmental permits from the appropriate agencies.

3. Applicants must have no significant outstanding violations with the New Jersey Department of Environmental Protection.

4. For-profit and non-profit applicants must be registered to do business in New Jersey with Dun and Bradstreet, and have a DUNS number. Governmental entities and instrumentalities of governmental entities such as authorities do not need to comply with the business registration requirement. However, all applicants must have a DUNS number.

5. For-profit and non-profit applicants, and any third-party contractors, must be in good standing with the State of New Jersey, and must not be debarred by the federal government or the State. Governmental entities and instrumentalities of governmental entities such as authorities do not need to comply with this requirement.

6. For-profit and non-profit applicants must receive tax clearance from the New Jersey Division of Taxation as evidenced by a tax clearance certificate. Governmental entities and instrumentalities of governmental entities such as authorities do not need to comply with this requirement.

7. Any municipality or not-for-profit applicants or for-profit applicants acting on their behalf must comply with New Jersey public procurement law.

8. In no case should the sum total of any and all grants, incentives, rebates, tax credits or other tax incentives or other financing exceed 100% of the overall system costs.

9. Where feasible, applicants are encouraged to leverage federal, state, private and other funding sources with ERB funding to realize critical energy resilience projects.

4.4 Project Costs

4.4.1 Eligible Project Costs

Financing is available for total eligible project costs, less any applicable equity contribution, and less other sources of funding (and subject to all applicable CDBG-DR regulations, including those governing duplication of benefits). **No physical construction activity may occur on site until the completion of required federal environmental reviews.** Eligible project costs include:

1. Reimbursement for feasibility studies. Initial costs for feasibility studies are borne by the applicant. These costs may be eligible for reimbursement if the project is selected for ERB funding and the first disbursement milestone is met.

2. DER systems that meet the criteria in 4.3.2 above and all fixtures necessary to convert fuel into electricity or electricity and useful thermal energy. This includes all gas cleanup systems.

3. All secondary project related components located between the existing infrastructures for fuel delivery and the existing infrastructure for power distribution, including fixtures and controls for meeting relevant power standards, such as voltage, frequency and power factors.

4. All secondary components connecting thermal energy output to the facility's existing thermal systems.

5. Storage system for fuel produced on-site (e.g., biogas), if it can be demonstrated that more on-site fuel will be produced than can be consumed by the resilient distributed generation system.

6. "Resilient Costs" which are defined as: (1) incremental additional costs required to make distributed generation system islandable, including blackstart and grid isolation components (e.g., interconnection costs), and (2) the costs associated with hardening / raising / flood-proofing the facility to protect eligible distributed energy resources and supporting systems.

7. Acquisition of property on which the system is being installed and necessary for installation of the system, excluding property acquisition associated with solar installation. The applicant will be required to document that there is no reasonable on-site alternative to the acquisition of additional property.

8. Fuel pre-treatment cost such as biogas treatment and compressors for boosting inlet pressure.

9. Installation and construction costs for the above systems/components.

10. Site preparation and other civil work necessary to build a project, including cost of protection for new ERB systems.

11. Project engineering, project management, and other soft costs (e.g., construction and environmental permits).

12. Contingency up to a maximum of 10% of total eligible project costs. Contingency is not included in the basis for grant calculations.

4.4.2 Ineligible Project Costs

1. All costs associated with emergency generators or fossil fuel storage tanks or any components of emergency generators.

2. Systems that require fuel deliveries such as diesel or propane.

3. Used, refurbished, temporary, pilot, or demonstration equipment.

4. Solar PV panels, or balance-of-system equipment related to solar PV panels. (However, upgrades to the inverter and switch gear components are eligible costs, as are batteries for storage.)

5. For other ineligible costs, please see the ERB Funding Round document for each applicable sector.

SECTION 5: APPLICATION REVIEW & APPROVAL PROCESS

The following section describes the two-step application and review process.

5.1 ERB Initial Intake Form and Review

Prior to applying to the ERB for project financing, applicants are strongly encouraged to have a detailed energy audit performed, which includes the DER system. This may include a previously conducted audit or an updated audit which includes the DER system and could be either a Local Government Energy Audit conducted by the New Jersey Clean Energy Program or an ASHRAE Level II audit conducted by a DPMC classified energy audit professional. Information on energy audits provided free of charge through the New Jersey Clean Energy Program can be obtained at http://www.njcleanenergy.com/commercial-industrial/programs/local-government-energy-audit/local-government-energy-audit.

Additionally, each project applicant is strongly encouraged to meet with staff of the Office of Permit Coordination and Environmental Review (DEP's ONE STOP permit coordination) to identify needed permitting for the proposed project. Follow this link http://www.nj.gov/dep/pcer/ for further information about ONE STOP. Moreover, applicants already aware of projects that may be eligible for funding through the ERB are encouraged to engage DEP to begin the permitting process even before an application for ERB funding is submitted. DEP has taken steps to address increases in permit requests arising in connection with Sandy recovery.

Also, prior to applying or during the design phase, the project applicant is strongly encouraged to meet with its EDC to confirm that the proposed system will be compatible with the EDC's infrastructure, and discuss interconnectivity and other issues that may arise in connection with the project.

An ERB Intake Form is accessible through the ERB website (www.njerb.com), which will gather general information about the applicant and project. Once completed and submitted, NJEDA will review the project to determine if it falls within the ERB program general technical and financial requirements, as well as within any other requirements that may be specific to a particular ERB funding round.

If the project is determined to meet all basic requirements of the program, the project applicant will be asked to provide additional information and submit further details regarding the project for review and funding consideration on a detailed Full Application, discussed below.

5.2 ERB Full Application and Review

A completed Full Application will be reviewed to determine eligibility. If the completed application meets all necessary requirements, it will be scored using the Scoring Criteria applicable to the ERB funding round.

Projects will undergo a technical review that may include, but may not be limited to, system selection, site design, operating profile, technical feasibility, resiliency, cost benefit analysis, existing fuel delivery infrastructure and grid interconnection plans. The comprehensive project analysis will also include review of the project performance and green infrastructure components. Projects also will undergo an underwriting analysis which may include, but may not be limited to, an assessment of the applicant's ability to repay the loan portion of the funding, a credible funding source(s) to fund any remaining gap between sources and uses and cost overruns, experience and capacity of the applicant to complete the project, creditworthiness of the applicant, and whether the applicant and project meet all federal CDBG-DR funding requirements. As applicable, a mix of financing terms for each assisted for-profit facility will be established based on the business's financial capacity, in order to ensure that assistance is based on actual identified need, in order to achieve a targeted use of funds and to safeguard against the potential over-subsidization of for-profit facilities.

Additional information regarding the Full Application process, including proofs of cost reasonableness, capacity to timely utilize CDBG-DR funding, satisfaction of specific CDBG-DR regulatory requirements including ensuring no duplication of benefits, among other things, will be provided upon development and release of the Full Application. The Full Application may vary slightly across funding rounds to account for certain differences that may arise between projects focused on different types of critical facilities.

In evaluating project applications, the ERB will consider whether the project meets the general state program performance goals of increasing energy efficiency or reducing energy consumption by 15%. Further details of these program goals can be found at http://www.njcleanenergy.com/commercial-industrial/programs/pay-performance and http://www.njcleanenergy.com/commercial-industrial/programs/societal-benefits-charge-credit-program.

Any project qualifying as a "Major Infrastructure Project" or "Covered Project" pursuant to the HUD Federal Register Notices of November 18, 2013 and March 27, 2014 also will be required to be reviewed by HUD before funding is approved. This review includes publishing a Substantial Amendment to the New Jersey Department of Community Affairs CDBG-DR Action Plan, followed by a public comment period, and then submission of the proposed amendment to HUD for consideration which can take up to 60 days. "Covered Projects" are projects that:

- Are physically located in multiple counties (i.e., physical construction activities for the same project will occur in multiple counties);

- Have a total project cost of $50 million or more, with at least $10 million of CDBG-DR funding; or

- Involve two or more related projects that combine to have a total project cost of $50 million or more, with at least $10 million of CDBG-DR funding.

5.3 Project Funding

Following completion of the Full Application and the scoring of applications according to the scoring criteria applicable to the funding round, projects that meet the minimum scoring requirements will be brought for consideration to the NJEDA Board (or considered by delegation to staff, if applicable). Scoring criteria may vary slightly by funding round, but generally, projects will be evaluated based on a comprehensive risk analysis framework that incorporates the following principles:

1. Criticality
2. Resilience
3. Technical Feasibility
4. Cost Effectiveness
5. Impacted Communities Served
6. Readiness to Proceed
7. Meeting HUD Low- to Moderate-Income National Objective

A comprehensive underwriting process also will be incorporated into funding decisions for project applications submitted to the ERB.

Approved projects will be deemed preliminarily eligible for funding, subject to successful completion of a NEPA environmental review, as necessary, and any additional on-site reviews that may be federally required as a precondition of receiving CDBG-DR funding.

Project funding will be determined as outlined in the ERB Financing Program Guides (i.e. for Water/Wastewater Treatment Plants and for Hospitals). All project costs must be related to an eligible ERB energy project as defined in Section 4.3.2 and will undergo a cost reasonableness review.

5.4 Appeals

An applicant will be able to formally appeal final eligibility decisions for ERB funding.

5.5 Reporting Requirements

Approved projects will be subject to all applicable federal and state regulatory reporting requirements, which may include, but not be limited to: energy and facility performance, HUD National Objectives, labor requirements, procurement requirements, environmental requirements and employment. To the extent that other reporting requirements may apply, applicants will be made aware of these requirements and will have to provide information sufficient to satisfy the requirements.

Energy and performance reporting may be an online remote reporting system that tracks daily performance.

5.6 Quality Control Provisions

Prior to project closing, the ERB may employ an outside entity or another state agency to review the application file to determine that the closing is appropriate and meets ERB requirements. Additionally, any contract relating to ERB-funded projects where deployment of oversight monitors is mandated, pursuant to N.J.S.A. 52D-15.1 to 15.2, will be required to undergo monitoring in accordance with those requirements.

All grants provided under this program will be subject to the Single Audit Act and the provisions of the Single Audit Policy set forth OMB Circular 04-04-OMB.

APPENDIX A

ELIGIBLE DISASTERS

To be eligible for funding under the Energy Resilience Bank, according to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288), as amended by the Disaster Relief Act of 1974 (P.L. 93-288), projects must demonstrate a tie to one of the listed weather events below or have incurred physical damage from one of the listed storms.

- **Declaration No. 1954** – Severe Winter Storm and Snowstorm (Incident Period: December 26, 2010 to December 27, 2010). Impacted counties: Passaic, Bergen, Morris, Essex, Hudson, Union, Somerset, Middlesex, Mercer, Monmouth, Ocean, Burlington, Atlantic, Cumberland, Cape May.

- **Declaration No. 4021** – Hurricane Irene (Incident Period: August 27, 2011 to September 5, 2011). Impacted counties: all twenty one counties.

- **Declaration No. 4033** – Severe Storms and Flooding (Incident Period: August 13, 2011 to August 15, 2011). Impacted counties: Gloucester, Salem, Cumberland.

- **Declaration No. 4039** – Remnants of Tropical Storm Lee (Incident Period: September 28, 2011 to October 6, 2011). Impacted counties: Passaic, Sussex, Warren, Hunterdon, Mercer.

- **Declaration No. 4048** – Severe Storm (Incident Period: October 29, 2011). Impacted counties: Middlesex, Somerset, Hunterdon, Union, Morris, Warren, Essex, Bergen, Passaic, Sussex, Cape May.

- **Declaration No. 4070** – Severe Storms and Straight-Line Winds (Incident Period: June 30, 2012). Impacted counties: Salem, Cumberland, Atlantic.

- **Declaration No. 4086** – Hurricane Sandy (Incident Period: October 26, 2012 to November 8, 2012). Impacted counties: all 21 counties.

Revised Date: April 12, 2016

ERB FUNDING ROUND 1:

WATER AND WASTEWATER TREATMENT FACILITIES

A maximum of **$65 million** may be committed to projects in this first ERB funding round, which will be open to wastewater treatment plant (WWTP) and water treatment plant (WTP) applicants that satisfy the threshold eligibility criteria in Section 4 of the ERB Financing Program Guide as well as all requirements for funding set forth below. Capping this funding round at $65 million is intended to ensure that sufficient funding is available for future funding rounds that may benefit other critical market sectors. Importantly, capping this initial funding round should not be taken to mean that additional ERB funds cannot be made available for WWTP and WTP applicants. As of April 12, 2016, there is no longer a $65 million ERB funding set-aside reserved for WWTP and WTP applicants.

