NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Melissa Orsen
Chief Executive Officer

DATE: June 14, 2016

SUBJECT: Agenda for Board Meeting of the Authority June 14, 2016

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

Chief Executive Officer's Monthly Report to the Board

Authority Matters

Incentive Programs

Bond Projects

Loans/Grants/Guarantees

Office of Recovery

Real Estate

Board Memorandums

Executive Session

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

May 13, 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; Patrick Mullen representing Commissioner Richard Badolato of the Department of Banking and Insurance; Dan Kennedy representing Commissioner Bob Martin of the Department of Environmental Protection; Public Members: Joseph McNamara, Vice Chairman; Fred B. Dumont, David Huber, Philip Alagia, William J. Albanese, Sr., Second Alternate Public Member; Harold Imperatore, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Members Present via conference call: Public Members Larry Downes and Massiel Medina Ferrara.

Absent: Public Members Charles Sarlo and Patrick Delle Cava, First Alternate Public Member.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Bette Renaud, Deputy Attorney General; Assistant Attorney General Kavin Mistry; Lisa Leboeuf, 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 April 12, 2016 meeting minutes. A motion was made to approve the minutes by Mr. Stoller and seconded by Mr. Alagia, and was approved by the 13 voting members present.

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

INCENTIVE PROGRAMS

ITEM: Notice of Adoption-Proposed Rule Amendments/Grow NJ Program-Qualified Incubator Facilities
REQUEST: Approve a notice of adoption for amendments to the rules implementing the Grow New Jersey Assistance Program.
MOTION TO APPROVE: Mr. Imperatore **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

Grow New Jersey Assistance Program

ITEM: BioClinica, Inc. APPL.#42417

REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Alagia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

REQUEST: To approve the application of BioClinica, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in West Windsor, NJ. Project location of West Windsor, in Mercer 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. The estimated annual award is $328,900 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: Coronet, Inc.

REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

ITEM: Coronet, Inc. APPL.#42475
REQUEST: To approve the application of Coronet, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Paterson, NJ. Project location of Paterson, in Passaic County qualifies as a Garden State Growth Zone 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 Deep Poverty Pocket, Targeted Industry of Manufacturing and GSGZ Ind. Project w/Cap. Inv. In Excess of Min. The estimated annual award is $1,776,000 for a 10-year term.
MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: DBV Technologies Inc. APPL.#42473

REQUEST: To approve the application of DBV Technologies Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Summit, NJ. Project location of Summit, in Union 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 and Targeted Industry of Life Sciences. The estimated annual award is $315,000 for a 10-year term.

MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Alagia **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

ITEM: Newell Brands Inc. APPL.#42479

REQUEST: To approve the application of Newell Brands Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Hoboken, NJ. Project location of Hoboken 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, Large Number of New/Retained F/T Jobs and Targeted Industry of Finance. The estimated annual award is $2,700,000 for a 10-year term.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

ITEM: P&R Dental Strategies, LLC APPL.#42420

REQUEST: To approve the application of P&R Dental Strategies, LLC , for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Hamilton, NJ. Project location of Hamilton, in Mercer 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 and Targeted Industry of Technology. The estimated annual award is $300,000 for a 10-year term.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: Quest Diagnostics Incorporated

REQUEST: To approve the recommendation not to disqualify.

MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Albanese **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Quest Diagnostics Incorporated APPL.#42416
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

REQUEST: To approve the application of Quest Diagnostics Incorporated, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Secausus, NJ. Project location of Secaucus, in Hudson County qualifies as a Distressed 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 Jobs with Salary in Excess of County Average, Large Number of New/Retained F/T Jobs and Targeted Industry of Health and Exceeds LEEDS Silver or Substantial Env. Rem.. The estimated annual award is $1,859,375 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

ITEM: Safilo USA, Inc. APPL.#42468
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

REQUEST: To approve the application of Safilo USA, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Secausus, NJ. Project location of Secaucus, in Hudson County qualifies as a Distressed 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 Jobs with Salary in Excess of County Average. The estimated annual award is $448,375 for a 10-year term.
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: Tokio Marine North America, Inc. APPL.#42397
REQUEST: To approve the application of Tokio Marine North America, Inc., 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, Targeted Industry of Finance and Exceeds LEEDS Silver or Substantial Env. Rem.. The estimated annual award is $1,773,750 for a 10-year term.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: WorkWave LLC APPL.#42373

REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

REQUEST: To approve the application of WorkWave LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Holmdel, NJ. Project location of Holmdel, in Monmouth 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, Targeted Industry of Technology and Vacant Commercial Building in excess of 1 mill. sq. ft.. The estimated annual award is $1,573,334 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Albanese **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Grow New Jersey Assistance Program Modifications

ITEM: Tryko Holdings LLC APPL.#41734
REQUEST: To approve the modification request for location.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

BOND PROJECTS

Bond Resolutions

ITEM: Yeshiva Tifereth Torah, Inc. APPL.#42393
LOCATION: Lakewood Twp., Ocean County
PROCEEDS FOR: Refinancing
FINANCING: $6,000,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Amended Bond Resolutions

ITEM: Bancroft Neurohealth APPL.#42541
LOCATION: Statewide
PROCEEDS FOR: Refinancing
FINANCING: $6,855,000 Tax Exempt Bond, $4,145,000 Taxable Bond
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: Bancroft Neurohealth APPL.#42546
LOCATION: Statewide
PROCEEDS FOR: Refinancing
FINANCING: $15,740,000 Tax Exempt Bond
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Preliminary Bond Resolution

ITEM: Congregation Knesses Bais Levi, Inc. APPL.#42536
LOCATION: Lakewood Twp., Ocean County
PROCEEDS FOR: Refinancing
FINANCING: $2,000,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Bond Resolutions with Authority Exposure

ITEM: Hi-Seas LLC APPL.#42394
LOCATION: Manalapan Twp, Monmouth County
PROCEEDS FOR: Acquisition/renovation of building
FINANCING: $5,166,000 Tax-exempt bond with seven year Authority guarantee
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

LOANS/GRANTS/GUARANTEES

TD Bank New Jersey Advantage Program

PROJECT: ICF Mercantile, LLC APPL.#42470
LOCATION: Warren Twp., Somerset County
PROCEEDS FOR: Purchase of equipment
FINANCING: $600,000 TD Bank capital lease with a 50% Authority guarantee of principal outstanding not to exceed $300,000 for five years.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Kennedy **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

Petroleum Underground Storage Tank Program

ITEM: Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

PROJECT: Yeong Gi Yi . APPL.# 42025
LOCATION: North Brunswick Township, Middlesex County
PROCEEDS FOR: Remediation
FINANCING: $394,030

PROJECT: Lucille Kelley . APPL.#42033
LOCATION: Franklin Township, Somerset County
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: $222,508

PROJECT: Lance Whitaker and Malle Whitaker APPL.#42148
LOCATION: Passaic City, Passaic County
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: $191,803

Hazardous Discharge Site Remediation Fund Program

ITEM: Andrew Tirpok, Jr. APPL.#42318
REQUEST: To approve the request to modify the authority's collateral position from a first lien on the real property located at 6 Reaville Ave., Flemington, NJ to a second lien behind a PNC Bank first..
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Kennedy **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Kennedy **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26

PROJECT: Lumer Associates, LLC APPL.#40564
LOCATION: Elmwood Park, Bergen County
PROCEEDS FOR: Remedial Investigation
FINANCING: $322,887

PROJECT: Pastor Enterprises APPL.#41565
LOCATION: Middlesex Borough, Middlesex County
PROCEEDS FOR: Remedial Investigation
FINANCING: $60,300

PROJECT: Borough of Carteret APPL.#42583
LOCATION: Carteret, Middlesex County
PROCEEDS FOR: Remedial Action
FINANCING: $5,000,000

PROJECT: Borough of Woodbine APPL.#42082
LOCATION: Woodbine, Cape May County
PROCEEDS FOR: Remedial Investigation
FINANCING: $69,583

PROJECT: City of Atlantic City APPL.#41973
LOCATION: Atlantic City, Atlantic County
PROCEEDS FOR: Remedial Action
FINANCING: $257,509

PROJECT: City of Paterson APPL.#39596
LOCATION: Paterson, Passaic County
PROCEEDS FOR: Remedial Investigation
FINANCING: $398,780

PROJECT: Jersey City Redevelopment Agency APPL.#42060
LOCATION: Jersey City, Hudson County
PROCEEDS FOR: Remedial Investigation
FINANCING: $74,720

PROJECT: Township of Neptune APPL.#41795
LOCATION: Middletown Twp., Monmouth County
PROCEEDS FOR: Remedial Action
FINANCING: $39,237

PROJECT: Township of Neptune APPL.#41797
LOCATION: Neptune Twp., Monmouth County
PROCEEDS FOR: Remedial Action
FINANCING: $169,435

PROJECT: Woodbridge Township APPL.#42177
LOCATION: Woodbridge Twp., Middlesex County
PROCEEDS FOR: Site Investigation
FINANCING: $44,862

EDISON INNOVATION FUND

Edison Venture Capital Growth Funds

ITEM: Tripod Technologies LLC
REQUEST: Approval of $250,000 loan from Edison Innovation Angel Growth Fund.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Albanese **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27

OFFICE OF RECOVERY

Stronger NJ Business Loan Program Modification

ITEM: Thunderball Marketing, Inc.($4,000,000 Stronger NJ Loan) APPL.#38605
REQUEST: Extend the maturity and amortization of the loan 7 years.
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Mullen **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 28

REAL ESTATE

ITEM: Replacement Surface Parking Lot Project – Camden Waterfront District
REQUEST: To approve the authorization to enter in to a contract for engineering services.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 29

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Projects Approved Under Delegated Authority

Premier Lender Program:

Liberty Management Services, NJ LLC (P42415)
RBM Properties LLC (P42469)

Stronger NJ Business Loan Program:

NYC Radio Limited Liability Company (P42307 & P42308).

New Jersey Business Loan Program– Modification:

Barnacle Bills, Inc. (P39573 & P39642))

FOR INFORMATION ONLY: PUST and HDSRF Program Funding Status

PUBLIC COMMENT

There were no public comments.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a legal matter. The minutes will be made public when the need for confidentiality no longer exists.
MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Stoller **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 30

The Board returned to Public Session.

The next item was to approve the matter discussed in executive session.
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Imperatore **AYES:** 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 31

There being no further business, on a motion by Mr. McNamara, and seconded by Mr. Albanese, the meeting was adjourned at 11:08am.

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, Marketing and Public Affairs
Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Melissa J. Orsen
Chief Executive Officer

DATE: June 14, 2016

RE: Monthly Report to the Board

EOA-SUPPORTED PROJECTS HELPING TO DRIVE MOMENTUM IN CAMDEN

Projects approved under the New Jersey Economic Opportunity Act (EOA) are beginning to produce tangible results in the City of Camden as companies like Holtec, Subaru of America, and the Philadelphia 76ers move forward with construction of their new facilities. Since July 2015, Holtec has hired local construction workers, and engaged local security, construction, and construction supply companies for its new headquarters.

In North Camden, Subaru and local non-profit Respond Inc. held a ribbon cutting last month to announce a new partnership to offer training in automotive repair and other skills. This 90-day internship will allow students to recieve Automotive Service Excellence and Subaru Maintenance Tech certifications on a rotating basis in both the new Respond Repair Shop and the Subaru of America Shop.

The 76ers' new Camden headquarters is scheduled to open in April, along with a Sixers Innovation Lab, which will be located in the Sixers' business operations offices at the new training complex. Selected companies will receive office space in the innovation lab furnished by Kimball Office; access to industry experts, executives, and financiers, as well as third-party consulting, legal, accounting, and business solutions services; and the opportunity to pitch industry-leading investors and venture capital firms.

Additionally, the Sixers will be one of several backers of the new umbrella youth athletic league, the Camden Health and Athletic Association (CHAA). Founded with a $1 million collective starter fund, the roster of CHAA backers includes World B. Free, former Sixers star; Garry Maddox, former Philadelphia Phillies center fielder; Ron Jaworski, former Philadelphia Eagles quarterback; and Mike Quick, former Eagles wide receiver. This follows the Sixers announcement last year that it was partnering with Virtua to host the Camden Youth Basketball clinic, designed to improve basketball skills and overall wellness for children throughout the City and surrounding South Jersey region.

To date under the EOA, companies have been approved for projects leveraging $1.1 billion in private investment in Camden. These projects are expected to create 1,400 new permanent jobs and 4,345 construction jobs, and involve 2,510 retained jobs, many of which are new to the City. In addition, 280 new or renovated residential units are expected to result from these projects, as well as 2.4 million square feet of new or improved space.

EDA CHAIRMAN RECOGNIZED BY NJ FUTURE AT SMART GROWTH AWARDS

New Jersey Future honored EDA Board Chairman Al Koeppe with the Cary Edwards Leadership Award at its annual Smart Growth Awards celebration on June 9. The award recognizes individuals who have made an outstanding commitment to improving the quality of life and promoting smart growth in New Jersey through sustainable land-use policy and practice and was presented to Al by former EDA CEO and New Jersey economic development icon Caren Franzini. Of particular note by New Jersey Future was Al's leadership in bringing together government, business and community leaders to advance sustainable development and redevelopment in the State's cities and towns.

New Jersey Future also highlighted Al's role as one of the founders and later the CEO of Newark Alliance, where he developed a forum for Newark-based leaders, including the city's major corporations, higher education, community and civic organizations, to develop achievable solutions to the issues affecting Newark's growth. We congratulate Al on this well-deserved honor.