Applications will continue to be accepted on a rolling basis, and reviewed and brought for Board actions on a first-received, first-ready basis. The application window for WWTP and WTP applicants will remain open until all ERB funds are reserved. It should be noted that ERB applications will be considered based on availability of funding, prioritization of other sectors, CDBG-DR funding limitations, or other factors.

1.1 Maximum Award

There is no maximum project award for this funding round except for a per project cap on electricity storage. Limits may be imposed on a per entity basis.

The total available budget in this Funding Round 1 for **electricity storage** such as batteries to store onsite renewable electricity production is **$5 million** and each project will be limited to a cap of **$500,000** for electricity storage.

1.2 WWTP / WTP Ineligible Costs

The following costs are ineligible for the WWTP and WTP sector. See the ERB Program Guide for ineligible costs for all sectors.

1. All predevelopment costs prior to April 7, 2014, with the exception of any energy audit costs which are ineligible for reimbursement prior to October 20, 2014.

2. All system costs prior to October 20, 2014.

1.3 Scoring Criteria for Funding Round 1

Projects will be scored on a point system between 0 and 100 based on the following:

1. Technology Efficiency/Economic Cost Effectiveness (Up to 20 points) – Using the Rutgers Center for Energy, Economics and Environmental Policy Distributed Energy Resource Cost Benefit model or another similar cost benefit model:

   A. A project will receive 20 points for a cost-benefit ratio greater than 1.25.

   B. A project will receive 10 points for a cost-benefit ratio between 1.0 and 1.25 (including 1.25).

   Projects with a Cost-Benefit Ratio less than 1.0 are not eligible for funding.

2. Low Moderate Income Area Benefit (Up to 25 points) –

   A. A project will receive 25 points if the HUD Low Moderate Income Area Benefit is greater than 51%

   B. A project will receive 20 points if the HUD Low Moderate Income Area Benefit is between 35% and 50.99%

   C. A project will receive 15 points if the HUD Low Moderate Income Area Benefit is between 20% and 34.99%

3. Most Impacted Communities (Up to 15 points) – Projects at critical facilities that were directly or indirectly impacted by Superstorm Sandy or other qualifying disaster, as listed in Appendix A:

   A. Will receive 15 points if the critical facility serves three or more of the municipalities listed in Appendix B.

   B. Will receive 10 points if the critical facility serves one or two of the municipalities listed in Appendix B.

   C. Will receive 0 points if the critical facility serves none of the municipalities listed in Appendix B.

   The list of communities in Appendix B is based on FEMA data showing municipalities with the largest combined number of primary homes and rental units that sustained at least $8,000 of physical damage (i.e., "major" damage) as a result of Superstorm Sandy. While facilities impacted by disasters other than Sandy are eligible for ERB funding, the additional emphasis on Sandy derived from this scoring factor is necessary to ensure compliance with regulations governing the use of CDBG-DR monies that fund the ERB, including the requirement regarding the overall percentage of CDBG-DR monies that must be expended within the nine most-impacted counties as determined by HUD.

4. Readiness To Proceed (Up to 10 points)

   A. A project will receive 10 points if project completion is reasonably expected within 15 months from the estimated closing date.

   B. A project will receive 5 points if project completion is reasonably expected more than 15 months, but less than 20 months, from estimated closing date.

   For purposes of this criterion, project completion will be measured by such factors as scope of the project (e.g. site control, status of design documents and permit applications and approvals); if applicable, availability of other funding to complete the project; and reasonableness of proposed project timeline. Importantly, this factor is not measured from the date of application submission, but rather from the date of closing.

5. Criticality (20 points) – A facility that is identified as a state level asset in the Office of Homeland Security and Preparedness State Asset database will be awarded 20 points.

6. Microgrid (5 points) – A project that includes more than one free-standing facility interconnection will be awarded 5 points.

7. Facility Energy Efficiency (5 points) – A project that meets or exceeds the general state program performance requirements of 15% energy efficiency or energy savings will receive 5 points.

In addition to the above scoring criteria, funding determinations also will be based, in part, on the results of a comprehensive technical and credit underwriting analysis, including performance and green infrastructure components.

As outlined in Section 4.3.2.7 of the ERB's Program Guide, all DER systems must be designed to provide energy to all designated critical loads during a seven-day grid outage, or as specified in a product sector funding guide, without a delivery of fuel to emergency generators. Guidance on this is set forth in NJDEP Auxiliary Power Guidance and Best Practices for Wastewater and Drinking Water Systems (see http://www.nj.gov/dep/watersupply/pdf/guidance-ap.pdf).

Scoring Results – Projects must score a minimum of 50 points or more to be considered eligible for project financing. Projects that do not score at least 50 points pursuant to these criteria will be deemed ineligible for funding (and may not be resubmitted in the case of future funding rounds open to WWTP and WTP facilities, unless either the circumstances of the project or the parameters of the program change).

1.4 Financial Product Terms for ERB Funding Round 1

The financial product terms for this ERB Funding Round 1 are as follows:

1. Funding – ERB will provide 100% of unmet funding needs for an eligible project, after equity contribution applicable to for-profit owned projects, (i.e., the ERB may finance the entire funding gap, after applicable equity contribution is satisfied.) The amount of unmet need will be established through the federally required duplication of benefits/unmet need analysis. The amount of the funding gap (remaining after equity is applied, if applicable) to be provided in the form of a grant or forgivable loan will be determined per below and the balance will be provided through an amortizing loan. The terms of the financing are described below.

   A. Grant/Forgivable Loan. The amount of the unmet funding need, after any applicable equity contribution, to be provided as a Grant/Forgivable Loan is determined based on applicant type:
      i. For public and/or not-for-profit applicants:
         a. A grant/forgivable loan (not to exceed $25 million) for all Resilient Costs, as defined in the ERB Program Guide, plus
         b. A grant/forgivable loan equal to 40% of the remaining eligible project costs.
      ii. For for-profit businesses, project economics evaluated during the underwriting process and program criteria, which may include but not be limited to, ownership structure, project economic feasibility, rate of return, and other policy considerations, will determine amount of Grant/Forgivable Loan.

   B. Amortizing Loan Terms. The Loan amount will be the unfinanced balance remaining after the Grant/Forgivable Loan amount from above and will be governed by the following terms:

      i. Standard interest rates will be:
         a. For public and/or not-for-profit applicants: 2% fixed interest rate.
         b. For for-profit businesses: as low as 2%, fixed interest rate. Note that project specific interest rates will be determined based on project underwriting in conformance with HUD requirements for analyzing rate of return and ensuring that the owner/business is not unduly enriched.

      ii. Collateral – None required.

      iii. Up to 20-year term, based on useful life of majority of assets.

iv. Up to 2 years' principal and interest moratorium starting from closing, according to the following:

a. Moratorium duration will be the length of the construction period, but will not exceed 2 years, but can be extended as set forth in c. below.

b. Moratorium is included in loan term, not in addition.

c. Up to two, six-month extensions of the moratorium may be provided based on evidence of significant progress toward project completion, and where delay was unavoidable or unforeseeable. In no event will the moratorium, as extended, exceed three years.

v. Debt Service Coverage (DSC) Ratio: For for-profit businesses, the DSC ratio requirement 1:1.0 (including loan principal anticipated to be forgiven).

C. Equity Requirements

i. No equity contribution for publicly-owned, publicly-controlled or non-profit applicants.

ii. Equity contribution of at least 10% of total project costs for for-profit facilities or applicants, based on project underwriting in conformance with HUD requirements for analyzing rate or return and ensuring that the owner/business is not unduly enriched.

2. Disbursement – Disbursement will follow EDA's standard process and generally include:

A. Submission of invoice with sufficient documentation of costs incurred or payments made.

B. Verification of expenses and cost reasonableness review, including site visits as necessary.

C. All disbursements to CDBG-DR-funded projects will be subject to meeting all applicable HUD requirements.

APPENDIX A

ELIGIBLE DISASTERS

To be eligible for funding under the Energy Resilience Bank, according to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288), as amended by the Disaster Relief Act of 1974 (P.L. 93-288), projects must demonstrate a tie to one of the listed weather events below or have incurred physical damage from one of the listed storms.

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- **Declaration No. 4021** – Hurricane Irene (Incident Period: August 27, 2011 to September 5, 2011). Impacted counties: all twenty one counties.
- **Declaration No. 4033** – Severe Storms and Flooding (Incident Period: August 13, 2011 to August 15, 2011). Impacted counties: Gloucester, Salem, Cumberland.
- **Declaration No. 4039** – Remnants of Tropical Storm Lee (Incident Period: September 28, 2011 to October 6, 2011). Impacted counties: Passaic, Sussex, Warren, Hunterdon, Mercer.
- **Declaration No. 4048** – Severe Storm (Incident Period: October 29, 2011). Impacted counties: Middlesex, Somerset, Hunterdon, Union, Morris, Warren, Essex, Bergen, Passaic, Sussex, Cape May.
- **Declaration No**. **4070** – Severe Storms and Straight-Line Winds (Incident Period: June 30, 2012). Impacted counties: Salem, Cumberland, Atlantic.
- **Declaration No**. **4086** – Hurricane Sandy (Incident Period: October 26, 2012 to November 8, 2012). Impacted counties: all 21 counties.

APPENDIX B

LIST OF IMPACTED MUNICIPALITIES*

Asbury Park	Atlantic City	Atlantic Highlands	Avalon	Avon-by-the-Sea
Barnegat	Bass River	Bay Head	Bayonne	Beach Haven
Belleville	Belmar	Berkeley	Bradley Beach	Brick
Brielle	Brigantine	Camden	Carteret	Downe Township
Eagleswood	East Brunswick	Egg Harbor	Elizabeth	Hackensack
Harrison	Harvey Cedars	Highlands	Hoboken	Jersey City
Keansburg	Kearny	Keyport	Lacey	Lake Como
Lavallette	Linden	Little Egg Harbor	Little Ferry	Little Silver
Long Beach	Long Branch	Longport	Lyndhurst	Manasquan
Mantoloking	Margate	Middle Township	Middletown	Monmouth Beach
Moonachie	Mullica Township	Neptune	Newark	North Bergen
North Wildwood	Ocean City	Ocean Gate	Oceanport	Old Bridge
Penns Grove	Perth Amboy	Pleasantville	Point Pleasant Beach	Point Pleasant Borough
Rahway	Ridgefield Park	Rumson	Sayreville	Sea Bright
Sea Isle City	Seaside Heights	Seaside Park	Secaucus	Ship Bottom
Somers Point	South Amboy	South River	South Toms River	Spring Lake
Stafford	Surf City	Toms River	Tuckerton	Union Beach
Ventnor	Wallington	Weehawken	West Wildwood	Wildwood
Woodbridge				

* This list of communities is based on FEMA data showing municipalities with the largest combined number of primary homes and rental units that sustained at least $8,000 of physical damage (i.e., "major" damage) as a result of Superstorm Sandy.

Revised Date: April 12, 2016

ERB FUNDING: HOSPITALS AND RELATED HEALTHCARE FACILITIES

ERB funding will be open for hospitals and their related healthcare facilities that satisfy the threshold eligibility criteria in Section 4 of the ERB Financing Program Guide as well as all requirements for funding set forth below. The initial outreach will include low-moderate income communities and highest critical need facilities including Trauma Level 1 and Trauma Level 2 hospitals.

Applications will be accepted on a rolling basis, and reviewed and brought for Board actions on a first-received, first-ready basis. The application window will remain open until September 30, 2016 or until funds are reserved. It should be noted that ERB applications will be considered based on availability of funding, prioritization of other sectors, CDBG-DR funding limitations, or other factors.

1.1 Maximum Award

There is no maximum project award except for a per project cap on electricity storage. Limits may be imposed on a per entity basis.

The total available budget for **electricity storage** such as batteries to store onsite renewable electricity production is **$5 million**, and each project will be limited to a cap of **$500,000** for electricity storage.

1.2 Hospitals Ineligible Costs

Refer to the ERB Program Guide for ineligible costs for all sectors.