An award was also presented for the collaborative effort to revitalize Newark's long vacant Hahne and Company building. The iconic, landmark building, vacant for nearly three decades, is currently being transformed into a vibrant mix of housing, educational and retail uses, connecting the university district and the downtown with the support of the Economic Redevelopment and Growth (ERG) program. Led by L+M Development Partners, in partnership with Hanini Group, the $170 million project will consist of a mix of housing units, street-level retail space, a new arts and cultural center for Rutgers University, and a Whole Foods.

EDA EXPANDS SMALL BUSINESS OUTREACH EFFORTS

As of June 15, the EDA's efforts to raise awareness of programs in support of the small business community will include a quarterly newsletter and a new social media presence. The newsletter will include infographics on EDA support for small businesses, information on upcoming events, and a recap of recent small business-focused activities. This effort will complement the EDA's small business advertising campaign, reinforcing the theme "EDA Was Here." With the goal of more actively communicating with small business owners throughout the State, @NJEDAWASHERE will launch on LinkedIn and Twitter. We encourage you to follow @NJEDAWASHERE and share via your social media channels.

EDA entered the social media arena strategically in 2014 with the launch of @NJEDATECH on Linkedin and Twitter. With direct connections to more than 600 technology and life sciences stakeholders, social media has proven to be an effective means for engaging with the State's entrepreneurs and thought leaders, and we aim to replicate this success with the small business community.

CLOSED PROJECTS

Through May 2016, EDA closed on $133.4 million in traditional lending assistance to support 95 projects, leveraging $244.7 million in public/private investment and the creation of an estimated 338 new permanent jobs, 494 construction jobs and 1,737 existing jobs supported.

In addition to the assistance provided through traditional lending programs, EDA also executed agreements pending certification with nine incentive projects for $191.1 million, leveraging $416.5 million in public/private assistance, the creation of 618 new jobs, 871 construction jobs and the retention of 1,365 jobs at risk of leaving the State.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 30 events in May. These included the NJ NAIOP 29th Annual Commercial Real Estate Awards Gala in Somerset, the NJTC HealthTech Conference in Newark and the Meadowlands Regional Chamber Bergen Business Expo in Garfield.

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AUTHORITY MATTERS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: June 14, 2016

RE: 2015 Comprehensive Annual Report

Request

The Members of the Board are requested to approve the Authority's comprehensive annual report for 2015, as required under Executive Order No. 37 (2006).

Background

Each year since inception, the Authority designs and distributes our Annual Report of accomplishments and activities to support economic development in New Jersey. Beginning in 2006, in order to meet the requirements of Executive Order No. 37 (2006), our Annual Report is combined with our audited financial statements and serves as our comprehensive annual report.

The audited financial statements for the year ending December 31, 2015 were prepared pursuant to Generally Accepted Accounting Principles for a government entity. I am also pleased to inform the Board that the independent accounting firm of Ernst & Young has issued an unmodified opinion with regard to the 2015 financial statements.

Certification accompanying the financial statements has been executed by the President and Chief Operating Officer and the Controller that the EDA has followed its standards, procedures and internal controls.

On March 17, 2016 per its Charter, as well as section 9 of Executive Order 122 (2004), the Audit Committee reviewed the draft comprehensive annual report, including the 2015 audited financial statements prior to release and considered the relevancy, accuracy and completeness of the information presented. Also pursuant to Executive Order 122 (2004), the independent auditor met with the Audit Committee, where it was reported that the financial audit resulted in no negative findings or internal control deficiencies.

Subsequent to the meeting and its review of the report, the Committee recommended that the report be presented to the Board for approval.

Under Executive Order No. 37 (2006), the Authority is required to obtain approval of a comprehensive annual report from its Board of Directors. Upon approval, this report will be submitted to the Authorities' Unit, posted to the EDA website, and transmitted electronically to members of the Legislature.

Recommendation:

Authority staff has prepared the comprehensive annual report for 2015 as required under Executive Order No. 37 (2006) and recommends Members' approval in order to submit the report to the Governor's Authorities' Unit, post to the Authority's website, and transmit to the Legislature.

Prepared by: Erin Gold

New Jersey Economic Development Authority

2015 Annual Report

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Message from EDA Board Chairman Al Koeppe

As Chair of the Board of the New Jersey Economic Development Authority (EDA), I am proud to report on another successful year in 2015 as the Authority advanced its mission to drive job creation and attract investment to the State. In line with its reputation, the EDA has maintained its steadfast commitment to furthering its mission while adhering to the highest standards of due diligence and fiduciary oversight.

Throughout the year, the EDA has tirelessly administered its portfolio of programs to support entrepreneurs, small businesses, large companies, developers and municipalities. The following pages document the results of those efforts, reporting on financial results and highlighting specific projects that embody the impact of EDA assistance and the spirit and determination of New Jersey's business community.

Of particular note in 2015 is the progress of projects approved under the Economic Opportunity Act. On the following pages, you will see this evidenced by companies marking milestones such as groundbreakings, construction, hiring of new employees, ribbon cuttings, and certifications that their obligations to qualify for tax credits have been met. The ripple effect of the Economic Opportunity Act is particularly evident in cities across the State, as commercial, residential, retail and academic projects begin to take hold.

The EDA has helped to advance impactful projects over the last year and I am proud of the role the Board has played in these efforts. From supporting emerging technology companies through its mentorship and incubator programs, to helping municipalities complete storm recovery projects, and attracting large out-of-state companies to cities that have historically suffered from disinvestment, the EDA staff and Board have performed with enthusiasm and integrity.

Congratulations to the Authority on another strong year, and many thanks to the Board for its unwavering support and exemplary service.

Al Koeppe
EDA Board Chair

Message from CEO Melissa Orsen and President & COO Tim Lizura

From financing programs for small businesses and not-for-profits, to mentoring and investment resources for technology and life sciences start-ups, to job creation and private investment spurred by tax credits under the Economic Opportunity Act, the impact of programs administered by the Authority was evident in many facets of the State's economy in 2015.

In total, the EDA finalized more than $440 million in financing assistance through its lending programs in 2015, leveraging over $669 million in total public/private investment and the creation of an estimated 1,440 new permanent jobs and 1,890 construction jobs. In addition, 51 incentive projects executed agreements in 2015 and are pending certification. These projects, supported with up to $812.4 million in tax credits or reimbursements, involve over $1 billion of anticipated private investment, the expected creation of 6,859 new permanent jobs and more than 2,840 construction jobs, and the retention of nearly 6,140 jobs "at risk" of leaving the State.

In keeping with the new tagline "EDA Was Here," which is the cornerstone of our small business awareness program, EDA and its staff were here, every day, all year, serving as an important resource for the companies that make up New Jersey's thriving economy.

The EDA often partners with financial institutions, local organizations and other State agencies to help borrowers bridge financing gaps and increase their access to capital. This includes offering low-interest loans, bond financing, and support for micro-lenders to increase their lending capacity and the technical assistance and training services they offer.

The EDA also continued its commitment to supporting the growth of New Jersey's technology sector in 2015. Notably, we launched the Executives-in-Residence (EIR) program at our Commercialization Center for Innovative Technologies (CCIT) in North Brunswick. Developed and designed in partnership with BioNJ, the EIR program taps into the breadth and depth of knowledge of New Jersey's life sciences executives in transition, benefitting both executives and CCIT tenants.

Our Sandy recovery team was hard at work throughout 2015, supporting nearly 500 small businesses and communities with over $69 million in assistance through our Stronger New Jersey programs, funded under New Jersey's Community Development Block Grant – Disaster Recovery allocation.

The Fort Monmouth Economic Revitalization Authority (FMERA) also had an unprecedented year, issuing 10 Requests for Offers to Purchase (RFOTPs) and advancing a combined 270 acres for redevelopment at the Fort. With tech industry leader CommVault placing its roots on the Fort and Staten Island-based Tetherview moving in soon, FMERA is achieving restoration of the Fort's reputation for technology leadership in the Monmouth County region.

Finally, the work of the Partnership for Action team coupled with the powerful Economic Opportunity Act has continued to keep us all busy. The enhanced Grow New Jersey and Economic Redevelopment and Growth programs have successfully increased interest from businesses and developers inside and outside the State. Together with legacy incentive projects coming to fruition, we celebrated a host of grand openings and groundbreakings across New Jersey in 2015, including new headquarters for Subaru in Camden, Goya in Jersey City, and Prudential Financial in Newark.

While EDA staff continued to display the high level of professionalism and competency they are well known for, we would also like to commend them for their ongoing commitment to the greater good. This was particularly evident during the holiday season, when staff executed the EDA's first annual "Community Challenge." Teams of employees engaged in projects that impacted more than ten not-for-profit organizations, including those serving victims of domestic violence, the elderly, foster children, abandoned and abused animals, and those suffering from poverty and/or homelessness and hunger. We are proud that the EDA's Senior Leadership Team also took part in this effort, joining with Habitat for Humanity of Burlington County to help construct a home in Willingboro for a family of five, as pictured above.

As we move forward in 2016, we remain committed to growing New Jersey's economy, helping to create quality jobs and stronger communities.

Melissa J. Orsen
EDA CEO

Timothy J. Lizura
EDA President & COO

2015 Activity

Lending Projects - Closed	
252	*Projects Assisted*
$443.5 Million	*EDA Assistance*
$669.1 Million	*Estimated Public/Private Investment*
1,892	*Estimated Construction Jobs*
1,441	*Estimated New Permanent Jobs*
3,195	*Existing Jobs Supported*

Incentive Projects - Executed Agreements/Pending Certification	
51	*Projects Assisted*
$812.4 Million	*EDA Assistance*
$1.09 Billion	*Estimated Public/Private Investment*
$3.86 Billion*	*Estimated Net Benefit to State*
2,842	*Estimated Construction Jobs*
6,859	*Estimated New Permanent Jobs*
6,139	*Estimated Retained "At Risk" Jobs*

Net Benefit related to $737.1 million of EDA assistance approved under the Grow New Jersey and Economic Redevelopment and Growth (ERG) programs.

EDA Mission
The New Jersey Economic Development Authority (EDA) is an independent State agency that finances small and mid-sized businesses, administers tax incentives to retain and grow jobs, revitalizes communities through redevelopment initiatives, and supports entrepreneurial development by providing access to training and mentoring programs.

Encouraging Job Creation and Community Investment

"This has truly been a team effort involving the state, as well as the county and city…we are thrilled to be coming back and look forward to creating new jobs in the City of Passaic."
- Michael Ostroff, CEO, Patella Woodworking

With the continued collaboration of the Partnership for Action (PFA) and tax incentives through the New Jersey Economic Opportunity Act (EOA) adding to the State's inherent strengths as a business location, small and large companies in industry sectors targeted for growth are choosing to locate and grow across New Jersey, with particular interest in the State's cities.

In the financial services industry, companies such as Brown Brothers Harriman & Co., RBC Capital Markets and First Data Corporation have decided to expand operations in New Jersey. In August, JPMorgan Chase & Co. announced that it will be moving 2,150 jobs from Manhattan, bringing its total headcount in Jersey City to approximately 7,000. The company also expects to invest more than $68 million to expand its regional technology and operations hub. This PFA-supported project was approved for Grow NJ tax credits of up to $187 million over ten years to encourage the company to expand in New Jersey instead of locations in Delaware and Ohio. In addition to its job and capital investment commitments, JPMorgan Chase & Co. also invested $1 million to provide skill-based job training for local residents over the next two years.

Companies in the manufacturing sector are also locating and growing in New Jersey. Patella Woodworking recently moved back to the State after relocating to New York in 2012. The company moved to a new 89,000-square-foot headquarters and manufacturing facility on the former site of the Hercules Chemical Company in the City of Passaic. Approved for Grow NJ tax credits of up to $10.3 million, the manufacturer relocated from Orangeburg, New York and expects to create 70 new jobs. In addition to Grow NJ, the EDA also supported the company through the Premier Lender Program. Valley National Bank provided $7.2 million in loans that were backed by a 50-percent EDA guarantee.

"As this development and other projects underway in Trenton move forward, we foresee this City becoming an increasingly vibrant destination and sought after place to live and work."
- W. David Henderson, Principal, HHG

The EDA administers the legislatively-created Grow NJ program in strict accordance with the EOA statute. Applications must satisfy statutorily-established job and capital investment requirements, as well as 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.

Passaic City is one of five Garden State Growth Zones (GSGZ) established under the EOA. This designation affords cities most in need of investment with lower eligibility thresholds and higher incentive levels. Along with Passaic, projects located in Paterson, Trenton, Camden and Atlantic City also benefit from the enhanced incentives. Increased interest in these cities illustrates how key policy objectives outlined in the EOA are effectively being achieved.

Trenton's designation as a GSGZ is helping to attract new investment and development to the State's capital city.

Roebling Lofts, a mixed-use development being advanced by HHG Development Associates, will transform the old Roebling Steel building into rental lofts and apartments. Closed since the mid-1950's, the structure represents the first of four John A. Roebling's Sons buildings planned for rehabilitation by HHG. The project will include multi-family lofts, two-bedroom lofts, and one-bedroom units, all featuring high ceilings and large industrial windows. Future plans for the complex include an additional building housing loft-style units and restaurant/retail space to be built from the ground up.

The $42 million project was approved for up to $16.1 million in tax credits over 10 years through the residential Economic Redevelopment and Growth (ERG) program. As New Jersey's key developer incentive program, ERG prioritizes development in smart growth locations with infrastructure in place, particularly in urban areas and those near train stations.

"Subaru's decision, coupled with the long-standing commitment by Campbell, provides an excellent platform for further economic development and job creation in the city of Camden."
- Gerard H. Sweeney, President & CEO, Brandywine Realty Trust

The City of Camden, also a GSGZ, continued its renaissance in 2015, with companies such as Subaru of America and Holtec International breaking ground last year.

In December, Subaru commenced construction of its new state-of-the-art headquarters and training/service center, located adjacent to Campbell Soup Company's world headquarters. The Subaru campus will be the first new corporate headquarters in Knights Crossing, a new development by Brandywine Realty Trust. Subaru was approved for Grow NJ tax credits of up to $117.8 million related to the retention of 500 jobs and the expected creation of 100 new jobs. Holtec International broke ground in July, paving the way for its new 600,000-square-foot manufacturing and technology center on the waterfront. Holtec was approved for up to $260 million in Grow NJ tax credits and expects to create thousands of new jobs.

"We will work with the State of New Jersey and the City of Camden to leverage our plant to serve as a training academy to help young men and women, especially unemployed Camden residents and veterans, to acquire skills that yield well-paying jobs."
- Dr. Kris Singh, Holtec's founder, president and CEO

"Partnering with RBH, Goldman Sachs, Prudential, NJEDA, the City of Newark, and the ICC allows us to bring our global headquarters and the world's largest indoor vertical farm close to where the consumer is, while also creating jobs."
- David Rosenberg, CEO, AeroFarms

In addition to GSGZs, the EOA targets investment in "distressed" areas of the State. Projects locating in these communities are also eligible for increased incentive levels. To date, over 90 percent of awards approved under the Grow NJ and ERG programs are for projects located in a targeted community.

In Newark, local officials helped to break ground in July on Aerofarms' new headquarters and R&D center. The company aims to create the world's largest aeroponic farm in a renovated warehouse in the Ironbound community. The project, which was approved for a commercial ERG of up to $2.2 million and Grow NJ tax credits of up to $6.5 million, is expected to create more than 69 new jobs and leverage private investment totaling more than $42.5 million.

Also in Newark, grand openings were celebrated in 2015 for two projects supported under the legacy Urban Transit Hub Tax Credit Program.

In late September, Prudential Financial celebrated its new $444-million, 20-story office tower on Broad Street. The company, which plans to house approximately 3,000 employees at the new facility, is also leading efforts to revitalize nearby Military Park. The 740,000-square-foot facility was built partially with the support of up to a $211 million Urban Transit Hub tax credit approved by the EDA in 2012.

Also in September, officials marked the opening of 494 Broad Street, where Urban Transit Hub tax credits of up to $37.4 million approved in 2012 helped to support the expansion of an office building that contains a Cablevision call center and several retail establishments. The project was expected to create 150 new jobs. During the term of the Hub award, 500 jobs must be located at the project site in order for the project to be in compliance.

"We believe the tax credits will translate into a significant economic boost to the region. Both Hackensack University Health Network and Seton Hall University look forward to building a world-class institution that will prepare future healthcare professionals to provide the best quality care and ultimately innovate the way healthcare is delivered in New Jersey."
- Robert C. Garrett, President and CEO, Hackensack University Health Network, and Dr. A. Gabriel Esteban, President, Seton Hall University

Southern New Jersey also experienced a flurry of economic activity in 2015. At a job fair held in Pennsauken in September, the impact of the EOA was on full display as hundreds of new employees were sought from companies supported through the Grow NJ program. This includes lighting manufacturer Princeton Tec, expected to create 156 jobs at its new headquarters and assembly facility in Pennsauken.

In Atlantic County, Barrette Outdoor announced in October that it had moved into its new manufacturing facility in Galloway and was seeking to hire more than 250 people to fill the new positions that were material to their Grow NJ approval. Barrette was approved for tax credits of up to $29.8 million to encourage the leading vinyl, wood and aluminum manufacturer to relocate to Galloway instead of consolidating its operations in Tennessee. The company's new facilities are housed in the former Lenox plant, a 415,000-square-foot building that was vacant for more than a decade.

In addition to business attraction and retention, the EOA has also helped to advance projects that highlight the State's commitment to higher education. The future Seton Hall-Hackensack School of Medicine, which will be the only private medical school in New Jersey, will be housed on the vacant former Roche corporate campus in Nutley and Clifton. The $75 million project was approved in November for up to $16.9 million in Grow NJ tax credits, and is expected to create more than 270 new jobs.

With the goal of bringing in the first class for fall 2017, the campus will hold roughly 500 medical students and faculty, in addition to an estimated 1,500 students and faculty associated with the nursing and health and medical sciences schools. The four-year medical school would serve as an anchor to the 119-acre site, drawing research and industry to the campus through collaborative partnership.

"The PRC Group wanted to work in partnership with the State, The College of New Jersey, and the community to create a vibrant retail and student housing center…we could not have done this work, at no financial cost to the College or State, without the 2009 Economic Stimulus Act allowing for private capital to be invested and form a Public Private Partnership."
- ***Bob Kaye, CEO, The PRC Group***

Other higher education projects include Campus Town, a new 12-acre, 278-square-foot residential, retail and office development on the campus of The College of New Jersey (TCNJ) in Ewing. Hailed as a model of collaboration, TCNJ partnered with The PRC Group on the mixed-use development, which celebrated its grand opening in August. The nearly $85 million project was supported by a residential ERG of up to $15.7 million, and was also approved by the EDA through the Higher Education Institution Public-Private Partnerships Program (P3). P3, overseen by EDA, permits a state or county college to enter into a private-public partnership allowing the private entity to assume full financial and administrative responsibility for an on-campus construction project as long as the college retains ownership of the land.

In Glassboro, the vast Rowan Boulevard project, a mixed-use development that will directly link Rowan University to the Borough's downtown district, is moving forward. Supported with a residential ERG of up to $22 million, 220 Rowan Boulevard celebrated a Topping Off ceremony in October. This phase of the project involves student housing, market-rate apartments, retail and office space, and parking. Rowan Boulevard was also supported under P3 and with tax-exempt and taxable bonds issued by the EDA.

Fueling Innovation in the Garden State

"Indiegrove is a space for entrepreneurs to focus and interact with like-minded individuals looking to grow their businesses and gain independence. We are thankful to the EDA for helping to make our expansion possible and look forward to accommodating even more members in the months and years ahead."
- Indiegrove Founder Zahra Amanpour

Through continuous outreach, programs and events, the EDA sustained its efforts to grow New Jersey's vibrant technology ecosystem in 2015. With a focus on providing a continuum of assistance to support the industry, the EDA's diverse array of resources includes financing and tax credits, real estate and mentoring.

In January, EDA approved a $175,000 loan to help co-working space Indiegrove nearly double its footprint in downtown Jersey City from 6,000 square feet to 10,268 square feet. For entrepreneurs and startup companies with limited cash flow, co-working spaces do not require members to sign long-term leases and foster mentoring networks for their members.

Another way the EDA helps increase available capital for growing technology companies is through its investment in venture funds. In 2015, the EDA approved a $2.5 million limited partnership investment in Edison VIII, an Edison Partners venture fund that will invest in 20-25 growth stage technology businesses across four industry sectors: financial technology, healthcare information technology, marketing technology, and enterprise 2.0. The EDA invested in four previous Edison Partners funds from which a total of $195.8 million was invested in 45 New Jersey-based technology companies.

In total, the EDA has committed $40 million to 12 venture funds that have leveraged the EDA's investments in New Jersey businesses by more than 62 times.

"The NOL funding, as well as the great programs and support we get from EDA, are, and will be, paramount to our success. The funding enables us to quicken the pace of our product enhancements and research and development by providing funding to expand our software development team. This leads to quicker revenue growth for the company."
- Bob Gold, Gold Group Enterprises CEO

Growing companies can also take advantage of the State's Technology Business Tax Credit Certificate Transfer (NOL) Program, which enables eligible technology and biotechnology companies to sell New Jersey tax losses and/or research and development tax credits to raise cash to finance their growth and operations.

Last year, the EDA approved 41 companies to share a total of $47.4 million through the program. Since its inception in 1999, more than 500 businesses have been approved for awards totaling over $860 million. Gold Group Enterprises, which uses its proprietary cloud-based software platform to help clients in a variety of industries expand their digital footprint, took advantage of the program in 2015. The company is based in Clark and has an office in Asbury Park.

The NOL program also supports companies like Akers Biosciences. Located in West Deptford, Akers Biosciences has spent over 25 years developing, manufacturing and supplying rapid screening and testing products -- known as "assays" -- designed to deliver quicker and more cost-effective healthcare data to healthcare providers and consumers. Berkeley Heights-based Edge Therapeutics, a biotechnology company that discovers, develops and seeks to commercialize novel hospital-based therapies capable of transforming treatment paradigms in the management of acute, life-threatening conditions, benefited from the NOL program last year and also received nearly $2 million in investments under the State's Angel Investor Tax Credit Program.

Signed into law by Governor Christie in 2013, the Angel Investor Tax Credit Program offers a 10 percent refundable tax credit against New Jersey corporation business or gross income tax for qualified investments in an emerging technology business with a physical presence in New Jersey and that conducts research, manufacturing, or technology commercialization in the state.

"Falling under the CCIT umbrella establishes an immediate sense of familiarity and reputation with our clients. As importantly, not only do we have state-of-the-art laboratories, we also have access to well-equipped conference rooms, friendly administrative staff, scientific resources such as autoclaves and other analytical instruments."
Shridhar Kamat, Pharmaceutical Development Associate, Kamat Pharmatech

In 2015, the EDA approved 213 applications through the program, representing investment of more than $50 million of private capital into developing technology and life sciences companies. Since the program's inception, 422 applications have been approved for investments totaling more than $125 million.

Taxis Pharmaceuticals, a producer of pharmaceuticals targeting multidrug-resistant bacterial infections, raised more than $1.1 million as a result of the Angel Investor Tax Credit Program. A graduate of the EDA's Commercialization Center for Innovative Technologies (CCIT), the growing company now rents larger space on the Technology Centre of New Jersey campus, also in North Brunswick.

Home to nearly two dozen seed-stage life sciences companies, CCIT offers its tenants affordable lab and office space, as well as a wealth of resources, including help identifying funding sources, educational sessions and networking opportunities. In 2015, CCIT welcomed two new tenants, Pre-D Partners and SunGen Pharma. Additionally, existing tenant companies PDS Biotechnology, Hudson BioPharma, Ascendia Pharmaceutical and Kamat Pharmatech all expanded their presence at the facility.

The EDA has launched several programs at CCIT in recent years to further enhance its support of the industry. This includes the Executives-in-Residence (EIR) Program, which commenced in February 2015 in collaboration with BioNJ. Designed for high-level biotechnology executives currently in transition, the program taps into the State's broad life sciences talent pool and enables tenant companies to seek advice on a range of topics, including business development, commercialization, partnering and licensing, health economics, and reimbursement.

"Each potential investor gave us encouragement and we made a number of contacts, which are very valuable to us going forward."
- Dr. Mary Potasek, Simphotek Co-founder and President

Businesses such as CCIT tenant VEESAG Mobile have taken advantage of the opportunity to meet one-on-one with advisors right in their building. VEESAG Mobile develops wearable technology aimed at helping people maintain their independence, remain healthier and live better. The company has also attended New Jersey Founders & Funders events held at CCIT. Hosted semi-annually, New Jersey Founders & Funders enables early-stage businesses to meet with potential investors in ten-minute, one-on-one "speed dating" sessions to discuss strategy, business models and funding opportunities. Four events held to date – including those held in March and October 2015 - have introduced more than 120 entrepreneurs to investors.

Along with the EIR Program and New Jersey Founders & Funders, CCIT also offers its tenants access to other educational and support opportunities such as "Lunch and Learns" and the "Meet with Money" series, during which investors and local enterprises speak about best practices in their industry. In 2015, nine investors and entrepreneurs came to speak to CCIT tenants through these two series.

For more established companies, the EDA offers Grow NJ, which was strengthened through the Economic Opportunity Act to offer enhanced benefits to companies in targeted industries, including technology, life sciences, energy and health. The Act also reduced the threshold to qualify for Grow NJ to as low as 10 fulltime jobs for technology startups and also lowered the minimum capital investment threshold for these emerging companies.

"Axtria's project keeps 100 jobs right where they belong, here in New Jersey, and brings with it an expected 75 additional positions. Attracting this type of job-creating investment is critical to success in today's 21st century innovation economy."
- **Lt. Governor Kim Guadagno**

In 2015, nearly $200 million in Grow NJ tax credits were approved for companies in the greater technology industry, including Axtria Inc., which recently celebrated the opening of its newly expanded facility in Berkeley Heights. The big data and analytics firm, approved for up to $3.65 million in tax credits, expects to create 75 new jobs and invest an estimated $1.1 million to support its expansion.

The EDA also approved B Positive National Blood Services, LLC for Grow NJ tax credits of up to $3.5 million in 2015 to encourage the life sciences firm to expand its operations in Glassboro over a location in Pennsylvania. If the South Jersey location is chosen, the company expects to create 65 new jobs and invest over $1 million to renovate the space in accordance with Federal Drug Administration standards for a plasma collection site.

With the support of up to $39.3 million in Grow NJ tax credits, Audible Inc. is creating a new engineering and development hub on James St. in Newark, just blocks from its Washington Street headquarters. The project, expected to create 350 new jobs, will leverage an estimated $56.7 million of private investment. A subsidiary of Amazon.com, Audible is the world's largest seller and producer of downloadable audiobooks and other spoken-word information and entertainment.