1.3 Scoring Criteria

Projects will be scored on a point system between 0 and 100 based on the following:

1. <u>Technology Efficiency/Economic Cost Effectiveness (Up to 20 points)</u> – Using the Rutgers Center for Energy, Economics and Environmental Policy Distributed Energy Resource Cost Benefit model or another similar cost benefit model:

   A. A project will receive 20 points for a cost-benefit ratio greater than 1.25.

   B. A project will receive 10 points for a cost-benefit ratio between 1.0 and 1.25 (including 1.25).

   Projects with a Cost-Benefit Ratio less than 1.0 are not eligible for funding.

2. Low Moderate Income Area Benefit (Up to 25 points) –

   A. A project will receive 25 points if the HUD Low Moderate Income Area Benefit is greater than 51%

   B. A project will receive 20 points if the HUD Low Moderate Income Area Benefit is between 35% and 50.99%

   C. A project will receive 15 points if the HUD Low Moderate Income Area Benefit is between 20% and 34.99%

3. Most Impacted Communities (Up to 15 points) – Projects at critical facilities that were directly or indirectly impacted by Superstorm Sandy or other qualifying disaster, as listed in Appendix A:

   A. Will receive 15 points if the critical facility serves three or more of the municipalities listed in Appendix B.

   B. Will receive 10 points if the critical facility serves one or two of the municipalities listed in Appendix B.

   C. Will receive 0 points if the critical facility serves none of the municipalities listed in Appendix B.

   The list of communities in Appendix B is based on FEMA data showing municipalities with the largest combined number of primary homes and rental units that sustained at least $8,000 of physical damage (i.e., “major” damage) as a result of Superstorm Sandy. While facilities impacted by disasters other than Sandy are eligible for ERB funding, the additional emphasis on Sandy derived from this scoring factor is necessary to ensure compliance with regulations governing the use of CDBG-DR monies that fund the ERB, including the requirement regarding the overall percentage of CDBG-DR monies that must be expended within the nine most-impacted counties as determined by HUD.

4. Readiness To Proceed (Up to 10 points)

   A. A project will receive 10 points if project completion is reasonably expected within 15 months from the estimated closing date.

   B. A project will receive 5 points if project completion is reasonably expected more than 15 months, but less than 20 months, from estimated closing date.

   For purposes of this criterion, project completion will be measured by such factors as scope of the project (e.g. site control, status of design documents and permit applications and approvals); if applicable, availability of other funding to complete the project; and reasonableness of proposed project timeline. Importantly, this factor is not measured from the date of application submission, but rather from the date of closing.

5. Criticality (20 points) – A facility that is identified as a state level asset in the Office of Homeland Security and Preparedness State Asset database will be awarded 20 points.

6. Microgrid (5 points) – A project that includes more than one free-standing facility interconnection will be awarded 5 points.

7. Facility Energy Efficiency (5 points) – A project that meets or exceeds the general state program performance goals of increasing energy efficiency and/or reducing energy consumption by 15% will receive 5 points.

In addition to the above scoring criteria, funding determinations also will be based, in part, on the results of a comprehensive technical and credit underwriting analysis, including performance and green infrastructure components.

As outlined in Section 4.3.2.7 of the ERB's Program Guide, all DER systems must be designed to provide energy to all designated critical loads during a seven-day grid outage, or as specified in a product sector funding guide, without a delivery of fuel to emergency generators.

Scoring Results – Projects must score a minimum of 50 points or more to be considered eligible for project financing. Projects that do not score at least 50 points pursuant to these criteria will be deemed ineligible for funding (and may not be resubmitted in the case of future funding rounds open to hospitals, unless either the circumstances of the project or the parameters of the program change).

1.4 Financial Product Terms

The financial product terms for ERB funding are as follows:

1. Funding – ERB will provide 100% of unmet funding needs for an eligible project, after equity contribution applicable to for-profit owned projects, (i.e., the ERB may finance the entire funding gap, after applicable equity contribution is satisfied.) The amount of unmet need will be established through the federally required duplication of benefits/unmet need analysis. The amount of the funding gap (remaining after equity is applied, if applicable) to be provided in the form of a grant/forgivable loan will be determined per below and the balance will be provided through an amortizing loan. The terms of the financing are described below.

   A. Grant/Forgivable Loan. The amount of the unmet funding need, after any applicable equity contribution, to be provided as a Grant/Forgivable Loan is determined based on applicant type:

      i. For public and/or not-for profit applicants:

         a. a grant/forgivable loan (not to exceed $25 million) for all Resilient Costs, as defined in the ERB Program Guide, plus

b. a grant/forgivable loan equal to 40% of all remaining eligible ERB project costs.

ii. For for-profit businesses, project economics evaluated during the underwriting process and program criteria, which may include but not be limited to, ownership structure, project economic feasibility, rate of return, and other policy considerations, will determine amount of Grant/Forgivable Loan.

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ii. Collateral – None required.

iii. Up to 20-year term, based on useful life of majority of assets.

iv. Up to 2 years' principal and interest moratorium starting from closing, according to the following:

   a. Moratorium duration will be the length of the construction period, but will not exceed 2 years, but can be extended as set forth in c. below.
   b. Moratorium is included in loan term, not in addition.
   c. Up to two, six-month extensions of the moratorium may be provided based on evidence of significant progress toward project completion, and where delay was unavoidable or unforeseeable. In no event will the moratorium, as extended, exceed three years.

v. Debt Service Coverage (DSC) Ratio: For for-profit businesses, the DSC ratio requirement is 1:1.0 (including loan principal anticipated to be forgiven).

C. Equity Requirements

i. No equity contribution for publicly-owned, publicly-controlled or non-profit applicants.

ii. Equity contribution of at least 10% of total project costs for for-profit facilities or applicants, based on project underwriting in conformance with HUD requirements for analyzing rate or return and ensuring that the owner/business is not unduly enriched.

2. Disbursement – Disbursement will follow EDA's standard process and generally include:

   A. Submission of invoice with sufficient documentation of costs incurred or payments made.

   B. Verification of expenses and cost reasonableness review, including site visits as necessary.

   C. All disbursements to CDBG-DR-funded projects will be subject to meeting all applicable HUD requirements.

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- **Declaration No. 4070** – Severe Storms and Straight-Line Winds (Incident Period: June 30, 2012). Impacted counties: Salem, Cumberland, Atlantic.

- **Declaration No. 4086** – Hurricane Sandy (Incident Period: October 26, 2012 to November 8, 2012). Impacted counties: all 21 counties.

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Belleville	Belmar	Berkeley	Bradley Beach	Brick
Brielle	Brigantine	Camden	Carteret	Downe Township
Eagleswood	East Brunswick	Egg Harbor	Elizabeth	Hackensack
Harrison	Harvey Cedars	Highlands	Hoboken	Jersey City
Keansburg	Kearny	Keyport	Lacey	Lake Como
Lavallette	Linden	Little Egg Harbor	Little Ferry	Little Silver
Long Beach	Long Branch	Longport	Lyndhurst	Manasquan
Mantoloking	Margate	Middle Township	Middletown	Monmouth Beach
Moonachie	Mullica Township	Neptune	Newark	North Bergen
North Wildwood	Ocean City	Ocean Gate	Oceanport	Old Bridge
Penns Grove	Perth Amboy	Pleasantville	Point Pleasant Beach	Point Pleasant Borough
Rahway	Ridgefield Park	Rumson	Sayreville	Sea Bright
Sea Isle City	Seaside Heights	Seaside Park	Secaucus	Ship Bottom
Somers Point	South Amboy	South River	South Toms River	Spring Lake
Stafford	Surf City	Toms River	Tuckerton	Union Beach
Ventnor	Wallington	Weehawken	West Wildwood	Wildwood
Woodbridge				

* This list of communities is based on FEMA data showing municipalities with the largest combined number of primary homes and rental units that sustained at least $8,000 of physical damage (i.e., "major" damage) as a result of Superstorm Sandy.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: April 12, 2016

RE: Energy Resilience Bank – St. Peter's University Hospital CHP Project Funding Recommendation

Request:

The Members are requested to: (1) deem the St. Peter's University Hospital CHP project preliminarily eligible for Energy Resilience Bank (ERB) funding; (2) approve moving the project forward to the next phase of the ERB program review and approval process; (3) reserve $7,488,500 of ERB funds for the project; and, (4) authorize the execution of ERB program funding documents with St. Peter's University Hospital consistent with the terms set forth herein, with the understanding that any material changes to project scope or budget will be brought back to the board for reconsideration.

ERB Program:

In July, 2014, the Members approved the creation of the Energy Resilience Bank, initially capitalized with $200 million of Community Development Block Grant Disaster Recovery ("CDBGDR") funds, to address statewide energy resilience needs. In October 2014, the Members approved the ERB Financing Program Guide and launched ERB's Funding Round 1 for Water and Wastewater Treatment Facilities and in October 2015, the Members approved ERB's Funding Round for Hospitals and Related Healthcare Facilities.

The intent of the ERB is to finance the installation or upgrading of commercially available and cost effective resilient energy technologies at critical facilities. ERB is focused on effective distributed energy resource (DER) technologies, including combined heat and power and fuel cells, which are designed to start up and function in "island" mode, disconnected and isolated from the grid during a power outage or other event.

Applicants must be eligible entities and must demonstrate that the critical facility was either directly or indirectly impacted by Superstorm Sandy or directly impacted by another qualifying disaster. Priority, as established through the ERB scoring system, is placed on projects which serve low and moderate income communities. ERB projects must be permanently installed at a critical facility, must be constructed or elevated above FEMA's best available data for base flood elevations, and be operational within two years of the ERB closing.

In conformance with HUD's CDBG-DR funded infrastructure program requirements, all projects undergo a comprehensive risk analysis which incorporates a detailed technical feasibility, criticality and resiliency, and cost benefit/project economics review to determine program and funding eligibility. Each project is assessed on the technical specifications of the project including the technology used, size and scale, criticality, resiliency, environment review, applicant credit, cost and revenue estimates, and overall feasibility. Scoring criteria reflect the comprehensive risk analysis framework as shown in the attached Scoring Chart. Projects are scored on a 100 point system and must meet a minimum eligibility threshold score of 50 points to be considered eligible for ERB project financing.

ERB funding is determined and provided on a per project basis as a combination of grant/forgivable loan and amortizing loan based on the project's unmet need and ownership structure. For public and not-for-profit applicants, ERB will provide 100% of the project's unmet need as:

1) a grant/forgivable loan (not to exceed $25 million) for all eligible resilient costs, as described in the Program Guide;
2) a grant/forgivable loan equal to 40% of the remaining eligible project costs; and,
3) an amortizing, 2% interest rate loan with a term up to 20 years, for the balance of ERB project funding.

St. Peter's University Hospital CHP Project

Applicant: St. Peter's University Hospital (SPUH) is a not-for-profit organization, sponsored by the Diocese of Metuchen, incorporated in 1908, and located in New Brunswick. SPUH is an acute care, 478 bed teaching hospital that provides a broad array of services to the community treating more than 30,000 inpatients and more than 200,000 outpatients annually and employs 2,800 healthcare professionals and support personnel. Ronald C. Rak, JD, is the Chief Executive Officer of Saint Peter's Healthcare System, and Leslie D. Hirsch, FACHE, is President. SPUH primarily serves Middlesex County as well as parts of Mercer and Union counties.

Project Summary: Consistent with ERB and HUD CDBG-DR program requirements, SPUH will develop a new combined heat and power system on their hospital campus in downtown New Brunswick. The project will be constructed above minimum base flood elevations and will include a 2 Megawatt natural gas fired reciprocating engine that will be interconnected within the facility with the necessary blackstart and islanding system controls to be able to operate independently from the grid in case of a power outage or other emergency.

National Objective: – Urgent Need – Tie to the Storm - Located in downtown New Brunswick/Middlesex County – one of the 9 most impacted counties. Saint Peters University Hospital suffered direct physical damage from Superstorm Sandy as demonstrated from their FEMA Project Worksheets. Additionally, SPUH was required to enact emergency protective measures as a result of Superstorm Sandy to protect the health and safety of the patients, staff, and general public when the high winds caused extended power outages requiring the hospital to run on emergency generator power, extend the hours and number of security personnel, extend hours of IT and Help Desk personnel, cleanup of wind driven rain in entranceways, and install temporary covering to the roof mounted air handling chases where the covering was blown off. The hospital was notified by the county that because the water plant was going off line the hospital would either have to shut down operations and evacuate or find alternative sources of water for sanitary function of the facility requiring maintenance personnel make temporary hookups to accommodate water delivery by tanker.