Grow NJ is also helping to build on the cluster of technology and life sciences companies located in Mercer and Middlesex counties. Systech, a global technology leader in product safety and consumer and brand protection, is considering an expansion in Plainsboro with the support of up to $11.7 million in approved Grow NJ tax credits. Start-up pharmaceutical technology company Adare Pharmaceutics is considering Lawrence for its offices with the support of up to $1.9 million in approved Grow NJ tax credits. Together, these companies would create an estimated 210 new jobs and leverage more than $5.6 million of private investment.

Increasing Access to Capital

The EDA often partners with financial institutions, local organizations and other State agencies to help borrowers bridge financing gaps and increase their access to capital. This includes offering low-interest loans, bond financing, and support for micro-lenders to increase their lending capacity and the technical assistance and training services they offer.

To raise awareness of programs for small businesses, the EDA launched a print and digital marketing campaign in October. The campaign features the theme "EDA Was Here," anecdotally showcasing how businesses have used the EDA's financing programs to overcome challenges, meet their needs and grow. The campaign includes print ads in various New Jersey business publications, as well as search engine marketing and digital display ads on various business websites.

Union County manufacturer Flexline is currently featured in publications throughout the State as part of the campaign. Flexline was approved for a $1.35 million PNC Bank loan through the Premier Lender Program, backed by a 25 percent EDA guarantee. The loan supported the acquisition of a commercial building to house the company's operations in Kenilworth. The Premier Lender Program lowers the cost of borrowing for small businesses through the EDA's alliance with commercial banking partners.

Carton Brewing in Atlantic Highlands received lines of credit from Provident Bank totaling $2.29 million, with a 50 percent EDA guarantee. The brewery, which samples beer on-premise and self-distributes to over 350 bars, restaurants and liquor stores, will use the financing to expand its business, including the purchase of equipment and the acquisition of an adjacent building.

"It's important to us to continue doing what we do in our neighborhood and we appreciate the support of the State, Provident Bank, and our customers as we grow."
- Augie Carton, Carton Brewing

The EDA also offers direct loans through the Small Business Fund. Habitat for Humanity of Burlington County received a loan to purchase the building it had been leasing in Maple Shade since 2014. Prior to that, the entity's corporate offices and "ReStore" operations had been located in Cinnaminson. The move to Maple Shade was driven by the goal of expanding, and attracting more customers to the "ReStore," which sells donated, secondhand items to raise money for the organization.

"The financing the EDA provided has helped us to settle into a more permanent home and build lasting relationships with volunteers and other stakeholders."
- John Garton, Controller, Habitat for Humanity of Burlington County

"Tri-Power's client base consists of biomedical, pharmaceutical and aerospace clients, mostly in the Northeast, so Denville is an ideal location. It was important to us to invest in the community, our employees' workplace and in the future of NJ where we have built our business and grown our client base; and the State's support was instrumental in making that happen."
- Robert Mastice, Managing Director/Co-Owner, Tri-Power

The Small Business Fund requires that a business be in operation for at least one full year. Not-for-profit corporations that have been operating for at least three full years may also be eligible.

Morris County-based Tri-Power Consulting also received a loan through the Small Business Fund. Tri-Power used their funding to help establish a permanent home in Denville. The engineering, design, manufacturing and consulting business was established in 1996 and works with a diverse range of Fortune 500 leaders.

Through the New Jersey Advantage Program, a partnership with TD Bank, family-owned Aldo Design Group closed on both a line of credit for working capital, and a loan to refinance an existing mortgage. The Carteret-based company is a leading flooring and interior products resource for retail and commercial customers and homebuilders of all sizes.

The New Jersey Advantage Program provides financing to creditworthy New Jersey businesses committed to job creation and retention. The program offers loans and lines of credit financed by TD Bank up to $5 million, with an EDA guarantee of up to 50 percent. Companies benefit from optional fixed or variable below-market interest rates.

"The financing provided by the New Jersey Advantage Program will improve our cash flow, allowing us to invest more in growing our business and finding even more ways to be the best resource we can to our clients."

- Albert Benavides, President, Aldo Design Group

Beyond the support of its lending programs, the EDA offers affordable bond financing solutions to credit-worthy manufacturing companies seeking financing for capital improvements and expansions. EDA provides a link from Main Street to Wall Street for small and mid-sized manufacturers in New Jersey, as well as not-for-profit organizations, giving them access to capital they may not be able to obtain on their own and enabling them to borrow money at a lower cost.

Tax-exempt bonds for manufacturing companies can be used for real estate acquisitions, new equipment, machinery, building construction, and renovations. Tax-exempt bonds for not-for-profit organizations seeking capital to expand community services can be used to finance land and building acquisitions, new construction and renovations, equipment purchases, debt refinancing and working capital.

In the manufacturing sector, Frederick Goldman, Inc. took advantage of the longer terms and lower costs associated with bonds issued by the EDA. The jewelry manufacturer closed on $7.5 million in tax-exempt bonds to purchase a new facility in Secaucus for its operations. The bonds were directly purchased by Investors Savings Bank and will help the company acquire and renovate the 88,000-square-foot building. The company was also approved by the EDA for tax credits through Grow NJ to encourage the company's relocation to New Jersey and the creation of over 250 new jobs.

Not-for-profit organization Hudson Community Enterprises, Inc. closed on a $1.5 million tax-exempt bond, directly purchased by The Provident Bank, to refinance conventional debt and acquire machinery and equipment. Established in 1957, the Jersey City-based organization has business operations throughout New Jersey and offers a range of education, training, and employment opportunities for youth with disabilities exiting school, adults with disabilities in its vocational rehabilitation programs, as well as community residents facing other barriers to employment.

"Our goal is to provide valuable resources to people who are looking to start new careers. The capital from GNEC has helped us to pay rent and purchase equipment, which enabled us to operate and have revenue coming in sooner than we would have without GNEC's help.
- Suresh V. Sagi, M.D., President, AAHSC

In addition to bank partners, EDA makes capital available to financial intermediary organizations that can effectively reach small businesses in local markets, including micro-lenders and Community Development Financial Organizations (CDFIs). These organizations have the ability to offer term loans and lines of credit to micro-enterprises and small companies not qualified for traditional bank financing, extending the state's reach to underserved communities and businesses.

Since 2010, the EDA has provided a total of $4.2 million to CDFIs through its Loans to Lenders Program, including UCEDC, Greater Newark Enterprises Corporation (GNEC) and New Jersey Community Capital (NJCC).

The EDA and GNEC visited the Academy of Allied Health Sciences (AAHSC) in Newark in August. The full-time health sciences school received a $25,000 working capital loan. Housed in a state-of-the-art 5,200-square-foot facility, AAHSC's mission is to provide students, many of whom are low income, disadvantaged and displaced workers, with the skills needed for a career in allied healthcare. AAHSC also features a scholarship program for military spouses. The school boasts a near perfect graduate job placement record.

Earlier in the summer, the EDA and NJCC visited Parlor Gallery in Asbury Park, a woman-owned, gallery which received a $20,000 working capital loan from NJCC. Parlor Gallery, which has a staff of four, used the working capital loan to support the creation of marketing materials and other operating costs.

"The support EDA and NJCC provided has helped us build our client base and raise awareness of events and exhibits at the gallery. It's exciting to see our vision of educating and advising collectors coming to life."
- Jenn Hampton, Director/Curator, Parlor Gallery

In addition to financing, the EDA has also established a strategic partnership with UCEDC to increase the array of training and technical assistance services available to entrepreneurs and small businesses in the State. UCEDC offers a wide variety of free and low-cost training workshops, including a series of courses that help develop financial and business literacy for business owners at all stages of maturation and a comprehensive program that walks entrepreneurs through all aspects of starting a business, culminating in the development of a business plan. UCEDC also offers a range of financing vehicles.

In 2015, UCEDC trained or mentored more than 1,900 entrepreneurs, conducted 97 business training workshops, and provided $1.4 million in loans to 65 small businesses, 69 percent of which were minority- or woman-owned enterprises.

Raquel Gonzalez of Jersey City found the expert business advice she and her husband Joe needed to build their commercial farming business when she enrolled in a recent UCEDC Entrepreneurship 101 training program. During the six-week program, she learned how to realistically assess her business concept and assumptions and determine if she was personally ready for small business ownership. Raquel's business, Lonchando Farms, will produce fresh vegetables, herbs and leafy greens, such as lettuce, spinach and micro greens. With a rapidly growing "foodie" scene in Jersey City, Raquel believes she'll have plenty of customers interested in these crops.

A statewide organization, UCEDC has established a presence in Camden and Asbury Park to enable local entrepreneurs, businesses, and students to benefit from its programs. Also in 2015, UCEDC entered into a partnership with the City of Atlantic City, establishing another satellite location for entrepreneurial counseling and training.

"With a Biology degree and a research background, I had no real grounding in marketing, finance, business planning etc. This course taught me step by step how to develop my business plan…and I love the ongoing relationship that I have with the staff of UCEDC - I can reach out to them for any questions I might have."

- Raquel Gonzalez, Founder, Lonchando Farms

Rebuilding and Resilience Efforts Continue

"Booth Movers survived, thanks, in part to our Stronger NJ Business Grant. Revenue has increased by at least 10 percent each year since the storm."
- Adam Padla, Vice President, Booth Movers

EDA continued its support of the State's rebuilding and resiliency efforts in 2015, approving over 175 businesses for more than $27.6 million in Stronger NJ Business grants and loans.

In October, the State marked the third anniversary of Superstorm Sandy, with State officials commemorating the milestone by hosting a roundtable with local business owners at Booth Movers in Moonachie. At the time of the storm, 18 inches of water poured into the company's offices and two warehouses. Flood waters destroyed customers' possessions, office furniture and equipment.

Irvington-based Primo Baby is a family-owned manufacturer of baby care products which are sold at ToysRUS, Buy Buy Baby and Amazon. The company's buildings sustained major wind damage during the storm. According to Paulette Zazzara, President, Primo Baby, "We have been in business in this area for 68 years, and Sandy was by far the most disruptive event we have experienced. The Stronger NJ Business Grant Program has helped us stay on track so we can continue being a valuable resource for our high-profile customers."

Dr. Celeste Kunz, a horse veterinarian in Millstone, was approved for a Stronger NJ Business Grant in 2015 to support working capital needs following extensive equipment and structural repairs after damage from hurricane-force winds during Superstorm Sandy. Included were repairs to a highly-specialized equine hyperbaric chamber.

"Recovering from the storm created some unexpected cash flow challenges. The Stronger NJ Business Grant has helped me to maintain the high standard of care I strive for."
- Dr. Celeste Kunz, Equine Veterinarian, Millstone

Other Stronger NJ Business assistance approved in 2015 includes grants for Jamaican Me Crazy, a variety store in Margate; Girasole Restaurant and Lounge in Atlantic City; and Compound Engineering Solutions in Clifton. Businesses approved for loans in 2015 included Atlas Refinery in Newark; Barnacle Bill's Amusements in North Ortley; and Gateway Marina in Highlands.

Through the Neighborhood and Community Revitalization (NCR) Program, many of the 35 approved projects achieved milestones in 2015. Berry Lane Park in Jersey City was supported by an NCR Development and Public Improvement grant of $5 million. The 17-acre park has newly constructed ball fields, courts, tree planting, landscaping, paths and other amenities, and is designed to return storm waters to mitigate flooding.

"Bringing back activity that increases the value of a community is good for our health and great for local economies, and what makes that possible is working together. We are proud to support Jersey City in cleaning up and transforming this property into the largest municipally owned and operated park in the city."
- Gina McCarthy, Administrator, Environmental Protection Agency

As part of the EDA's efforts to improve resilience in the State, the $7 million Retail Fuel Station (RFS) grant program allowed retail fuel stations to develop faster and more reliable access to back-up power during an energy emergency. All retail fuel stations statewide with a minimum gasoline capacity of 18,000 gallons were eligible to apply before the March 2015 deadline. When the program first launched in December 2013, it was limited to those stations in close proximity to evacuation routes with minimum gasoline storage capacity of 30,000 gallons. Eligibility was expanded in January 2015 to stations statewide that met minimum fuel storage requirements. The voluntary program is funded through the federal Hazard Mitigation Grant Program.

Fifty-eight of the 134 stations approved by the EDA have installed their back-up systems. Of those, 32 are through permanent generators and 26 are quick connect systems. To date, $4.16 million has been allocated to 134 total applicants. As a reimbursement program, funds are not disbursed until completion of all required inspections, installation, and submission of all required documentation.

EDA Executive Team

Melissa Orsen
Chief Executive Officer

Timothy J. Lizura
President & Chief Operating Officer

Maureen Hassett
Senior Vice President, Governance, Communications & Strategic Initiatives

Frederick J. Cole
Senior Vice President, Operations

Lori Matheus
Senior Vice President, Finance & Development

EDA Board Members

Chairman

Alfred C. Koeppe
Former CEO, Newark Alliance
Former President & COO, PSEG
Former CEO, Bell Atlantic-New Jersey

Vice Chairman

Joseph A. McNamara
Director, Laborers-Employers Cooperation and Education Trust & Health & Safety

Ex-Officio Members

Richard J. Badolato
Acting Commissioner, New Jersey Department of Banking & Insurance

Bob Martin
Commissioner, New Jersey Department of Environmental Protection

Ford M. Scudder
Acting State Treasurer

Harold J. Wirths
Commissioner, New Jersey Department of Labor & Workforce Development

Public Members

Philip B. Alagia
Essex County Chief of Staff

Laurence M. Downes
Chairman and CEO, New Jersey Resources

Fred. B. Dumont
Business Manager, Heat & Frost Insulators and Allied Workers Local 89
Vice President, New Jersey State Building and Construction Trades Council

Massiel Medina Ferrara
Planning Director, County of Hudson

David R. Huber
SVP & CFO, Horizon Blue Cross Blue Shield of NJ

Charles H. Sarlo, Esq.
Law Office/VP and General Counsel, DMR Architects

Alternate Public Members

William J. Albanese, Sr.
General Manager, A&A Industrial Piping Inc.

Patrick R. Delle Cava
Business Manager, International Brotherhood of Electrical Workers, Local 102

Harold Imperatore
Proprietor, The Bernards Inn

Nonvoting Member

Rodney Sadler
Economic Recovery Board for Camden

Certifications Pursuant to E.O. 37

June 14, 2016

In accordance with Executive Order No. 37, the New Jersey Economic Development Authority's 2015 Annual Report also serves as the comprehensive report of the Authority's operations. This report highlights the significant action of the Authority for the year, including the degree of success the EDA had in promoting the State's economic growth strategies and other policies.

The report of independent auditors, Ernst & Young, dated May 31, 2016, is attached and completes the EDA's requirements concerning the preparation of a comprehensive report required by Executive Order No. 37.

I, Tim Lizura, certify that during 2015, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures and internal controls.

I further certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the Authority for the year in question.

Timothy J. Lizura
EDA President & COO

I, Richard LoCascio, certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the Authority for the year in question.

Richard LoCascio, CPA
Controller

FINANCIAL STATEMENTS

New Jersey Economic Development Authority
Years Ended December 31, 2015 and 2014
With Report of Independent Auditors

Ernst & Young LLP

Building a better
working world

New Jersey Economic Development Authority

Financial Statements

Years Ended December 31, 2015 and 2014

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Report of Independent Auditors

Management and Members of the Authority
New Jersey Economic Development Authority

We have audited the accompanying basic financial statements of the New Jersey Economic Development Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Change in Method of Accounting for Pensions

As discussed in Note 2 to the financial statements, the Authority changed its method for accounting and financial reporting of pensions as a result of the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent To the Measurement Date – an Amendment of GASB Statement No. 68*, both effective January 1, 2014. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that management's discussion and analysis, the schedule of funding progress of the postemployment healthcare plan, the schedule of the Authority's proportionate share of the net pension liability and the schedule of the Authority's contributions to the Public Employees' Retirement System (PERS) as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst & Young LLP

May 31, 2016

This section of the New Jersey Economic Development Authority's ("Authority" or "NJEDA") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal years ended on December 31, 2015 and 2014. Please read it in conjunction with the Authority's financial statements and accompanying notes.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of three parts: Management's Discussion and Analysis, the basic financial statements, and required supplementary information. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short- and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to a private business engaged in such activities as real estate development, investment banking, commercial lending, construction management and consultation. While detailed sub-fund information is not presented, separate accounts are maintained for each program or project to control and manage money for particular purposes or to demonstrate that the Authority is properly using specific appropriations, grants and bond proceeds.

2015 FINANCIAL HIGHLIGHTS

- The Authority's total net position increased $13.6 million (or 2.7%).

- The net pension liability increased $20.1 million (or 70.3%) due to a change in the Authority's proportion of the State of New Jersey's net pension liability.

- Finance fees increased $4.0 million (or 44.4%) due to increased activity in specific incentive-based programs offered by the Authority.

- Other revenue increased $7.4 million (or 99.9%) due largely to distributions received from venture fund investments in which the Authority is a limited partner.

- Salaries and Benefits expenses increased $12.4 million (or 55.6%) due to additional contributions made to the employee Post Employment Benefit Trust in order to fully fund the obligation and the increase in pension expense per the Schedules of Employer Allocations and Schedules of Pension Amounts by Employer received from the State.

- Federal and state appropriations, net of all program payments, increased $20.6 million (or 476.1%) due largely to additional CDBG-Disaster Recovery funding received for the Stronger NJ Business programs.

2014 FINANCIAL HIGHLIGHTS

- As the result of a restatement due to the implementation of GASB 68/71 as of January 1, 2014, non-current liabilities increased $28.6 million due to recognition of the Authority's share of the State of New Jersey's net pension liability.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position. The following table summarizes the changes in Net Position at December 31, 2015, 2014 and 2013:

	2015*	**2014***	**2013***	**Current Year % Increase/ (Decrease)**	**Prior Year % Increase/ (Decrease)**
		(As Restated)			
Assets:					
Other assets	**$ 490,368,781**	$ 474,260,875	$ 524,015,191	3.4%	(9.5)%
Capital assets, net	**86,152,710**	91,371,783	84,474,935	(5.7)%	8.2%
Total assets	**576,521,491**	565,632,658	608,490,126	1.9%	(7.0)%
Deferred outflows of resources:					
Accumulated decrease in fair value of hedging derivatives	**–**	–	1,115,345	–	(100.0)%
Deferred outflow related to pension	**18,728,245**	2,482,701	–	654.3%	–
Liabilities:					
Pension payable	**1,866,720**	1,260,522	–	48.1%	100.0%
Long-term debt	**57,381,589**	38,316,585	41,636,457	49.8%	(8.0)%
Other liabilities	**21,621,325**	26,839,046	31,846,016	(19.4)%	(15.7)%
Total liabilities	**80,869,634**	66,416,153	73,482,473	21.8%	(9.6)%
Deferred inflows of resources:					
Accumulated decrease in fair value of hedging derivatives	**–**	–	1,115,345	–	(100.0)%
Deferred inflow related to pension	**783,660**	1,706,067	–	(54.1)%	100.0%
Net position:					
Net investment in capital assets	**82,856,031**	87,235,047	46,874,681	(5.0)%	86.1%
Restricted	**22,583,026**	22,420,545	22,388,440	0.7%	0.1%
Unrestricted	**408,157,385**	390,337,547	465,744,532	4.6%	(16.2)%
Total net position	**$ 513,596,442**	$ 499,993,139	$ 535,007,653	2.7%	(6.5)%

*Includes blended component unit, (refer to Note 1)

During 2015, the Authority's combined net position increased $13.6 million (or 2.7%) due to:

$ 10.8	Million	Petroleum Underground Storage Tank ("PUST") grant award payments and loan disbursements
$ 9.6	Million	Hazardous Discharge Site Remediation Fund ("HDSRF") disbursements
$ 2.5	Million	Municipal Economic Recovery Initiative grant award payments
$ (33.8)	Million	Net receipts from CDBG-Disaster Recovery funds for the Stronger NJ Business programs.
$ (2.7)	Million	Net receipts from the State relating to Other Programs

During 2014, the Authority's combined net position decreased $35.0 million (or 6.5%) due to:

$ 10.5	Million	Petroleum Underground Storage Tank ("PUST") grant award payments and loan disbursements
$ 8.3	Million	Hazardous Discharge Site Remediation Fund ("HDSRF") disbursements
$ 11.3	Million	Municipal Economic Recovery Initiative grant award payments
$ (24.2)	Million	Net receipts from the State relating to Other Programs
$ 29.1	Million	Recognition of pension liability for Authority employees

Operating Activities. The Authority charges financing fees that may include an application fee, commitment fee, closing fee, document execution fee and an annual servicing fee. The Authority also charges an agency fee for the administration of financial programs for various government agencies; a program service fee for the administration of Authority programs that are service-provider based, rather than based on the exchange of assets such as the commercial lending program; and a real estate development fee for real estate activities undertaken on behalf of governmental entities and commercial enterprises. The Authority may also generate a return on investments in venture capital funds which invest, in whole or in part, in New Jersey based businesses. Interest income on investments, notes and intergovernmental obligations is recognized as earned. Grant revenue is earned when the Authority has complied with the terms and conditions of the grant agreements. The Authority also earns income from operating leases and interest income on lease revenue from capital lease financings. Late fees are charged to borrowers delinquent in their monthly loan payments. All forms of revenue accrue to the benefit of the program for which the underlying source of funds is utilized. The Authority considers all activity to be operating activities, except as described in the following section.

Non-Operating Activities. The Authority earns interest on idle cash and investments, and may derive income from the sale of capital assets, as well as the receipt of state and federal appropriations which are used to administer specific programs on behalf of the State of New Jersey, and which directly benefit New Jersey based businesses. The Authority considers this activity to be non-operating in nature.

The following table summarizes the changes in operating and non-operating activities between fiscal years 2015, 2014 and 2013:

	2015*	2014* (As Restated)	2013*	Current Year % Increase/ (Decrease)	Prior Year % Increase/ (Decrease)
Operating revenues:					
Financing fees	**$ 13,117,822**	$ 9,086,134	$ 6,760,175	44.4%	34.4%
Lease revenue	**11,066,759**	13,986,329	10,960,188	(20.9)%	27.6%
Interest income:					
Notes	**5,014,739**	5,463,086	5,626,492	(8.2)%	(2.9)%
Other	**14,847,756**	7,426,396	20,670,318	99.9%	(64.1)%
Total operating revenues	**44,047,076**	35,961,945	44,017,173	22.5%	(18.3)%
Operating expenses:					
Administrative expenses	**39,647,125**	28,477,801	21,134,052	39.2%	34.7%
Interest expense	**346,079**	1,804,038	1,508,847	(80.8)%	19.6%
Depreciation	**6,616,729**	8,376,241	6,618,900	(21.0)%	26.6%
Loss provisions – net	**2,134,193**	5,620,945	5,611,132	(62.0)%	0.2%
Program costs	**7,950,955**	6,626,109	7,390,962	20.0%	(10.3)%
Total operating expenses	**56,695,081**	50,905,134	42,263,893	11.4%	20.4%
Operating (loss) income	**(12,648,005)**	(14,943,189)	1,753,280	(15.4)%	(952.3)%
Nonoperating revenues and (expenses):					
Interest income – investments	**1,696,602**	1,919,165	2,413,709	(11.6)%	(20.5)%
State appropriations	**14,069,332**	12,906,993	11,591,125	9.0%	11.4%
Program payments	**(38,263,793)**	(73,704,320)	(53,117,614)	(48.1)%	38.8%
Federal appropriations	**49,170,712**	65,133,093	9,304,316	(24.5)%	600.0%
Gain on sale of assets	**–**	22,353,371	–	(100.0)%	100.0%
Other expense	**(421,545)**	(274,074)	(735,139)	(53.8)%	(62.7)%
Total nonoperating revenues and (expenses), net	**26,251,308**	28,334,228	(30,543,603)	(7.4)%	(192.8)%
Income (loss) before special item	**13,603,303**	13,391,039	(28,790,323)	1.6%	(146.5)%
Technology Centre Cost-adjustment	**–**	(19,569,699)	–	(100.0)%	100.0%
Change in net position	**13,603,303**	(6,178,660)	(28,790,323)	320.2%	(78.5)%
Beginning net position	**499,993,139****	506,171,799**	563,797,976		
Ending net position	**$ 513,596,442**	$ 499,993,139	$ 535,007,653		

*Includes blended component unit, (Refer to Note 1)

**Restated for GASB 68/71

Operating Revenues

In 2015, the Authority's operating revenues were positively impacted by a $4.0 million increase in financing fees, led by increased activity in the bond and incentive programs over the prior year. Other operating revenues were favorably impacted by the receipt of $7.0 million in venture fund distributions and warrants resulting from the Authority's capital investments. Overall operating revenues increased by $8.1 million.

Operating Expenses

In 2015, total operating expenses increased by $5.8 million due largely to an increase of $8.8 million in salary and benefits as a result of the Authority making additional contributions to its employee Post Employment Benefit Trust and $3.6 million in additional pension expense pursuant to GASB 68, offset by a decrease of $3.5 million in loss provision expenses, related to the paydown of notes in the loan portfolio, as well as a decrease of $1.8 million in depreciation expense related to the sale of property the previous December. The $8.8 million increase in 2014, was mainly attributable to an increase in administrative expenses of $7.5 million largely related to additional staff needed to administer the Stronger NJ Business programs.

Non-Operating Revenues and Expenses – net

In 2015, non-operating revenues and expenses – net, decreased by $2.1 million and increased by $58.9 million in 2014. This was partly due to the fluctuation in Federal and State appropriations offset by program payments. In 2014, the Authority received $65.1 million in Federal appropriations due to additional CDBG-Disaster Recovery funding received for the Stronger NJ Business programs. In addition, on January 30, 2014 the Authority and Camden Urban Renewal Limited Partnership ("CCURLP") entered into a sale agreement with Cooper's Ferry Partnership ("Cooper's") to sell the CCURLP building and the Authority's land. The gain on the sale of the land and building amounted to $22.4 million, which was a one-time revenue source in 2014.

Allowance for Credit Losses

The Authority has aligned its allowance policy to that practiced in the financial services industry. Allowances for doubtful notes and guarantee payments are determined in accordance with guidelines established by the Office of the Comptroller of the Currency. The Authority accounts for its potential loss exposure through the use of risk ratings. These specifically assigned risk ratings are updated to account for changes in financial condition of the borrower or guarantor, delinquent payment history, loan covenant violations, and changing economic conditions.

The assigned risk rating classifications are consistent with the ratings used by the Office of the Comptroller of the Currency. Each risk rating is assigned a specific loss factor in accordance with the severity of the classification. Each month an analysis is prepared using the current loan balances, existing exposure on guarantees, and the assigned risk rating to determine the adequacy of the reserve. Any adjustments needed to adequately provide for potential credit losses (recoveries) are reported as a Loss Provision (Recovery).