Project Review: St. Peter's University Hospital CHP project is an eligible project at a critical facility which is to be developed within a two year period by an eligible non-profit applicant, and which meets all ERB program eligibility requirements. The New Jersey Board of Public Utilities (BPU) has evaluated the project to determine it meets technical and feasibility requirements as defined in the MOU between the EDA and BPU. Per the Rutgers CEEEP comprehensive cost benefit analysis, the project and reliability benefits yield a result of 1.54, when taking into account the full project costs, which factored in the economic and emission costs of the project. When complete, the project will allow SPUH to start-up and isolate from the electrical grid and continue operating and providing needed community services and benefits in the event of future storms, disasters, or emergency situations. The project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause, with the understanding that PSEG funds will be used in the project.

Project Scoring: The project received a project score of 85 as outlined below and exceeds the minimum score of 50 required for program eligibility.

Project Funding and ERB Funds: The estimated Total Project Cost is \$ 8,488,500. It is estimated that \$1,700,000 are cost reasonable resilient related costs per ERB program guidelines. There is expected \$1,000,000 of funding from PSEG's Hospital Efficiency Program, a program authorized by BPU, which will be provided as a loan (0%, 10 year term). Consistent with the ERB's Financing and Program Guide, the SPUH project will be provided with the following, subject to cost reasonableness analysis and review of final project costs:

ERB Grant:	\$ 4,415,400	
ERB Loan Funding:	\$ 3,073,100	(2% interest rate, maximum 20 year term)

Loan Repayment: The financing will be a general obligation to the hospital with the projected annual cost of \$186,556. Through the established feasibility and technical review the annual net energy cost savings projected from development of the CHP project is approximately \$914,000, which combined with annual operating and maintenance costs and service warranty contracts is sufficient to repay the project loan within the loan terms. The reported financials disclosed by SPUH as a result of their Health Care Facilities Financing Authority (HCFFA) bonds shows a historical trend of SPUH's Debt Service Coverage Ratio (DSCR) exceeding the 1.25 bond covenant requirement. The audited financials show more than adequate coverage with the 2015 unaudited financials showing a 1.85 DSCR. Additionally, with the subsequent energy savings associated with this project there would not be a negative effect on the DSCR as loan repayment does not begin until after the CHP unit is operational.

Recommendation:

The Members are requested to: (1) deem the St. Peter's University Hospital CHP project preliminarily eligible for Energy Resilience Bank (ERB) funding; (2) approve moving the project forward to the next phase of the ERB program review and approval process; (3) reserve $7,488,500 of ERB funds for the project; and, (4) authorize the execution of ERB program funding documents with St. Peter's University Hospital consistent with the terms set forth herein, with the understanding that any material changes to project scope or budget will be brought back to the board for reconsideration.

Attached:

- Project Funding and ERB Financing and Scoring Sheet

Prepared by: Liza Nolan/Matthew Fields

ST. PETER'S UNIVERSITY HOSPITAL CHP April 2016

Project Funding and ERB Financing	
Total Project Costs:	**$ 8,488,500**
Resilient Costs:	$ 1,700,000
Project Funding Sources:	**$ 8,488,500**
Other Project Funding: *PSEG Hospital Efficiency Program*	$ 1,000,000
ERB Grant Funding:	**$4,415,400**
ERB Loan Funding: ***(2%, 20 year term)***	**$ 3,073,100**

ST. PETER'S UNIVERSITY HOSPITAL CHP PROJECT		*April 2016*
ERB Scoring Criteria	**Weight in Points**	**PROJECT SCORE**
1. Technology Efficiency/Economic Cost Effectiveness *a. 20 points for a cost-benefit ratio greater than 1.25* *b. 10 points for a cost-benefit ratio between 1.0 and 1.25 (including 1.25)* **Cost-Benefit Ratio less than 1.0 - INELIGIBLE**	20	20
2. LMI Area Benefit *a. 25 points if HUD LMI Area Benefit is greater than 51%* *b. 20 points if HUD LMI Area Benefit is between 35% - 50.99%* *c. 15 points if HUD LMI Area Benefit is between 20% - 34.99%*	25	15
3. Most Impacted Communities *a. 15 points if facility serves 3 or more municipalities listed* *b. 10 points if facility serves 1 or 2 municipalities listed* *c. 0 points if facility serves no municipalities listed*	15	15
4. Readiness To Proceed *a. 10 points if project completion reasonably expected within 15 months* *b. 5 points if project completion reasonably expected 15 - 20 months*	10	10
5. Criticality ***(using Office of Homeland Security & Preparedness State Asset database)*** *a. 20 points if facility type is listed* *b. 0 points if facility type is NOT listed*	20	20
6. Microgrid *a. 5 points if more than one free-standing facility interconnection* *b. 0 points if only a single free-standing facility interconnection*	5	0
7. Facility Energy Efficiency *a. 5 points if project meets or exceeds the general state program performance requirements of reducing energy consumption or increasing efficiency by 15%*	5	5
Minimum Score of 50 Needed **TOTAL PROJECT SCORE:**	100	85

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: April 12, 2016

RE: Retail Fuel Station–Energy Resiliency Program ("RFS")

Request:
Consent to the following actions:

1. Provide staff Delegated Authority to extend Applicants deadlines in six month increments, through December 2017, which is beyond the current date in the Grant Agreement of August, 2016.
2. A level change for staff delegation from Level 3 (Managing Director with Officer) to Level 4 (Director with Officer) to approve modifications, execute agreements and approve extensions.

Background:

In December 2013 and again in December 2014, the Members approved the Retail Fuel Station – Energy Resiliency Program ("RFS") to aid retail fuel stations with becoming energy resilient during natural disasters that often result in extensive power outages like those that occurred during Superstorm Sandy. The RFS is a voluntary program designed to assist owners/operators of retail fuel stations with enhancing their operational resiliency. The program, which is a joint effort between New Jersey Office of Emergency Management ("NJOEM"), the Federal Emergency Management Agency ("FEMA") and EDA, was initially capitalized with $7 million to provide grants to install permanent generators or quick connections for mobile generators at retail fuel stations.

The initial round resulted in 72/$3,030,000 approved applications. The second round resulted in 58/$970,000 eligible applications, of which 57/$955,000 are approved; and 1/$15,000 is under review by FEMA. To date, 82 applicants have completed their installations; of which a total of 65 (35 quick connects and 30 permanent generators) are operational.

Changes to Program Guidelines:

The Program Guidelines will be amended to reflect the changes requested herein.

Initially, OEM had required that all the funding be deployed by August 2016, which was identified in our program guidelines and approved by the Board in December 2013. OEM has since changed said requirement and is permitting each applicant three (3) years from the date of its approval to deploy the funding. In order to allow the applicants enough time to complete the installations and submit the proper documentation to receive a reimbursement, staff is requesting approval to provide extensions to applicants in 6 month increments through December 2017, but no later than (3) years from the date of the approval from OEM, based upon their specific situation. Through deployment of the Program, staff has realized potential delays in the installation of permanent generators due to zoning or site plan approvals, along with lead time associated with the equipment. Additionally, there are still new Grant Agreements that have not been executed by the applicant, and will likely not meet the August 2016 deadline.

Recommendation:

The Members are asked to consent to the following:

1) Provide staff Delegated Authority to extend Applicants deadlines in six month increments through December 2017.
2) A level change for staff delegation from Level 3 (Managing Director with Officer) to Level 4 (Director with Officer) to approvemodifications, execute agreements and approve extensions.

Prepared by: Lisa Petrizzi and Stephen Martorana

STRONGER NJ BUSINESS LOAN APPEALS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Melissa Orsen
Chief Executive Officer

DATE: April 12, 2016

SUBJECT: Stronger NJ Business Loan Program Appeal – Liberty Harbor Coffee, Inc.

Pursuant to the appeal process approved by the Board at the June 10, 2014 Board meeting, applicants to the Stronger NJ Business Loan program may challenge the EDA's decisions by submitting in writing to the EDA no later than 30 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned to each project to provide an independent review of the appeal.

The Hearing Officer's review includes reviewing the appeal letter, the application and file, as well as speaking directly with the applicant and relevant Office of Recovery staff. The applicant has been sent the Hearing Officer's report in advance of the Board Meeting. They have been given an opportunity to reach out directly to the Hearing Officer to discuss the decision, and have been notified of the date and time of the Board Meeting.

At this meeting, the Board is being asked to consider one appeal: Liberty Harbor Coffee, Inc. Attached to this memo you will find the Hearing Officer's recommendation, the Hearing Officer's letter to the applicant, the declination letter and the applicant's appeal. I have reviewed the attached and I concur with the recommendation that the declinations under the Stronger NJ Business Loan Program for Liberty Harbor Coffee, Inc. be upheld.

Melissa Orsen

attachments

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Melissa Orsen, Chief Executive Officer
Members of the Authority

FROM: Dina Antinoro
Hearing Officer

DATE: April 12, 2016

SUBJECT: Stronger NJ Business Loan Program Appeals
Liberty Harbor Coffee, Inc. - 67346

Request:

The Members are asked to approve the Hearing Officer's recommendation to uphold the declination of the Stronger NJ Business Loan application for Liberty Harbor Coffee, Inc. Pursuant to the appeal process approved by the Board at the April 30, 2013 Special Board meeting, and revised at the June 10, 2014 Board Meeting, applicants to the Stronger NJ Business Loan program may challenge the EDA's decisions by submitting in writing to the EDA no later than 30 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned by the CEO to each project to provide an independent review of the appeal. Dina Antinoro has fulfilled the role of Hearing Officer to review the following appeal and has completed the review with legal guidance from the Attorney General's Office.

The appeal has been reviewed and a letter has been sent to the applicant with the Hearing Officer's recommendation. The applicant was notified in the letter that they have the opportunity to provide comments or exceptions directly to the Hearing Officer. The letter is attached to this memo.

Based on the review of the appeal submitted by the applicant and the analysis prepared by the initial review team from the EDA, the Hearing Officer recommends the following:

Business Name	Reason for Decline	Discussion
Liberty Harbor Coffee, Inc.	The Business was not able to provide one full fiscal year of financial statements prior to the storm.	Applicant's business was established in 2012, and as such, could not provide financial statements for 2011 as required by the guidelines.

Recommendation:

As a result of careful consideration of the above appeal in consultation with the Attorney General's Office, the recommendation of the Hearing Officer is to uphold the declination of the Stronger NJ Loan application for Liberty Harbor Coffee, Inc.

Prepared by: Dina Antinoro

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

March 21, 2016

In Reference to:
Stronger NJ Business Loan (SL) # 67346

Arun Nanda
Liberty Harbor Coffee, Inc.
9 Regent Street
Jersey City, New Jersey 07302

RE: Stronger NJ Business Loan Application

Dear Mr. Nanda:

My name is Dina Antinoro and I was appointed to serve as the Hearing Officer for your appeal under the Stronger NJ Business Loan Program ("Loan Program").

By way of background, the New Jersey Economic Development Authority ("EDA") reviewed and declined your application for a loan on October 9, 2015. The information you provided indicated that you are the owner of American Management Strategies, Inc. ("AMS") a New York Corporation that owns and manages Liberty Harbor Coffee, Inc. ("LHC") d/b/a Brewshot Café ("Brewshot"), a café located in Jersey City, New Jersey. As part of my review of your loan application and appeal, I have read your appeal letter, your application and file, and spoken with relevant Office of Recovery staff.

In accordance with 24 CFR §§570 et seq. – Community Development Block Grants, the United States Department of Housing and Urban Development ("HUD") published "Allocations, Common Application, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery ("CDBG-DR") Funds in Response to Hurricane Sandy", 78 Fed. Reg. 14329 et seq. (March 5, 2013) (the "Published HUD Requirements") which outlined the allocation of Sandy Relief funds and guidelines that recipient and sub-recipient agencies were to follow. As the EDA is the sub-recipient of DCA funds, the EDA's Sandy Relief loan program is required to adhere to HUD regulations as well as federal regulations outlined by 24 CFR §§570 et seq.