The following table summarizes the Loan Allowance activity for the end of the period from December 31, 2013 through December 31, 2015:

December 31, 2013		
Allowance for loan losses	$ 23,372,283	
Accrued guarantee losses	2,276,336	
Total allowance		25,648,619
2014 Provision for credit losses-net	4,444,521	
2014 Write-offs	(8,823,647)	(4,379,126)
December 31, 2014		
Allowance for loan losses	18,716,964	
Accrued guarantee losses	2,552,529	
Total allowance		21,269,493
2015 Provision for credit losses-net	6,807,325	
2015 Write-offs	(2,503,606)	4,303,719
December 31, 2015		
Allowance for loan losses	24,190,532	
Accrued guarantee losses	1,382,681	
Total allowance		$ 25,573,213

The Authority's write-down and Loan Loss Reserve policies closely align with the reporting requirements of the banking industry. When management determines that the probability of collection is less than 50% of the remaining balance, it is the policy to assign a Loss rating to the account. For an account rated as Loss, a loss provision is recognized for the entire loan balance.

Loans are written-off against the Loss Allowance when it is determined that the probability of collection within the near term is remote. The recognition of a loss does not automatically release the borrower from the obligation to pay the debt. Should the borrower, guarantors, or collateral position improve in the future, any and all steps necessary to preserve the right to collect these obligations will be taken.

Aggregate gross loan and guarantee exposure at December 31, 2015, was $210,087,421, of which $188,481,219 or 89.7% is for loans and $21,606,202 for issued loan guarantees.

Aggregate gross loan and guarantee exposure at December 31, 2014, was $176,569,291, of which $155,745,493 or 88.2% is for loans and $20,823,798 for issued loan guarantees.

At December 31, 2015 the Authority maintained a Credit Loss Allowance of $25,573,213 or 12.2% of total exposure to cover potential losses in the loan and guaranty portfolio. Total write-offs for the year ended December 31, 2015, were $2,503,606 or 1.2% of the loan and guaranty exposure.

At December 31, 2014 the Authority maintained a Credit Loss Allowance of $21,269,493 or 12.1% of total exposure to cover potential losses in the loan and guaranty portfolio. Total write-offs for the year ended December 31, 2014, were $8,823,647 or 5.0% of the loan and guaranty exposure.

The 2015 Loss Provisions – Net, of $1.3 million, are related to the following detailed information:

$ 6,807,325	Loan and Guarantee Program activity
$ (5,463,681)	Authority's share in Venture Capital Funds and Capital Investments

The 2014 Loss Provisions – Net, of $5.5 million, are related to the following detailed information:

$ 5,022,757	Loan and Guarantee Program activity
$ 500,688	Authority's share in Venture Capital Funds and Capital Investments

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Authority independently, or in cooperation with a private or governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for the municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities. For the majority of these leases, future minimum lease rental payments are equal to the debt service payments related to the bonds or notes issued for the applicable property.

The following table summarizes the change in Capital Assets-Net between fiscal year 2015, 2014 and 2013:

	2015	**2014**	**2013**	**Current Year % Increase/ (Decrease)**	**Prior Year % Increase/ (Decrease)**
Land	**$ 28,983,065**	$ 27,582,065	$ 23,382,313	5.1%	18.0%
Construction in progress	**–**	3,345	1,310	(100)%	155.3%
Total nondepreciable capital assets	**28,983,065**	27,585,410	23,383,623	5.1%	18.0%
Building	**98,343,729**	98,343,729	97,364,839	0.0%	1.0%
Leasehold improvements	**47,195,145**	47,195,145	36,859,763	0.0%	28.0%
Total depreciable capital assets	**145,538,874**	145,538,874	134,224,602	0.0%	8.4%
Less accumulated depreciation	**(88,369,229)**	(81,752,501)	(73,133,290)	8.1%	11.8%
Capital assets – net	**$ 86,152,710**	$ 91,371,783	$ 84,474,935	(5.7)%	8.2%

More detailed information about the Authority's capital assets is presented in the Notes to the financial statements.

Capital Debt. At year end, the Authority had $9,296,679 of gross note principal outstanding; a net decrease of 8.3%, due to the paydown of notes related to property in the City of Camden. More detailed information about the Authority's capital debt is presented in the Notes to the financial statements.

The following table summarizes the changes in capital debt between fiscal year 2015, 2014 and 2013:

	2015	2014	2013	Current Year % Increase/ (Decrease)	Prior Year % Increase/ (Decrease)
Bonds payable – gross	**$ –**	$ –	$ 32,765,000	0.0%	(100.0)%
Notes payable	**9,296,679**	10,136,737	10,835,254	(8.3)%	(6.4)%
Total bonds and notes payable	**$ 9,296,679**	$ 10,136,737	$ 43,600,254	(8.3)%	(76.8)%

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens, and our customers, clients, investors and creditors, with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional information, contact Customer Care at (609) 858-6700, CustomerCare@njeda.com, NJEDA, P.O. Box 990, Trenton, NJ 08625-0990, or visit our web site at: www.njeda.com.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Net Position

	December 31 2015	December 31 2014 *(As Restated)*
Assets		
Current assets:		
Cash and cash equivalents – restricted	**$ 55,442,717**	$ 66,394,747
Cash and cash equivalents – unrestricted	**19,471,146**	33,288,119
Investments	**73,269,694**	57,764,007
Receivables:		
Notes	**9,743,356**	14,591,440
Accrued interest on notes	**228,181**	437,757
Accrued interest on investments	**589,301**	499,617
Intergovernmental	**–**	48,612
Leases	**100,000**	100,000
Other receivables	**4,149,514**	5,664,807
Total receivables	**14,810,352**	21,342,233
Prepaids and other current assets	**694,686**	772,988
Total current assets	**163,688,595**	179,562,094
Noncurrent assets		
Investments – restricted	**–**	4,173,586
Investments – unrestricted	**152,238,443**	144,758,640
Capital investments – unrestricted	**7,946,808**	11,737,271
Receivables:		
Notes	**178,737,863**	141,154,053
Accrued interest on notes	**5,088,888**	4,574,830
Unamortized discount	**(663,451)**	(494,224)
Total notes receivables	**183,163,300**	145,234,659
Allowance for doubtful notes and guarantees	**(24,190,532)**	(18,716,964)
Net notes receivable	**158,972,768**	126,517,695
Leases receivable, net	**6,753,033**	6,734,019
Total receivables	**165,725,801**	133,251,714
Prepaids and other noncurrent assets	**769,134**	777,570
Nondepreciable capital assets	**28,983,065**	27,585,410
Depreciable capital assets, net	**57,169,645**	63,786,373
Total capital assets, net	**86,152,710**	91,371,783
Total noncurrent assets	**412,832,896**	386,070,564
Total assets	**576,521,491**	565,632,658
Deferred outflows of resources		
Deferred outflows from pension	**18,728,245**	2,482,701

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Net Position (continued)

	December 31 2015	2014 (As Restated)
Liabilities		
Current liabilities:		
Accrued liabilities	**$ 3,626,762**	$ 3,571,463
Pension payable	**1,866,720**	1,260,522
Unearned lease revenues	**1,548,494**	1,367,914
Deposits	**4,331,297**	7,701,094
Notes payable	**656,015**	448,042
Accrued interest payable	**64,521**	132,601
Total current liabilities	**12,093,809**	14,481,636
Noncurrent liabilities		
Net pension liability	**48,740,925**	28,627,890
Notes payable	**8,640,664**	9,688,695
Unearned lease revenues	**10,011,555**	11,065,403
Accrued guarantee losses	**1,382,681**	2,552,529
Total noncurrent liabilities	**68,775,825**	51,934,517
Total liabilities	**80,869,634**	66,416,153
Deferred inflows of resources		
Deferred inflows from pension	**783,660**	1,706,067
Net position		
Net investment in capital assets	**82,856,031**	87,235,047
Restricted by Federal agreement	**22,583,026**	22,420,545
Unrestricted	**408,157,385**	390,337,547
Total net position	**$ 513,596,442**	$ 499,993,139

See accompanying notes.

New Jersey Economic Development Authority
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Statements of Revenues, Expenses and Changes in Net Position

	Year Ended December 31	
	2015	**2014**
		(As Restated)
Operating revenues		
Financing fees	**$ 13,117,822**	$ 9,086,134
Interest income – notes	**5,014,739**	5,463,086
Financing lease revenue	**119,014**	119,014
Operating lease revenue	**10,947,745**	13,867,315
Agency fees	**2,100,236**	2,496,515
Program services	**758,744**	632,220
Real estate development	**894,037**	1,049,087
Distributions and warrants	**7,005,792**	2,870,774
Other	**4,088,947**	377,800
Total operating revenue	**44,047,076**	35,961,945
Operating expenses		
Salaries and benefits	**34,821,089**	22,385,779
General and administrative	**4,826,036**	6,092,022
Interest	**346,079**	1,804,038
Program costs	**7,950,955**	6,626,109
Depreciation	**6,616,729**	8,376,241
Loss provisions – net	**2,134,193**	5,620,945
Total operating expenses	**56,695,081**	50,905,134
Operating (loss)	**(12,648,005)**	(14,943,189)
Nonoperating revenues and expenses		
Interest income – investments	**1,696,602**	1,919,165
Unrealized loss in investment securities	**(421,545)**	(274,074)
Gain on sale of assets – net	**–**	22,353,371
State appropriations	**14,069,332**	12,906,993
Federal appropriations	**49,170,712**	65,133,093
Program payments	**(38,263,793)**	(73,704,320)
Nonoperating revenues– net	**26,251,308**	28,334,228
Income before special item	**13,603,303**	13,391,039
Technology Centre cost-adjustment	–	(19,569,699)
Change in net position	**13,603,303**	(6,178,660)
Net position – beginning of year (restated for GASB 68/71)	**499,993,139**	506,171,799
Net position – end of year	**$ 513,596,442**	$ 499,993,139

See accompanying notes.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Cash Flows

	Year Ended December 31 2015	2014
Cash flows from operating activities		
Cash receipts from financing fees	**$ 12,560,124**	$ 9,034,574
Interest from notes	**4,038,592**	6,501,682
Lease rents	**10,315,064**	12,866,698
Agency fees	**2,100,236**	2,496,515
Program services	**4,838,644**	1,048,075
Distributions	**–**	174,148
Real estate development	**982,403**	843,431
General and administrative expenses paid	**(33,570,427)**	(27,404,164)
Program costs paid	**(8,091,942)**	(9,384,093)
Collection of notes receivable	**23,440,094**	32,976,597
Loans disbursed	**(59,161,163)**	(40,865,986)
Deposits received	**27,704,995**	2,909,992
Deposits released	**(31,478,191)**	(1,926,120)
Net cash used in operating activities	**(46,321,571)**	(10,728,651)
Cash flows from noncapital financing activities		
Deposits	**–**	(42,222)
Program funding received	**48,612**	120,834
Interest refunded (paid) on notes and revenue bonds	**56,226**	(1,721,273)
Issuance and servicing costs paid	**(5,926)**	(457,144)
Appropriations received	**62,837,903**	88,168,670
Program payments	**(37,579,068)**	(79,506,441)
Loan Pool 2 Financing	**–**	19,836,722
Net cash provided by noncapital financing activities	**25,357,747**	26,399,146
Cash flows from capital and related financing activities		
Payment of bonds and notes	**(840,058)**	(38,396,013)
Interest paid on bonds and notes	**(229,608)**	(1,759,678)
Purchase of capital assets	**(1,401,000)**	(31,962,853)
Sale of capital assets	**–**	32,269,500
Net cash used in capital and related financing activities	**(2,470,666)**	(39,849,044)
Cash flows from investing activities		
Interest from investments	**1,606,919**	2,176,299
Return on capital investments	**16,292,017**	751,928
Purchase of investments	**(21,606,584)**	(2,490,236)
Proceeds from sales and maturities of investments	**2,373,135**	50,064,696
Net cash (used in) provided by investing activities	**(1,334,513)**	50,502,687
Net (decrease) increase in cash and cash equivalents	**(24,769,003)**	26,324,138
Cash and cash equivalents – beginning of year	**99,682,866**	73,358,728
Cash and cash equivalents – end of year	**$ 74,913,863**	$ 99,682,866

New Jersey Economic Development Authority
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Statements of Cash Flows (continued)

	Year Ended December 31 2015	2014
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	**$ (12,648,005)**	$ (14,943,189)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:		
Loss provisions-net	**2,134,192**	4,907,959
Depreciation	**6,616,729**	8,376,241
Amortization of discounts	**(769,917)**	362,685
Cash provided by nonoperating activities	**179,307**	4,005,685
Change in assets and liabilities:		
Notes receivables	**(35,739,333)**	(8,027,898)
Accrued interest receivables-notes	**(306,979)**	(83,978)
Lease payment receivables	**100,000**	127,803
Other receivables	**1,742,477**	(1,793,213)
Prepaids and other noncurrent assets	**13,499**	(1,104,979)
Capital investments	**(7,005,792)**	(2,818,233)
Accrued liabilities	**3,155,725**	453,516
Unearned lease revenues	**(873,268)**	(867,153)
Accrued interest payables	**(68,080)**	(349,631)
Deposits	**(3,353,282)**	626,365
Other liabilities	**501,156**	399,369
Net cash used in operating activities	**$ (46,321,571)**	$ (10,728,651)
Noncash investing activities		
Unrealized loss in investment securities	**$ (421,545)**	$ (274,074)

See accompanying notes.

Note 1: Nature of the Authority

The New Jersey Economic Development Authority ("Authority") is a public body corporate and politic, constituting an instrumentality and component unit of the State of New Jersey ("State"). The Authority was established by Chapter 80, P.L. 1974 ("Act") on August 7, 1974, as amended and supplemented, primarily to provide financial assistance to companies for the purpose of maintaining and expanding employment opportunities in the State and increasing tax ratables in underserved communities. The Act prohibits the Authority from obligating the credit of the State in any manner. The Authority assists for-profit and non-profit enterprises with access to capital and primarily offers the following products and services:

(a) Bond Financing

The Authority issues tax-exempt private activity bonds and taxable bonds. The proceeds from these single issue or composite series bonds are used to provide long-term, below-market interest loans to eligible entities, which include certain 501(c)(3) nonprofit organizations, manufacturers, exempt public facilities, solid waste facilities, and local, county, and State governmental agencies for capital improvements including real estate acquisition, equipment, machinery, building construction and renovations. All such bonds are special conduit debt obligations of the Authority, are payable solely from the revenues pledged with respect to the issue, and do not constitute an obligation against the general credit of the Authority.

(b) Loans/Guarantees/Investments and Tax Incentives

The Authority directly provides loans, loan participations, loan guarantees and line of credit guarantees to for-profit and not-for-profit enterprises for various purposes to include: the acquisition of fixed assets; building construction and renovation; financing for working capital; technological development; and infrastructure improvements. The Authority also may provide financial assistance in the form of convertible debt, and take an equity position in technology and life sciences companies through warrant options. In addition to lending and investing its own financial resources, the Authority administers several business growth programs supported through State appropriation/allocation, including the technology business tax certificate transfer program, the angel investor tax credit program, tax credits for film industry and digital media projects, job creation and retention incentive grants and tax credits, tax credits for capital investment in urban areas, and reimbursement grants based on incremental revenues generated

Note 1: Nature of the Authority (continued)

by redevelopment projects. Other state mandated programs include loans/grants to support hazardous discharge site remediation and petroleum underground storage tank remediation.

(c) Real Estate Development

The Authority independently, or in cooperation with a private or another governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities.

(d) Stronger NJ Business Programs

In 2013, the Authority was awarded a sub-grant from the New Jersey Department of Community Affairs for the purpose of administering a portion of the State's Community Development Block Grant Disaster Recovery allocation to support the recovery of businesses impacted by Superstorm Sandy. To achieve this, the Authority may provide grants and loans to eligible businesses, as well as financial assistance to governmental entities to support community development, neighborhood revitalization and other public improvement projects.

Component Units

The financial statements include the accounts of the Authority and its blended component unit, the Camden County Urban Renewal Limited Partnership ("CCURLP"). All intercompany transactions and balances are eliminated.

CCURLP is a real estate joint venture which provides services for the exclusive benefit of the Authority. CCURLP is a Limited Partnership made up of two corporate entities, Bergen of New Jersey, Inc. and Aegis Camden Partners, Inc. Bergen has a 33.33% interest in CCURLP and Aegis has 66.67% interest in CCURLP. The Boards of all three entities are made up of Authority officers and CCURLP actions were subject to Authority Board approval. On January 30, 2014 the Authority and CCURLP entered into a sale agreement with Cooper's Ferry Partnership ("Cooper's") to sell the CCURLP building and the Authority's land. The purchase closed as of

Note 1: Nature of the Authority (continued)

December 30, 2014. The proceeds from the sale were then used to defease the 2002 Series A and B Bonds. The Authority continued to have rights in the CCURLP entity as of December 31, 2014 as the related debt was not redeemed until February 2015. As of December 31, 2015, the entity continued to exist as a legally-separate entity, although was inactive during 2015. As the Board of the Authority is the same as the Board of CCURLP and the Authority has operational responsibility for CCURLP, it is considered a blended component unit. It is anticipated that CCURLP will be dissolved in 2016.

The Authority's financial statements do not include the accounts of the New Jersey Community Development Entity ("NJCDE"), a component unit. NJCDE is a separate legal entity whose primary mission is to provide investment capital for low-income communities, on behalf of the Authority, through the allocation of federal New Markets Tax Credits. The Authority does not deem the operations of the NJCDE to be significant to the operations of the Authority. As of December 31, 2015 and 2014, total NJCDE assets were $2,312,586 and $2,604,732, respectively.

Related Party Transactions

The Authority has contracted with several other State entities to administer certain loan programs on their behalf for a fee. In order for the Authority to effectively administer the programs, the Authority has custody of the cash accounts for each program. The cash in these accounts, however, is not an asset of the Authority and, accordingly, the balances in these accounts have not been included in the Authority's statements of net position. The cash balances total $61,633,799 and $69,600,123 at December 31, 2015 and 2014, respectively. The following is a summary of the programs that the Authority manages on behalf of other State entities:

Department/Board	Program	2015	2014
Treasury	Local Development Financing Fund	**$ 39,322,320**	$ 38,237,288
Board of Public Utilities	BPU Clean Energy Program	**22,311,479**	31,362,835

Note 2: Summary of Significant Accounting Policies

(a) Basis of Accounting and Presentation

The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. While detailed sub-fund information is not presented, separate accounts are maintained for each program and include certain funds that are legally designated as to use. Administrative expenses are allocated to the various programs.

In its accounting and financial reporting, the Authority follows the pronouncements of the Governmental Accounting Standards Board (“GASB”).

(b) Revenue Recognition

The Authority charges various program financing fees that may include an application fee, commitment fee, closing fee, annual servicing fee and a document execution fee. The Authority also charges a fee for the administration of financial programs for various government agencies and for certain real estate development and management activities. Fees are recognized when earned. Grant revenue is recognized when the Authority has complied with the terms and conditions of the grant agreements. The Authority recognizes interest income on lease revenue by amortizing the discount over the life of the related agreement. Operating lease revenue is recognized pursuant to the terms of the lease.

When available, it is the Authority’s policy to first use restricted resources for completion of specific projects.

(c) Cash Equivalents

Cash equivalents are highly liquid debt instruments with original maturities of three months or less and units of participation in the State of New Jersey Cash Management Fund (“NJCMF”).

Note 2: Summary of Significant Accounting Policies (continued)

(d) Investments

All investments, except for investment agreements, are stated at fair value. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. The Authority also invests in various types of joint ventures and uses the cost method to record the acquisition of such investments, as the Authority lacks the ability to exercise significant control in the ventures. Under the cost method, the Authority records the investment at its historical cost and recognizes as income dividends received from net earnings of the Fund. Dividends received in excess of earnings are considered a return of investment and reduce the cost basis. These investments typically have a long time horizon from when the Authority makes its initial investment to when it may receive any return on the investment. The Authority maintains a valuation allowance on specific investments when there is either a series of taxable losses or other factors may indicate that a decrease in value has occurred that is other than temporary. Capital investments are reported net of this valuation allowance.

(e) Guarantees Receivable

Payments made by the Authority under its various guarantee programs are reported as Guarantees Receivable. These receivables are expected to be recovered either from the lender, as the lender continues to service the loan, or from the liquidation of the underlying collateral. Recoveries increase Worth (see Note 8).

(f) Allowance for Doubtful Notes and Accrued Guarantee Losses

Allowances for doubtful notes and accrued guarantee losses are determined in accordance with guidelines established by the Office of Comptroller of Currency. These guidelines include classifications based on routine portfolio reviews of various factors that impact collectability.

(g) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Jersey Public Employee Retirement System (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as

Note 2: Summary of Significant Accounting Policies (continued)

they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(h) Operating and Non-Operating Revenues and Expenses

The Authority defines operating revenues and expenses as relating to activities resulting from providing bond financing, direct lending, incentives, and real estate development to commercial businesses, certain not-for-profit entities, and to local, county and State governmental entities. Non-operating revenues and expenses include income earned on the investment of funds, proceeds from the sale of certain assets, State and Federal appropriations and program payments.

(i) Taxes

The Authority is exempt from all Federal and State income taxes and real estate taxes.

(j) Capitalization Policy

Unless material, it is the Authority's policy to expense all expenditures of an administrative nature. Administrative expenditures typically include expenses directly incurred to support staff operations, such as automobiles, information technology hardware and software, office furniture, and equipment.

With the exception of immaterial tenant fit-out costs of retail space that is sublet from the State of New Jersey, the Authority capitalizes all expenditures related to the acquisition of land, construction and renovation of buildings.

Note 2: Summary of Significant Accounting Policies (continued)

(k) Depreciation Policy

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the following estimated economic useful lives of the assets:

Building	20 years
Building improvements	20 years
Leasehold improvements	Term of the lease
Tenant fit-out	Term of the lease
Vehicles	Expensed
Furniture and equipment	Expensed

(l) New Accounting Standards Adopted

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. GASB 68 was implemented in the current fiscal year ending December 31, 2015. The implementation requires that the beginning net position for the earliest period presented be restated. Therefore, net position was restated as of January 1, 2014.

The implementation of GASB 68 resulted in the Authority reporting a Net Pension Liability as of January 1, 2014. The Authority's Net Position as of January 1, 2014 and December 31, 2014 and the Statement of Revenues, and Expenses and Changes in Net Position for December 31, 2014 have been restated to reflect the required adjustments.

In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB 68* ("GASB 71"). The objective of this Statement is to address an issue regarding application of the transition provisions of GASB 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends GASB 68 to require that, at transition, a government recognize a beginning deferred

Note 2: Summary of Significant Accounting Policies (continued)

outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. GASB 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of GASB 71 are required to be applied simultaneously with the provisions of GASB 68. As a result, GASB 71 has been implemented in conjunction with GASB 68 in these financial statements.

As a result, the following restatements have been made to the Authority's financial statements.
(in thousands)

	As Previously Reported	Adjustment	As Restated
As of January 1, 2014			
Net position	$ 535,008	$ (28,836)	$ 506,172
For the year ended December 31, 2014			
Salaries and benefits	22,110	276	22,386
Operating expenses	50,629	276	50,905
Operating loss	(14,667)	(276)	(14,943)
Change in net position	(5,903)	(276)	(6,179)
As of December 31, 2014			
Net pension liability	–	(28,628)	(28,628)
Deferred outflows of resources:			
Changes in assumptions	–	900	900
Changes in proportion	–	322	322
Contributions subsequent to measurement date	–	1,261	1,261
Deferred inflows of resources:			
Net difference between projected and actual earnings on pension plan investments	–	(1,706)	(1,706)
Accrued pension payable	–	(1,261)	(1,261)
Net position	$ 529,105	$ (29,112)	$ 499,993

Note 2: Summary of Significant Accounting Policies (continued)

In March 2016, GASB issued statement No. 82, *Pension Issues.* The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting Pension Plans*, No. 68 *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.* Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The Authority has chosen to early implement this standard.

(m) Recent and Upcoming Accounting Pronouncements

GASB Statement No. 72, *Fair Value Measurement and Application*, was issued in February 2015. The scope of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about concepts and definitions established in Concepts Statement No. 6, *Measurement of Elements of Financial Statements, and other relevant literature.* The Statement is effective for fiscal years beginning after June 15, 2015. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68,* and Amendments to Certain Provisions of GASB Statements 67 and 68 were issued in June 2015. The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting

Note 2: Summary of Significant Accounting Policies (continued)

purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and non-employer contributing entities. This Statement also clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

- Information that is required to be presented as notes to the 10-year schedules of required supplementary information about investment-related factors that significantly affect trends in the amounts reported.
- Accounting and financial reporting for separately financed specific liabilities of individual employers and non-employer contributing entities for defined benefit pensions.
- Timing of employer recognition of revenue for the support of non-employer contributing entities not in a special funding situation.

The Statement is effective for fiscal years beginning after June 15, 2015. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* was issued in June 2015. Statement 74 replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and required supplementary information related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The Statement is effective for fiscal years beginning after June 15, 2016. This Statement will not have an impact on the Authority's financial statements.

Note 2: Summary of Significant Accounting Policies (continued)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued in June 2015. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity. In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and non-employer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.

- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.

Note 2: Summary of Significant Accounting Policies (continued)

- OPEB plan assets are legally protected from the creditors of employers, Non-employer contributing entities, the OPEB plan administrator, and the plan members.

The Statement is effective for fiscal years beginning after June 15, 2017. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. The provisions of this Statement are effective for fiscal years beginning after June 15, 2015. The Authority is currently evaluating the impact this standard will have on its financial statements.

In August 2015, GASB issued Statement No. 77 (“GASB No. 77”), *Tax Abatement Disclosures*. The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government’s financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The provisions of this statement are effective for fiscal years beginning after December 15, 2015. This Statement will not have an impact on the Authority’s financial statements.

In December 2015, GASB issued Statement No. 78 (“GASB No. 78”), *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of GASB No. 68. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The provisions of this statement are effective for fiscal years beginning after December 15, 2015. The Authority is currently evaluating the impact that this standard will have on its financial statements.

Note 2: Summary of Significant Accounting Policies (continued)

In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* ("GASB No. 79"). The objective of this Statement is to address for certain external investment pools and their participants, the accounting and financial reporting implications that result from changes in the regulatory provisions referenced by previous accounting and financial reporting standards. The provisions of this statement are effective for fiscal years beginning after December 15, 2015. The Authority is currently evaluating the impact this standard will have on its financial statements.

In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units* ("GASB 80"). The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The Authority is currently evaluating the impact this standard will have on its financial statements.

In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets presenting its beneficial interest in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interest. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

Note 2: Summary of Significant Accounting Policies (continued)

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. This Statement will not have an impact on the Authority's financial statements.

Note 3: Deposits and Investments

(a) Cash and Cash Equivalents

Operating cash is held in the form of Negotiable Order of Withdrawal ("NOW") accounts, money market accounts, and certificates of deposit. At December 31, 2015, the Authority's bank balance was $29,393,099. Of the bank balance, $750,000 was insured with Federal Deposit Insurance.