As per HUD regulations, the New Jersey Department of Community Affairs ("DCA") published a CDBG Disaster Recovery Action Plan ("Action Plan"). The Action Plan states in section 4.3.2 that the Program is specifically open to small businesses, however, businesses "may be further limited based on additional criteria determined by NJEDA and outlined in program guidelines." Such additional criteria and guidelines can be found in the resolution ("Board Resolution") approved by the EDA's Board at its June 11, 2013 meeting.

In the original declination letter sent to Brewshot, you were informed that the business is ineligible for a loan under the Loan Program because the business was not able to provide one full fiscal year of financial statements prior to the storm - 2011. Your October 28, 2015 appeal letter stated that Brewshot is under the management of AMS, a New York Corporation established in November 2011 and that LHC was later incorporated in New Jersey in February 2012.

Per Loan Program guidelines, all applicants "must have been in existence on October 29, 2012, the date of the Superstorm and be able to provide one full year of financial statements prior to the Storm". Such is stated in the aforementioned Board Resolution and Loan Program Guidelines as an eligibility requirement. While LHC was incorporated in New Jersey in 2012 and was in existence on October 29, 2012, it is unable to provide one full year of financial statements prior to the storm. Moreover, while AMS is the holding company of LHS and can provide financials for 2011, it remains that AMS is a separate company apart from LHS and as such, AMS's 2011 financials cannot be considered in this case. To find differently in this case would effectively nullify the clear guidance set out by the Board Resolution, Loan Program Guidelines and HUD.

Based on my review as Hearing Officer, I find that Liberty Harbor Coffee, Inc. does not demonstrate that it has overcome the reason for which it was originally declined, as Liberty Harbor Coffee, Inc. cannot provide financial statements for 2011.

For the reasons above, I will be recommending that the appeal be denied by the EDA Board at its meeting on April 12, 2016.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is below.

After the EDA Board concludes its review and renders its decision, which is subject to a ten (10) day veto period by the Governor, we will notify you of that final action.

Very truly yours,

Dina Antinoro, Hearing Officer
609-858-6918
dkhmelnitsky@njeda.com

c: Melissa Orsen, Chief Executive Officer
Tim Lizura, President/Chief Operating Officer

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 9, 2015

In Reference to:
Stronger NJ Business Loan (SL) *#67346*

Certified and U.S. Postal Mail
Arun Nanda
Liberty Harbor Coffee, Inc.
9 Regent St.
Jersey City, NJ 07302

Dear Mr. Nanda:

Thank you very much for applying for a Stronger NJ Business Loan. We sincerely appreciate the time your business invested in applying to the program. The New Jersey Economic Development Authority (EDA) has completed a review of your loan request. Based on the federal guidelines we must adhere to, we regret that we are unable to provide your organization with a loan for the following reason(s):

- ***The business was not able to provide one full fiscal year of financial statements prior to the storm.***

You may appeal this decision by submitting a written explanation addressing the reason for declination within **30 days** of the date of this letter to the following address:

NJ Economic Development Authority
Attn: Office of Recovery
PO Box 990
Trenton, NJ 08625-0990

In addition to this program, the EDA has provided funds to local economic development organizations supporting loans to Sandy-impacted small businesses. We would like to make you aware of this additional relief that may be available to you. Please see the enclosed sheet containing profiles and contact information for these organizations and others that might be helpful.

Sincerely,

Timothy J. Lizura
President & Chief Operating Officer

MAILING ADDRESS | PO BOX 990 | TRENTON, NJ 08625-0990
36 WEST STATE STREET | TRENTON, NJ 08625 | 609.858.6700 | e-mail: njeda@njeda.com | www.njeda.com

BREWSHOT™

' **October 28, 2015**

NJ Economic Development Authority
Attention: Office of Recovery
PO Boz 990
Trenton, NJ 08625-0990

Ref: Stronger NJ Business Loan (SL) #67346

Dear Sir/Madam:

I am writing this in reference to your letter dated 9th October 2015 (copy enclosed).

It is, in fact, very disappointing to have our loan application declined. Moreover, the reason for denial is even more disappointing because I spent a lot of time, energy and resources in providing all the documents and information over the course of more than a year while this application was in process. Our business was seriously hurt due to Sandy. Fortunately, we were granted the "Sandy Grant" by the NJEDA which made us confident and eligible to file for this loan and keep our business growing. At no time during our loan application process were we informed of the 'One Year Existence' rule.

As a matter of fact, we started our business – and got our registered trade mark "BREWSHOT" in the year 2012. The business was started as 'American Management Strategies Inc.' ("AMS") in November 2011. See Copy of Incorporation. Subsequently, we applied for a registered trade mark of our brand "BREWSHOT" in February 2012. See copy of Trade Mark Registration. After the formation of AMS, we were searching for locations to open our first coffee shop. Incidentally, AMS was formed at our corporate address – 299 Broadway, New York, NY 10007, hence under the laws of State of New York. Once we found the location and were about to sign the lease in Jersey city, NJ, we realised that we had to have a NJ corporation. Instead of filing a certificate for doing business in NJ, we incorporated a new entity in the name of Liberty Harbor Coffee Inc, (LHS) which is wholly owned by the management of AMS. See copy of LHC incorporation.

We have been in business for more than year prior to the storm. We request you to consider this case and our application in this context. I further appeal to you to grant me an opportunity to appear in person to explain our position.

We have continued to run our business during the hardest financial distress and continued to employ our dedicated staff. We are now embarking on growing our business to other locations and continue to generate employment in the local community.

We hope our application will be reinstated and a loan will be granted to allow us to pursue our goal of expansion.

Thank you for your time and cooperation.

Sincerely

Arun Nanda

President

BOARD MEMORANDUMS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Delegated Authority Approvals for 1st Quarter 2016
For Informational Purposes Only

The following post-closing actions were approved under delegated authority during the first quarter of 2016:

Name	EDA Credit Exposure	Action
Laura Mody Holdings, Inc./ Rajbhog NJ, Inc.	$ 298,752	Extend EDA's LDFF loan maturity for 6 months to July 1, 2016 to allow time for completion of financial information needed to underwrite a loan maturity extension.
ECL Properties, LLC/ Envision Consultants, LLC	$ 259,220	Extend EDA's participation loan maturity to October 1, 2020 to allow the borrower time to repay the balloon payment.
WJJ & Company, LLC d/b/a Papertec	$ 104,557	Extend EDA's direct loan maturity for 2 years to allow the borrower to repay the balloon payment and consent to transfer majority ownership from Founder Ted Bielen to his sons Kevin and Todd Bielen.
Foundry Street Development, LLC (Redevelopment entity)	$ 78,548	Restructure the defaulted HDSRF loan and extend maturity for 2 years to allow time for the Borrower to complete remediation and repay the loan in full.

Conduit Bonds (EDA has no credit exposure)	
RBH-TRB East Mezz Urban Renewal Entity, LLC and Affiliates	Consent to release and substitution of guaranty for the $5.625 million Taxable Redevelopment Area Bond as part of an ownership change of the Teachers Village project.
Cong Bnos Devorah, Inc. (Girls Elementary	Consent to reduce the $5,752,500

School)	Tax-Exempt Stand Alone Bond's interest rate from 3.07% to 2.96% and modify the amortization schedule.
Congregation Oros Bais Yaakov of Lakewood, Inc. (Girls High School)	Consent to modify the $4,775,000 Tax-Exempt Bond to reduce interest rate from 3.07% to 2.96%, modify the amortization schedule and correctly reflect the legal name of the school.
Ashland School, Inc.	Consent to release and substitution of mortgaged property for the $20.8 million Tax-Exempt Bond.

Prepared by: Mansi Naik

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Incentives Modifications
(For Informational Purposes Only)

Since 2001, and most recently in June, 2014, the Members have approved delegations to the President/Chief Operating Officer for post closing incentive modifications that are administrative and do not materially change the original approvals of these grants.

Attached is a list of the incentive modifications and Salem/UEZ renewal extensions that were approved in the 1st quarter ending March 30, 2016.

Prepared by: J. Halo

MAILING ADDRESS: | PO BOX 990 | TRENTON, NJ 08625-0990
SHIPPING ADDRESS: | 36 WEST STATE STREET | TRENTON, NJ 08625 | 609.858.6700 | e-mail: njeda@njeda.com | www.njeda.com

ACTIONS APPROVED UNDER DELEGATED AUTHORITY
QUARTER ENDING MARCH 30, 2016

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

Applicant	Modification Action	Approved Award
ACS State Healthcare /ACS Enterprise Solutions	Consent to the name change of ACS State Healthcare/ACS Enterprise Solutions to Xerox State Healthcare, LLC	$1,089,760

BUSINESS RETENTION and RELOCATION ASSISTANCE GRANT

n/a

GROW NEW JERSEY ASSISTANCE PROGRAM

Applicant	Modification Action	Approved Award
Burlington Coat Factory Warehouse Corporation	Consent to add Burlington Merchandising Corporation to applicant's GROW NJ incentive agreement.	$40,000,000
Imperial Bag & Paper Co., LLC	Consent to change the ownership of Imperial Bag & Paper Co., LLC from Imperial Bag Holdings LLC to IB&P Group Holdings LLC	$29,120,000
Insight Catastrophe Group, LLC, Insight Catastrophe Managers, LLC and Sagesure Insurance Managers, LLC	Consent to reset the statewide employee number from zero (0) to seven (7)	$2,480,000

URBAN TRANSIT HUB TAX CREDIT PROGRAM

n/a

SALEM/UEZ ENERGY SALES TAX EXEMPTION RENEWALS

Applicant	Extend to Date	Location	# of Employees/% Involved in Manufacturing	Benefit
Actavis Elizabeth LLC	December 5, 2016	Elizabeth, NJ	521/74%	$285,000
Ardagh Glass Inc.	December 31, 2016	Bridgeton, NJ	374/91%	$550,000
Nipro Pharmapackaging Americas Corp	January 15, 2017	Millville, NJ	266/79%	$353,000

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Retail Fuel Station – Energy Resiliency Program
(For Informational Purposes Only)

In December 2013 and again in December 2014, the members approved the Retail Fuel Station – Energy Resiliency Program ("RFS") to aid retail fuel stations with becoming energy resilient during natural disasters that often result in extensive power outages like those that occurred during Superstorm Sandy.

The program, which is a joint effort between New Jersey Office of Emergency Management ("NJOEM"), the Federal Emergency Management Agency ("FEMA") and EDA, was initially capitalized with $7 million to provide grants to install permanent generators or quick connections for portable generators at retail fuel stations. The initial round resulted in 72/$3,030,000 approved applications. The second round resulted in 58/$970,000 eligible applications, of which 57/$955,000 are approved; and 1/$15,000 is under review by FEMA. To date, 82 applicants have completed their installations; of which a total of 65 (35 quick connects and 30 permanent generators) are operational.

To support program efficiencies, the members approved delegation to staff to approve these projects. Attached is a summary of the Delegated Authority approval for the first quarter ending March 31, 2016. 14 grants were approved totaling $260,000.

Timothy Lizura

Prepared by: Wendy Wisniewski

BERGEN COUNTY Applicant	Description	Grant	Anticipated Completion
Hasbrouck Heights Shell PMG New Jersey, LLC P40923	Installation of a quick connect at 220 Franklin Avenue, Hasbrouck Heights, NJ	$15,000	May 2016
Oradell Shell PMG New Jersey, LLC P40940	Installation of a quick connect at 444 Kinderkamack Road, Oradell, NJ	$15,000	April 2016
Paramus Mobil Paks Fast Service Inc. P40843	Installation of a quick connect at 639 Route 17, Paramus, NJ	$15,000	April 2016
CUMBERLAND COUNTY Applicant	**Description**	**Grant**	**Anticipated Completion**
Vineland Riggins Clayville Enterprises, Inc. P40742	Installation of a quick connect at 521 South Delsea Drive, Vineland, NJ	$15,000	April 2016
HUDSON COUNTY Applicant	**Description**	**Grant**	**Anticipated Completion**
Newport Exxon Newport Auto Service Center, Inc. P39011	Installation of a permanent generator at 726 Jersey Avenue, Jersey City, NJ	$65,000	August 2016
MIDDLESEX COUNTY Applicant	**Description**	**Grant**	**Anticipated Completion**
Edison Mobil Petro Realty LLC P40893	Installation of a quick connect at 1171 Inman Avenue, Edison, NJ	$15,000	May 2016
Perth Amboy Mobil Petro Realty LLC P40886	Installation of a quick connect at 550 Smith Street, Perth Amboy, NJ	$15,000	May 2016
MORRIS COUNTY Applicant	**Description**	**Grant**	**Anticipated Completion**
Budd Lake Sunoco PMG New Jersey, LLC P40901	Installation of a quick connect at 35 Route 46, Budd Lake, NJ	$15,000	April 2016
Chester Shell PMG New Jersey, LLC P40902	Installation of a quick connect at 90 Route 206, Chester, NJ	$15,000	April 2016
Denville Sunoco Petro Realty LLC P40892	Installation of a quick connect at 3143 Route 10, Denville, NJ	$15,000	May 2016
SOMERSET COUNTY Applicant	**Description**	**Grant**	**Anticipated Completion**
Green Brook Gulf K & G Management LLC P40724	Installation of a quick connect at 345 Route 22, Green Brook, NJ	$15,000	May 2016

SUSSEX COUNTY Applicant	Description	Grant	Anticipated Completion
Stanhope Shell PMG New Jersey, LLC P40950	Installation of a quick connect at 27 Highway 206, Stanhope, NJ	$15,000	April 2016
UNION COUNTY **Applicant**	**Description**	**Grant**	**Anticipated Completion**
Cranford Citgo 120 North Avenue Corp. P40725	Installation of a quick connect at 120 North Avenue West, Cranford, NJ	$15,000	May 2016
Wild Tiger Exxon Liligeo Trading Corp. P40776	Installation of a quick connect at 1950 Route 1 South, Rahway, NJ	$15,000	April 2016
14 Grants	**Approved 1Q16**	**$260,000**	

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and COO

DATE: April 12, 2016

SUBJECT: Projects Approved Under Delegated Authority - **For Informational Purposes Only**

The following projects were approved under Delegated Authority in March 2016:

Premier Lender Program:

1) 40 Gordon Drive LLC (P42341), located in Totowa Borough, Passaic County, is a newly formed real estate holding company created to own the project property. The operating company, J&L Cycle, LLC, is a retail bicycle shop named A Bike Ahead, operating out of a storefront location in Brooklyn, NY. J&L Cycle offers a large selection of premier bicycle brands as well as repair services and rentals. Two River Community Bank approved a $1,890,000 loan contingent upon a $567,000 (30%) Authority participation. Proceeds will be used to purchase a warehouse to relocate to Totawa for added storage space for their growing inventory and operations. The Company plans to create ten new positions within the next two years.

2) Domisa, LLC (P41393), located in Jersey City, Hudson County, is the real estate holding company for the project property. The operating company, Mi Sono Foods Ltd., dba Buon'Italia, was formed in 1998 as an importer, wholesale distributor and retailer of Italian foods both online and point of purchase. Fulton Bank of New Jersey approved a $2,700,000 loan contingent upon a $700,000 (25.93%) Authority participation. Proceeds will be used to relocate the Company from Manhattan to Jersey City to expand the wholesale business. Currently, the Company has 31 employees and plans to create 20 new positions within the next two years. SSBCI funds will be utilized for this project.

3) Foglia Industrial Properties LLC (P42279), located in Old Bridge Township, Middlesex County, is a newly created entity formed to purchase the project property. The operating company, North East Container Services Corp. ("NECS"), was founded in 2004 to clean, leak test, repair and refurbish empty plastic and stainless steel bulk containers for recycling and reuse by manufacturer and distributors of liquid flavorings, fragrances, oils and solvents. NECS has outgrown their current space in Woodbridge and is seeking to relocate. The Provident Bank approved a $1,710,000 loan contingent upon a $427,500 (25%) Authority participation. Proceeds will be used to purchase commercial property. The Company currently has seven employees and plans to create four new positions over the next two years.

Stronger NJ Business Loan Program:

1) Larje, Inc. (P42131), located in Seaside Heights, Ocean County, was originally founded in 1982 as Surf Liquors and in 2011 Larje, Inc. took over the business from the previous owner. Open year round, Surf Liquors has been in operation for more than three decades and has expanded from a packaged goods only retail location into a packaged goods and mini mart establishment. The Company was approved for a $779,007 working capital loan to reimburse 2014 working capital expenses incurred after Superstorm Sandy.

2) New Brighton Associates, Inc. (P41371), located in Ocean City, Cape May County, was founded in 1989 as a specialty trade contractor business specializing in plumbing, heating, air conditioning, bathroom and kitchen remodeling and cabinetry. The Company was approved for a $150,000 working capital loan to reimburse 2014 working capital expenses incurred after Superstorm Sandy such as inventory lost or damaged, payroll, insurance premiums, and state and local taxes.

New Jersey Business Growth Fund - Modification:

1) Bartnik Properties LLC and Clifton-Wallington Medical Group PA (P42104) are located in Wallington Borough, Bergen County. Bartnik Properties LLC is the real estate holding company that owns the Clifton and Wallington properties occupied by the medical practice. Kazimierz Szcech MD PC owns his individual practice, to provide internal and family medical treatment to the general public, and operates out of three NJ locations. PNC Bank approved a renewal of a $575,630 bank loan with a five year, 25% Authority guarantee of principal outstanding, not to exceed $143,908. Original loan proceeds were used to refinance existing real estate. All other terms and conditions of the original approval remain unchanged.

Prepared by: D. Lawyer
DL/gvr

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Real Estate Division Delegated Authority for Leases, CCIT Grants, and Right of Entry (ROE)/ Licenses for First Quarter 2016
For Informational Purposes Only

The following approvals were made pursuant to Delegated Authority for Leases and ROE/ Licenses in January, February and March 2016.

LEASES / CCIT GRANTS

TENANT	LOCATION	TYPE	TERM	S.F.	CCIT GRANT
DCM Architectural and Engineering	WTCC	Lease Extension	Month to Month	2,900 sf	N/A
Hurel Corporation	Technology Centre of NJ	Lease Agreement	Term ending 2/14/2022	5,241 sf	N/A
Nutrasorb	CCIT	Lease Holdover	Month to Month	125sf	N/A
Nexomics	CCIT	Lease Holdover	Month to Month	800 sf	N/A
SunGen Pharma	CCIT	Lease Amendment	8 ½ months	1600sf	N/A
Crystal Pharmatech	CCIT	Lease	12 months	1125	N/A
Hudson Biosciences	CCIT	Lease Amendment/Extension	14 months	2000sf	N/A
Bellerophon Therapeutics	CCIT	Lease Amendment and Lease Holdover	1 Month than Month to Month	1,600 sf	N/A

Kamat Pharmatech	CCIT	Lease Amendment	8 Months	2,000 sf	N/A
Ascendia Pharmaceuticals	CCIT	Lease Amendment	5 ½ Months	3,775 sf	N/A
Aucta Pharmaceuticals	CCIT	Lease Amendment and Lease Extension	14 ½ Months	2,125 sf	N/A

RIGHT OF ENTRY/LICENSES

ENTITY	LOCATION	TYPE	CONSIDERATION
KTR NJ IV, LLC	Tech Expansion	Fifth Extension to Investigation Period to Contact of Sale	$-0-
Edison NJ Parking, LLC	Newark EDA Office	Amendment to Parking Agreement to allow employees to park in 2 different lots.	No change to fees in original agreement.

Timothy J. Lizura
President/ Chief Operating Officer

Prepared by: Donna T. Sullivan

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Petroleum Underground Storage Tank Program (PUST) - Delegated Authority
First Quarter 2016 Approvals (For Informational Purposes Only)

Pursuant to delegations approved by the Board in May 2006, staff may approve new grants under the Petroleum Underground Storage Tank Program (PUST) up to $100,000 and supplemental awards for existing grants (of any size) up to an aggregate of $100,000, provided that the aggregate amount of the supplemental awards does not exceed $100,000.

Attached is a summary of the Delegated Authority approvals for the first quarter ending March 31, 2016. 136 grants were approved totaling $2,480,513.

Timothy Lizura

Prepared by: Wendy Wisniewski

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE	
Addams, Davida (P40857)	Initial grant for upgrade, closure and remediation	$44,413	$44,413	
Armstrong, Chris (P41854)	Initial grant for upgrade, closure and remediation	$8,239	$8,239	
Baglio, Pete (P41728)	Initial grant for upgrade, closure and remediation	$59,442	$59,442	
Beder, Howard (P41742)	Initial grant for upgrade, closure and remediation	$18,740	$18,740	
Bekiaris, Martin (P41866)	Initial grant for upgrade, closure and remediation	$13,267	$13,267	
Belschner, Doris (P41834)	Initial grant for upgrade, closure and remediation	$52,319	$52,319	
Benanti, Phillip and Roseann Benanti (P41740)	Initial grant for upgrade, closure and remediation	$8,066	$8,066	
Bennett, William J. (P41746)	Initial grant for upgrade, closure and remediation	$15,797	$15,797	
Bennis, Thomas F. (P41494)	Initial grant for upgrade, closure and remediation	$51,543	$51,543	
Bhatnagar, Dhairya (P41988)	Initial grant for upgrade, closure and remediation	$12,984	$12,984	
Bil, Kazimierz and Catherine (P41542)	Supplemental grant for site remediation	$7,866	$65,147	
Bobkin, Martin and Michele (P41293)	Initial grant for upgrade, closure and remediation	$4,702	$4,702	
Booker, Denise (P42090)	Supplemental grant for site remediation	$54,662	$131,004	*
Borkowski, Walter (P41667)	Initial grant for upgrade, closure and remediation	$3,965	$3,965	
Braunfeld, David and Brocha (P42011)	Initial grant for upgrade, closure and remediation	$90,835	$90,835	
Brenner, Jr., William F. (P41659)	Initial grant for upgrade, closure and remediation	$5,174	$5,174	
Brown, Lynne (P41666)	Initial grant for upgrade, closure and remediation	$3,700	$3,700	
Brown, Marlene (P41538)	Initial grant for upgrade, closure and remediation	$16,058	$16,058	
Burton, James (P41741)	Initial grant for upgrade, closure and remediation	$49,657	$49,657	
Cacciuttolo, Louis (P42046)	Initial grant for upgrade, closure and remediation	$12,264	$12,264	
Cadigan, Linda (P41867)	Initial grant for upgrade, closure and remediation	$11,458	$11,458	
Cadwallader, Barbara (P42034)	Initial grant for upgrade, closure and remediation	$68,252	$68,252	
Cairelli, Rosa (P41685)	Initial grant for upgrade, closure and remediation	$8,130	$8,130	

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE	
Carneiro, Delfina (P41612)	Initial grant for upgrade, closure and remediation	$2,220	$2,220	
Castano, Arnaldo (P41026)	Initial grant for upgrade, closure and remediation	$19,879	$19,879	
Cavaliere, Arthur (P41805)	Initial grant for upgrade, closure and remediation	$4,162	$4,162	
Ciccone, Joseph (P41811)	Initial grant for upgrade, closure and remediation	$9,634	$9,634	
Ciuffitelli, Mary (P42107)	Initial grant for upgrade, closure and remediation	$33,069	$33,069	
Corbett, Diana (P41662)	Initial grant for upgrade, closure and remediation	$14,259	$14,259	
Cordasco, Frank (P41729)	Initial grant for upgrade, closure and remediation	$4,895	$4,895	
Corrigan, Edmund and Mary (P41635)	Initial grant for upgrade, closure and remediation	$4,700	$4,700	
Cote, Deleston and Greta (P41528)	Initial grant for upgrade, closure and remediation	$3,338	$3,338	
Cox,Jr., Donald J. (P41744)	Initial grant for upgrade, closure and remediation	$16,027	$16,027	
DeSantis, Millicent (P41850)	Initial grant for upgrade, closure and remediation	$27,411	$27,411	
Delgiorno, Vida Ann (P41739)	Initial grant for upgrade, closure and remediation	$14,126	$14,126	
Devenny, Mary (P41738)	Initial grant for upgrade, closure and remediation	$17,228	$17,228	
Donohue, Rose M. (P41914)	Initial grant for upgrade, closure and remediation	$11,542	$11,542	
Downey, Patricia (P41842)	Supplemental grant for site remediation	$35,332	$107,177	*
Dreschsel, Rose (P41630)	Initial grant for upgrade, closure and remediation	$4,660	$4,660	
Estate of Anna Kopik (P41663)	Initial grant for upgrade, closure and remediation	$18,842	$18,842	
Estate of Evelyn Battolgia (P41261)	Initial grant for upgrade, closure and remediation	$87,844	$87,844	
Estate of Margaret Hickey (P41689)	Initial grant for upgrade, closure and remediation	$13,418	$13,418	
Fante, Richard (P41978)	Initial grant for upgrade, closure and remediation	$60,660	$60,660	
Featherer, Harry (P42029)	Initial grant for upgrade, closure and remediation	$71,816	$71,816	
Finocchiaro, Margaret (P41833)	Initial grant for upgrade, closure and remediation	$4,928	$4,928	
Gomes, Joaquim and Maria Gomes (P41810)	Initial grant for upgrade, closure and remediation	$9,455	$9,455	

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE
Good, Jule E. (P41325)	Initial grant for upgrade, closure and remediation	$10,705	$10,705
Graffeo, Frances (P41019)	Initial grant for upgrade, closure and remediation	$4,702	$4,702
Grbic, Tereza (P42069)	Initial grant for upgrade, closure and remediation	$18,980	$18,980
Grom, Thomas (P41676)	Initial grant for upgrade, closure and remediation	$11,012	$11,012
Hao, Zuan and Cheng Ho (P42059)	Initial grant for upgrade, closure and remediation	$50,466	$50,466
Hargrove, John R. (P42012)	Initial grant for upgrade, closure and remediation	$6,313	$6,313
Henel, Thomas (P41905)	Initial grant for upgrade, closure and remediation	$5,376	$5,376
Hilton, Kischa (P39709)	Initial grant for upgrade, closure and remediation	$78,266	$78,266
Holland, Harvey (P41614)	Initial grant for upgrade, closure and remediation	$8,414	$8,414
Hooper, Sidney (P41588)	Initial grant for upgrade, closure and remediation	$4,600	$4,600
Hughes, Alphonso (P41660)	Initial grant for upgrade, closure and remediation	$5,313	$5,313
Iacona, Salvatore (P41269)	Initial grant for upgrade, closure and remediation	$5,152	$5,152
Ignatovicz, Nicholas (P41661)	Initial grant for upgrade, closure and remediation	$4,719	$4,719
Kacen, Joni (P41443)	Initial grant for upgrade, closure and remediation	$7,587	$7,587
Kantilierakis, Markos (P41851)	Initial grant for upgrade, closure and remediation	$5,589	$5,589
Karpinski, Adam (P41433)	Initial grant for upgrade, closure and remediation	$12,963	$12,963
Keiper, Elizabeth (P42041)	Initial grant for upgrade, closure and remediation	$3,776	$3,776
Kelly, Patricia (P41486)	Initial grant for upgrade, closure and remediation	$1,354	$1,354
Kelton, Saul (P41684)	Initial grant for upgrade, closure and remediation	$5,237	$5,237
Kennedy, Diane (P41675)	Initial grant for upgrade, closure and remediation	$7,815	$7,815
Kern, Ralph (P41608)	Initial grant for upgrade, closure and remediation	$12,425	$12,425
Klein, George (P41624)	Initial grant for upgrade, closure and remediation	$20,135	$20,135
Klukowicz, Holly (P41587)	Initial grant for upgrade, closure and remediation	$8,764	$8,764

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE
Kossove, Bryan (P41491)	Initial grant for upgrade, closure and remediation	$37,561	$37,561
Krayniak, John (P41209)	Initial grant for upgrade, closure and remediation	$9,301	$9,301
Kube, Frank (P41869)	Initial grant for upgrade, closure and remediation	$3,986	$3,986
LaVerso, Linda (P41536)	Initial grant for upgrade, closure and remediation	$41,130	$41,130
Lawler, Joseph and Mary (P41568)	Initial grant for upgrade, closure and remediation	$3,302	$3,302
Liquori, Ann (P41732)	Initial grant for upgrade, closure and remediation	$8,193	$8,193
Lockwood, Daniel and Jana (P42108)	Initial grant for upgrade, closure and remediation	$8,348	$8,348
Lombardi, David (P41871)	Initial grant for upgrade, closure and remediation	$2,842	$2,842
Lombardo, Barbara (P41804)	Initial grant for upgrade, closure and remediation	$68,681	$68,681
Loux, Kathleen (P41080)	Initial grant for upgrade, closure and remediation	$14,558	$14,558
Luciano, Virginia and William (P41907)	Initial grant for upgrade, closure and remediation	$8,189	$8,189
Lynch, Edward and Nancy (P41858)	Initial grant for upgrade, closure and remediation	$13,680	$13,680
Mardikian, Krikor (P41671)	Initial grant for upgrade, closure and remediation	$20,424	$20,424
Marsh, Marie Louise (P41626)	Initial grant for upgrade, closure and remediation	$10,532	$10,532
Marshall, David and Carol (P41609)	Initial grant for upgrade, closure and remediation	$22,448	$22,448
Marshall, Stefan (P41848)	Supplemental grant for site remediation	$10,712	$34,224
Martini, Miriam (P41629)	Initial grant for upgrade, closure and remediation	$16,372	$16,372
Martino, Janice (P41664)	Initial grant for upgrade, closure and remediation	$11,759	$11,759
McConnell, John (P40521)	Initial grant for upgrade, closure and remediation	$15,785	$15,785
McNally, Robert (P41438)	Initial grant for upgrade, closure and remediation	$6,963	$6,963
Mesar, Tanya O. (P41244)	Initial grant for upgrade, closure and remediation	$8,868	$8,868
Micklos, John and Dorothy (P40975)	Supplemental grant for site remediation	$4,949	$182,161 *
Morris, Jr., Edward F. (P41177)	Initial grant for upgrade, closure and remediation	$5,120	$5,120

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE	
Mowaswes, Wendy (P41294)	Initial grant for upgrade, closure and remediation	$10,667	$10,667	
Mulligan, Brian J. (P42088)	Initial grant for upgrade, closure and remediation	$11,106	$11,106	
Munroe, James T. (P42133)	Initial grant for upgrade, closure and remediation	$11,532	$11,532	
Mussenden, Ron (P41529)	Initial grant for upgrade, closure and remediation	$25,805	$25,805	
Nazimek, Gary and Mary Nazimek (P41815)	Initial grant for upgrade, closure and remediation	$12,051	$12,051	
Nochimson, Miriam (P41540)	Initial grant for upgrade, closure and remediation	$5,541	$5,541	
O'Halloran, Violet (P42096)	Initial grant for upgrade, closure and remediation	$21,435	$21,435	
Obuch, Deanna (P41837)	Supplemental grant for site remediation	$62,472	$111,782	*
Palesano, George (P41452)	Initial grant for upgrade, closure and remediation	$10,339	$10,339	
Perkins, Richard Bruce (P42089)	Initial grant for upgrade, closure and remediation	$7,414	$7,414	
Porta, Nicholas (P41912)	Initial grant for upgrade, closure and remediation	$4,740	$4,740	
Prendergast, Thomas (P41498)	Initial grant for upgrade, closure and remediation	$2,000	$2,000	
Quade, Ronald W. (P41442)	Initial grant for upgrade, closure and remediation	$5,259	$5,259	
Raab, Barbara (P41903)	Initial grant for upgrade, closure and remediation	$14,450	$14,450	
Repetto, Gilbert and Rosemarie (P41569)	Initial grant for upgrade, closure and remediation	$5,652	$5,652	
Rodianov, Anton (P41673)	Initial grant for upgrade, closure and remediation	$11,337	$11,337	
Rosky, Michael (P41921)	Initial grant for upgrade, closure and remediation	$23,723	$23,723	
Russo, Peter (P41983)	Initial grant for upgrade, closure and remediation	$5,731	$5,731	
Sammond, Patricia A. (P41668)	Initial grant for upgrade, closure and remediation	$21,102	$21,102	
Samuels, Arthur (P41989)	Initial grant for upgrade, closure and remediation	$10,329	$10,329	
Savary, Karin (P41541)	Supplemental grant for site remediation	$13,546	$145,790	*
Slabinski, John (P42049)	Initial grant for upgrade, closure and remediation	$9,343	$9,343	
St. Anthony's Church (P41278)	Initial grant for upgrade, closure and remediation	$5,730	$5,730	

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE
Starenko, Christopher (P41575)	Initial grant for upgrade, closure and remediation	$19,585	$19,585
Stinemire, Victoria (P41238)	Supplemental grant for site remediation	$7,086	$7,086
Storsberg, Althea (P41192)	Initial grant for upgrade, closure and remediation	$21,085	$21,085
Stubblefield, Hella (P41910)	Initial grant for upgrade, closure and remediation	$37,716	$37,716
Tennen, Matthew (P41688)	Initial grant for upgrade, closure and remediation	$4,774	$4,774
Thomas, Jean (P41665)	Initial grant for upgrade, closure and remediation	$9,901	$9,901
Thorton, Sr., Thomas (P41457)	Initial grant for upgrade, closure and remediation	$13,145	$13,145
Tomlinson, Brian (P42079)	Initial grant for upgrade, closure and remediation	$1,570	$1,570
Tracy, Joyce (P41619)	Initial grant for upgrade, closure and remediation	$2,389	$2,389
Triana, Louis (P41567)	Initial grant for upgrade, closure and remediation	$28,177	$28,177
Ulrich, Edward (P41628)	Initial grant for upgrade, closure and remediation	$8,250	$8,250
Upats, Valentine (P41573)	Initial grant for site remediation	$8,522	$8,522
Varricchio, Phillip (P41677)	Initial grant for upgrade, closure and remediation	$4,175	$4,175
Vigliotti, James and Antionette (P41808)	Initial grant for upgrade, closure and remediation	$1,678	$1,678
Vitakis, Phillip and Paula (P41297)	Initial grant for upgrade, closure and remediation	$7,238	$7,238
Webber, Phillip (P40967)	Initial grant for upgrade, closure and remediation	$87,215	$87,215
Whitehead, John (P42169)	Initial grant for upgrade, closure and remediation	$18,938	$18,938
Wolf, E. Peter (P41639)	Initial grant for upgrade, closure and remediation	$11,192	$11,192
Yang, Peilin (P41627)	Initial grant for upgrade, closure and remediation	$9,619	$9,619
Zakrzewska, Urszula (P41613)	Initial grant for upgrade, closure and remediation	$96,773	$96,773
Zemen, John and Laura (P42075)	Initial grant for upgrade, closure and remediation	$5,837	$5,837
136 Grants	**Total Delegated Authority for Leaking Tank Applications**	**$2,480,513**	

*Includes cummulative awards to date (initial & supplemental). Supplemental grant awards do not exceed $100,000 the delegation permitted

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: April 12, 2016

SUBJECT: Hazardous Discharge Site Remediation Fund - Delegated Authority First Quarter 2016 Approvals (For Informational Purposes Only)

Pursuant to delegations approved by the Board in May 2006, staff may approve new grants under the Hazardous Discharge Site Remediation Fund (HDSRF) up to $100,000 and supplemental awards for existing grants (of any size) up to an aggregate of $100,000, provided that the aggregate amount of the supplemental awards does not exceed $100,000.

Attached is a summary of the Delegated Authority approvals for the first quarter ending March 31, 2016. 7 grants were approved totaling $329,269.

Timothy Lizura

Prepared by: Wendy Wisniewski

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE
Congregation Beth El (P41447)	Initial grant to perform Preliminary Assessment, Site Investigation and Remedial Action activities	$42,273	$42,273
Delran Township (Abrasive Alloy Casting) (P41305)	Initial grant to perform Site Investigation activities	$60,705	$60,705
Elmwood Park Borough (Synkote Paint) (P41527)	Initial grant to perform Preliminary Assessment and Remedial Investigation activities	$47,921	$47,921
Haddon Point Borough (Haddon Heights) (P41421)	Supplemental grant for Remedial Investigation activities	$31,000	$133,313 *
Keyport Borough (Frm Benjamin Terry Boat) (P40738)	Initial grant to perform Preliminary Assessment and Site Investigation activities	$43,525	$43,525
Keyport Borough (Frm Humphrey's Shipyard) (P40739)	Initial grant for Preliminary Assessment and Site Investigation activities	$43,525	$43,525
Neptune City Borough (Former Welsh Farms) (P41307)	Initial grant for Remedial Investigation activities	$60,320	$60,320
7 Grants	**Total Delegated Authority for HDSRF Applications**	**$329,269**	

*Includes cummulative awards to date (initial & supplemental). Supplemental grant awards do not exceed $100,000 the delegation permitted

REAL ESTATE

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

RE: Access Agreement between
Comcast Cable Communications Management, LLC and the Authority
Aquarium Parking Lots 7 and 8
City of Camden, County of Camden, New Jersey

DATE: April 12, 2016

Summary

I am requesting the Members' approval to enter into an Access Agreement with Comcast Cable Communications Management, LLC, a service provider to the Parking Authority of the City of Camden ("PACC").

Background

PACC has requested that Comcast Cable Communications Management, LLC ("Comcast"), be permitted by way of a non-exclusive license to provide services to upgrade the current parking revenue management system used by PACC on the Authority owned parking lots known as Lots 7 and 8. These lots are currently used by the Adventure Aquarium for the Aquarium's guest parking needs. PACC is the current operator of the parking lots. Comcast has requested the Authority enter into an Access Agreement related to Comcast's installation, operation, maintenance, repair, inspection, augmentation and removal of wire, cables, aerial supports, aerial cabling, building entrance facilities, above ground enclosures, markers and concrete pads and other appurtenant fixtures and equipment for said upgrades to the current system, as more fully described in the attached Access Agreement.

Comcast, at no cost to the Authority, will be responsible for installing and maintaining the system upgrades and will indemnify the Authority for any liability, costs and expenses related to any claim involving the parking equipment system. Comcast will also provide insurance coverage naming the Authority as an additional insured.

The attached form of Access Agreement is in substantially final form with a preliminary plan. The final document and plan will be subject to revision, although basic terms and conditions will remain substantially consistent with those in the attachment. Work will not commence until Real Estate Division staff has thoroughly reviewed and approved the final plan presented by Comcast. Final terms of the Access Agreement will be subject to the approval of the Chief Operating Officer and the Attorney General's Office.

Recommendation

In summary, I am requesting the Members' approval to enter into an Access Agreement with Comcast Cable Communications Management, LLC for the installation, operation, maintenance and removal of the parking equipment system on the Authority owned Adventure Aquarium parking lots in Camden, on terms acceptable to the Chief Executive Officer and the Attorney General's Office.

Timothy J. Lizura

Attachment

Prepared by: Cathleen A. Schweppenheiser

ACCESS AGREEMENT

THIS ACCESS AGREEMENT (the "Agreement") is made and entered into this ___ day of ____________, 2016, by and between Comcast Cable Communications Management, LLC, a Delaware limited liability company, on behalf of its affiliates (together, Comcast"), and the New Jersey Economic Development Authority, an instrumentality of the State of New Jersey (the "Owner"), which owns the land and the improvements noted on the attached Exhibit A as Lots 7 and 8, (together, the "Property") having a street address of Block 81, Lot 2, Riverside Drive, and Block 81.03, Lot 1, Delaware Avenue, City of Camden, County of Camden, State of New Jersey;

1. **Grant**. Owner hereby grants to Comcast a non-exclusive license to install, construct, replace, maintain, repair, operate, and remove, at Comcast's sole option and expense, certain wires, cables, conduit, lock-boxes, building entrance facilities, and other appurtenant fixtures and equipment (the "Facilities"), over, under, across and along the Property, as may be necessary or useful for distributing Comcast's communications services to tenants and other occupants of the Property. Owner shall provide Comcast access to the Property at all times, twenty four (24) hours per day, seven (7) days per week, and 365/366 days per year for the foregoing purposes. Nothing contained herein shall be construed as granting to Comcast any ownership rights in the Property or to create a partnership or joint venture between Owner and Comcast.

2. **Construction.** Prior to the commencement of Comcast's initial installation of the Facilities at the Property, Comcast shall prepare and deliver to Owner plans and specifications (the "Plans") of the Facilities as outlined on the attached Exhibit A. No work shall commence until Owner has approved the Plans, which approval will not be unreasonably withheld, conditioned, or delayed. Upon approval of the Plans, such construction shall be performed in a manner consistent with generally accepted construction standards. Comcast will provide a scaled as-built drawing to Owner upon completion of project installation.

3. **Comcast Obligations.** Comcast shall comply with all applicable law. Comcast shall keep the Facilities in good order and repair, and shall promptly repair all damage to the property caused by Comcast, other than ordinary wear and tear. The Facilities shall belong to Comcast, shall be there at the sole risk of Comcast and Owner shall not be liable for damage thereto or loss thereof, except in the event of Owner's gross negligence or willful misconduct. At the expiration of this Agreement, Comcast shall, upon notice by the Owner given prior to such expiration, at Comcast's sole cost and expense, remove the Facilities (other than any underground conduit or vaults) and Comcast's other personal property from the Property, and restore the Property to its condition as existed just prior to the removal of the Facilities by Comcast, normal wear and tear excepted. Such equipment or electronics may not be utilized by any third party without the express written consent of Comcast in its sole discretion. Any property not so removed within sixty (60) days after the expiration of this Agreement shall be deemed the property of the Owner without further liability to Comcast.

4. **Term.** This Agreement shall have an initial term of ten (10) years (the "Initial Term"), commencing on the date set forth above. This Agreement shall automatically renew for two (2) successive periods of five (5) years each, provided that there is a user at the Property at the beginning of each Renewal Term (the "Renewal Terms").

5. **Indemnification.** Comcast shall indemnify, hold harmless and defend Owner from and against any and all claims, actions, damages, liabilities and expenses, including reasonable attorneys' fees, arising from or out of the installation, operation, maintenance, or

removal by Comcast of the Facilities, except to the extent caused by the gross negligence or willful misconduct of Owner, its employees, agents, contractors, or invitees.

6. **Insurance.** Comcast shall maintain Commercial General Liability insurance coverage insuring against claims, demands or actions for property damage, personal injuries or death resulting from the use or operation of the Facilities with limits of not less than One Million Dollars ($1,000,000) any occurrence and Five Million Dollars ($5,000,000) aggregate. Prior to commencement of work, Comcast shall provide a certificate of insurance to Owner, naming Owner as an additional insured.

7. **Limitation of Liability.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY LOST PROFITS, SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES.

8. **Notices.** All notices under this Agreement shall be in writing and be given by certified mail, return receipt requested, or nationally recognized overnight courier service, to the address set forth below or as may subsequently in writing be requested.

If to Owner: New Jersey Economic Development Authority
36 West State Street
Post Office Box 990
Trenton, New Jersey 08625-0990
Attn: Director, Real Estate Development Division

With a copy to:

New Jersey Division of Law
Pension and Financial Transactions Section
Hughes Justice Complex
25 Market Street
PO Box 106
Trenton, NJ 08625
Attn: Gary A. Kotler , DAG

If to Comcast: Comcast Cable Communications Management, LLC
3800 Horizon Blvd.
Trevose, PA 19053
Attn.: Business Services

With a copy to:

Comcast Cable Communications, LLC
One Comcast Center
1701 John F. Kennedy Boulevard
Philadelphia, PA 19103
Attn.: General Counsel

9. **Liens.** Comcast shall be responsible for the satisfaction or payment of any liens for any provider of work, labor, material or services claiming by, through or under Comcast. Comcast shall also indemnify, hold harmless and defend Owner against any such liens, including the reasonable fees of Owner's attorneys. Such liens shall be discharged by Comcast within sixty (60) days after notice by Owner of filing thereof by bonding, payment or otherwise, *provided that* Comcast may contest, in good faith and by appropriate proceedings any such liens.

10. **Miscellaneous.** This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

11. **Governing Law.** This Agreement shall be governed by and construed under the laws of the state of New Jersey.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Attest:	**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY,**
______________________________	______________________________
Name:	Timothy J. Lizura
Title:	President, Chief Operating Officer
Attest:	**COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC**
______________________________	______________________________
Name:	David Dombroski
Title:	Vice President of Business Services

Exhibit A

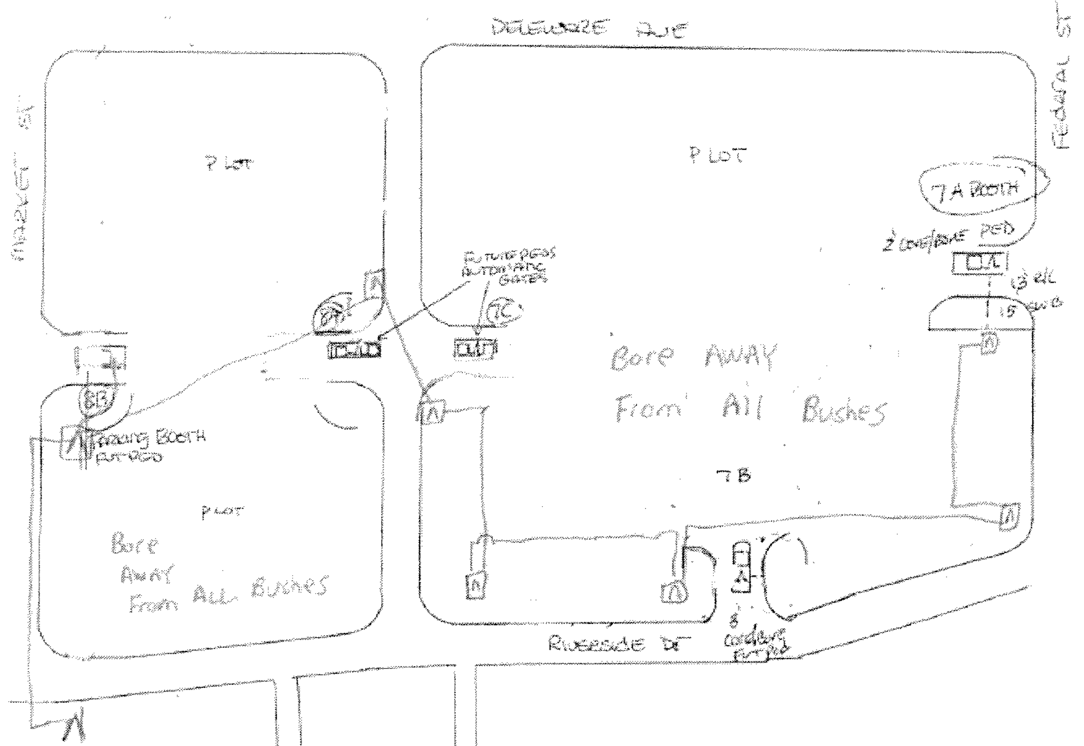
For the installation of Comcast services, installation will be performed consistent with this Scope of Work.

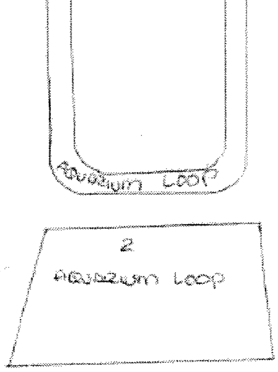
Specifically, Comcast will:

- Contact New Jersey One Call for utility mark outs prior to installation to ensure that there are no interruptions of essential services to your facilities.
- From existing Comcast facilities in pedestal depicted on drawing, underground bore to (8B) Parking Booth, boring around vegetation. Install pedestal.
- Continue underground bore across parking lot, continue bore to (8A) Parking Booth.
- Continue underground bore, install pedestal near parking gates.
- Continue underground bore to (7C) Parking Booth, install pedestal near parking gates.
- Continue underground bore to (7B) Parking Booth, install pedestal.
- Continue underground bore to (7A) Parking Booth, install pedestal.
- Restore grounds to existing condition, including any landscaping, sidewalks and driveways.

Please refer to the Access Agreement for specific Terms and Conditions.

Any variance from this Scope of Work will be discussed with the Property Manager prior to the commencement of work.





Camden Parking Authority
5 Riverside Dr Camden NJ 08102

(5) LOCATIONS

\# 14338316 BOOTH 8A
\# 14338428 BOOTH 7A
\# 14338472 Booth 7C
\# 14338518 Booth 7B
\# 14338358 Booth 8B

1,305' ug 11"
147' e/c
99' BORE
(5) PEDS/TAPS
(1) VAULT w/ splitter

NO NODE NEEDED per Carmine.