Cash equivalents consist mainly of money held in the New Jersey Cash Management Fund (the "NJCMF"). The NJCMF is managed by the State's Division of Investment under the Department of the Treasury. All investments must fall within the guidelines set forth by the Regulations of the State Investment Council. The Division of Investment is permitted to invest in a variety of securities to include obligations of the U.S. Government and certain of its agencies, certificates of deposit, commercial paper, repurchase agreements, bankers' acceptances and loan participation notes. Investment guidelines provide that all investments in the NJCMF should mature or are to be redeemed within one year, except that up to 25% of the NJCMF may be invested in eligible securities which mature within 25 months; provided, however, that the average maturity of all investments in the NJCMF shall not exceed one year. Cash equivalents are stated at fair value.

Pursuant to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* ("GASB 40"), the Authority's NOW accounts, as well as money market accounts and certificates of deposit, are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the Authority would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uninsured, uncollateralized (securities are not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's (NJEDA) name. At December 31, 2015 and 2014, all of the Authority's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk.

Note 3: Deposits and Investments (continued)

Cash deposits at December 31, 2015 and 2014 were as follows:

Deposit Type	2015	2014
NOW Accounts	**$ 13,647,327**	$ 27,666,466
Money Market Accounts	**9,170,675**	9,169,450
Certificates of Deposit	**4,190,357**	6,392,946
Total deposits	**$ 27,008,359**	$ 43,228,862

(b) Investments

Pursuant to the Act, the funds of the Authority may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the Authority may approve. Accordingly, the Authority directly purchases permitted securities and enters into interest-earning investment contracts.

As of December 31, 2015 the Authority's total investments, excluding capital investments, amounted to $225,508,137. The Authority's investment portfolio ("Portfolio") is comprised of short to medium term bonds and is managed by a financial institution for the Authority. These investments include obligations guaranteed by the U.S. Government, Government Sponsored Enterprises, Money Market Funds, Corporate Debt rated at least AA-/Aa3 by Standard & Poors or Moody's, and Repurchase Agreements. The Portfolio is managed with the investment objectives of: preserving capital, maintaining liquidity, achieving superior yields, and providing consistent returns over time. In order to limit interest rate risk, investments are laddered, with maturities ranging from several months to a maximum of five years.

Investment of bond proceeds is made in accordance with the Authority's various bond resolutions. The bond resolutions generally permit the investment of funds held by the trustee in the following: (a) obligations of, or guaranteed by, the State or the U.S. Government; (b) repurchase agreements secured by obligations noted in (a) above; (c) interest-bearing deposits, in any bank or trust company, insured or secured by a pledge of obligations noted in (a) above; (d) NJCMF; (e) shares of an open-end diversified investment company which invests in obligations with maturities of less than one year of, or guaranteed by, the U.S. Government or Government Agencies; and (f) non-participating guaranteed investment contracts.

Note 3: Deposits and Investments (continued)

In order to maintain adequate liquidity, significant Authority funds are invested in the NJCMF, which typically earns returns that mirror short term interest rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At December 31, 2015 and 2014 the Authority's balance in the NJCMF is $51,894,092 and $62,782,253, respectively.

(c) Special Purpose Investments

Pursuant to the Authority's mission, from time to time, in order to expand employment opportunities in the State and to spur economic development opportunities, the Authority, with the authorization of the Board, will make special purpose investments. These special purpose investments include the following:

The Authority is a limited partner in various venture funds formed with the primary purpose of providing venture capital to exceptionally talented entrepreneurs dedicated to the application of proprietary technologies or unique services in emerging markets and whose companies are in the expansion stage. At December 31, 2015 and 2014, the aggregate value of the Authority's investment in these funds is $7,946,808 and $11,487,271, respectively. As a limited partner, the Authority receives financial reports from the managing partner of the funds, copies of which may be obtained by contacting the Authority.

At December 31, 2014, the Authority held other equity investments of $250,000. The investments were held in the form of stock. Value is based on analysis of companies' prospects in conjunction with valuations of comparable companies. This asset was sold in 2015.

Custodial Credit Risk

Pursuant to GASB 40, the Authority's investments are profiled to determine if they are exposed to Custodial Credit Risk. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government (NJEDA), and are held by either: the counterparty (institution that pledges collateral to government or that buys/sells investments for government) or the counterparty's trust department or agent but not in the name of the government. Investment pools such as the NJCMF and open ended mutual funds including Mutual Bond Funds are deemed not to have custodial credit risk. As of December 31, 2015, no investments are subject to custodial credit risk as securities in the Portfolio are held in the name of the Authority.

Note 3: Deposits and Investments (continued)

Concentration of Credit Risk

The Authority does not have an investment policy regarding concentration of credit risk, however, the Authority's practice is to limit investments in certain issuers. No more than 10% of the Authority funds may be invested in individual corporate and municipal issuers; and no more than 10% in individual U.S. Government Agencies. At December 31, 2015 more than 5 percent of the Authority's investments are in: Federal Home Loan Bank ("FHLB"), Federal Farm Credit Bank ("FFCB"), and Federal Home Loan Mortgage Corp ("FHLMC"). These investments are 6.89% ($16,077,038), 7.82% ($18,247,215), and 8.30% ($19,378,066), respectively, of the Authority's total investments. These four investments are included in the U.S. Government Agency category of investments. Investments issued by or guaranteed by the U.S. Government, mutual fund investments, and pooled investments are exempt from this requirement.

Credit Risk

The Authority does not have an investment policy regarding the management of Credit Risk, as outlined above. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. All investments in U.S. Agencies are rated Aaa by Moody's and AA+ by Standard & Poors ("S&P"). The mutual bond fund was rated AAA by S&P. Corporate bonds were rated AA/AA+/AA-, by S&P. Municipal bonds are rated AA by S&P. The NJCMF is not rated.

Note 3: Deposits and Investments (continued)

Interest Rate Risk

The Authority does not have a policy to limit interest rate risk, however, its practice is to hold investments to maturity.

As of December 31, 2015 and 2014, the Authority had the following investments and maturities:

	December 31, 2015			Fair Value as of
Investment Type	Fair Value	Investments Less than 1 Year	Maturities 1-5 Years	December 31, 2014
Debt Securities:				
U.S. Treasuries	**$ 110,742,530**	$ 44,084,590	$ 66,657,940	$ 78,681,783
U.S. Agencies	**53,702,320**	12,859,238	40,843,082	59,572,745
Corporate Bonds	**48,572,019**	12,135,509	36,436,510	59,493,359
Municipal Bonds	**8,300,911**	–	8,300,911	2,555,400
Mutual Bond Funds	**201,769**	201,769	–	64,696
NJ Cash Management Fund	**51,894,092**	51,894,092	–	62,782,253
Total debt securities	**273,413,641**	121,175,198	152,238,443	263,150,236
Special purpose investments:				
Venture Fund Investments	**7,946,808**	–	7,946,808	11,487,271
Other Equity Investments	**–**	–	–	250,000
Total special purpose investments	**7,946,808**	–	7,946,808	11,737,271
Subtotal	**281,360,449**	121,175,198	160,185,251	274,887,507
Less amounts reported as cash equivalents	**(52,095,861)**	(52,095,861)	–	(62,846,949)
Total investments	**$ 229,264,588**	$ 69,079,337	$ 160,185,251	$ 212,040,558

Note 4: Notes Receivable

Notes receivable consist of the following:

	December 31 2015	December 31 2014
Economic Development Fund ("EDF") loan program; interest ranging up to 6.1%; maximum term 30 years	**$ 51,018,169**	$ 53,292,153
Economic Recovery Fund ("ERF") loan and guarantee programs; interest ranging up to 9.8%; maximum term of 12 years	**90,371,127**	81,394,481
Hazardous Discharge Site Remediation ("HDSR") loan program; interest ranging up to 5.5%; maximum term of 5 years	**2,095,834**	2,379,492
Municipal Economic Recovery Initiative ("MERI") loan program; interest ranging up to 3.0%; maximum term of 12 years	**709,624**	769,802
Stronger NJ Business (SNJ) loan program; interest ranging up to 1.81%; maximum term of 30 years	**44,286,465**	17,909,565
	$ 188,481,219	$ 155,745,493

Aggregate Notes Receivable activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Loan Disbursements	Loan Receipts	Write-offs, Adjustments, Restructures – Net	Ending Balance	Amounts Due Within One Year
EDF/ERF	$ 134,686,634	$ 31,154,858	$ (23,060,758)	$ (1,391,438)	$ 141,389,296	$ 8,996,958
HDSR	2,379,492	35,500	(319,158)	–	2,095,834	67,533
MERI	769,802	–	(60,178)	–	709,624	64,007
SNJ	17,909,565	27,970,804	–	(1,593,904)	44,286,465	614,858
	$155,745,493	$ 59,161,162	$ (23,440,094)	$ (2,985,342)	$ 188,481,219	$ 9,743,356

Note 5: Leases

(a) Leases Receivable

The Authority has a financing lease relating to the issuance of Bonds and Notes Payable. Bond and Note proceeds finance specific projects. The financing lease provides for basic rental payments, by the tenant to the Authority, in an amount at least equal to the amount of debt service on the Bonds and Notes. In the event of default by the tenant to make rental payments, the Authority generally has recourse, including, but not limited to, taking possession and selling or subletting the leased premises and property.

The outstanding lease is as follows:

Lease Description	**2015**	**2014**
NY Daily News, through January 23, 2021	**$ 7,448,102**	$ 7,548,102
Unamortized discount	**(595,069)**	(714,083)
Aggregate lease payments receivable – net	**$ 6,853,033**	$ 6,834,019

Aggregate lease receipts due through 2019 and thereafter are as follows:

2016	$ 100,000
2017	100,000
2018	100,000
2019	100,000
2020	100,000
2021-2022	6,948,102
	$ 7,448,102

Note 5: Leases (continued)

Lease payments receivable activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Reductions	Ending Balance	Amount Receivable Within One Year
Gross receivable	$ 7,548,102	$ (100,000)	$ 7,448,102	$ 100,000
Discount	(714,083)	119,014	(595,069)	
Net receivable	$ 6,834,019	$ 19,014	$ 6,853,033	

(b) Operating Leases

(i) Authority as Lessor

At December 31, 2015, capital assets with a carrying value of $174,521,939 and accumulated depreciation of $88,369,229 are leased to commercial enterprises. These leases generally provide the tenant with renewal and purchase options. Aggregate minimum lease receipts are expected as follows:

2016	$ 6,509,220
2017	5,511,382
2018	4,756,025
2019	3,681,715
2020	2,939,515
2021-2025	11,353,028
2026-2030	947,223
2031-2035	420,300
2036-2040	420,300
2041-2044	336,240
	$ 36,874,948

Note 5: Leases (continued)

(ii) Authority as Lessee

The Authority leases commercial property, buildings, and office space for use by Authority staff. Aggregate rental expense for the current year amounted to $70,250. Aggregate future lease obligations are as follows:

2016	$ 77,513
2017	79,626
2018	81,751
2019	43,962
	$ 282,852

Note 6: Capital Assets

Capital asset activity for the years ended December 31, 2015 and 2014 was as follows:

	December 31, 2014	Additions	Reductions	December 31, 2015
Capital assets not being depreciated:				
Land	$ 27,582,065	$ 1,401,000	$ –	**$ 28,983,065**
Construction in progress	3,345	–	(3,345)	**–**
Capital assets being depreciated:				
Buildings	98,343,729	–	–	**98,343,729**
Leasehold improvements	47,195,145	–	–	**47,195,145**
Capital assets – gross	173,124,284	1,401,000	(3,345)	**174,521,939**
Less: accumulated depreciation	81,752,501	6,616,728	–	**88,369,229**
Capital assets – net	$ 91,371,783	$ (5,215,728)	$ (3,345)	**$ 86,152,710**

	December 31, 2013	Additions	Reductions	December 31, 2014
Capital assets not being depreciated:				
Land	$ 23,382,313	$ 8,199,752	$ (4,000,000)	$ 27,582,065
Construction in progress	1,310	3,345	(1,310)	3,345
Capital assets being depreciated:				
Buildings	97,364,839	28,978,890	(28,000,000)	98,343,729
Leasehold improvements	36,859,763	10,335,382	–	47,195,145
Capital assets – gross	157,608,225	47,517,369	(32,001,310)	173,124,284
Less: accumulated depreciation	73,133,290	30,703,082	(22,083,871)	81,752,501
Capital assets – net	$ 84,474,935	$ 16,814,287	$ (9,917,439)	$ 91,371,783

Note 6: Capital Assets (continued)

In 2015, the Authority purchased a 4 acre tract of land in the City of Camden, from the Parking Authority of the City of Camden at a purchase price of $1.4 million. The land, which had been used as a surface parking lot, will be used for commercial development, consistent with the Authority's mission.

In 2014, the Authority sold a building and related land in Camden. The property had been leased to a defense contractor. The transaction resulted in a gain on the sale of the land and building amounting to $22.4 million.

Note 7: Notes Payable

Generally, Notes Payable are special obligations of the Authority payable solely from loan payments, lease rental payments and other revenues, funds and other assets pledged under the notes and do not constitute obligations against the general credit of the Authority. Note proceeds are used to fund specific programs and projects and are not co-mingled with other Authority funds.

The outstanding notes are as follows:

	December 31, 2015	December 31, 2014
Community Development Investments, LLC; interest at 5%; principal and interest due monthly with payments based solely on receipt of surcharge revenue. The note was scheduled to mature on 5/12/14; however, full repayment is subject to receipt of surcharge revenue.	**$ 2,000,000**	$ 2,000,000
City of Camden, NJ; interest at 6%; principal and interest due monthly with payments based solely on receipt of surcharge revenue. The note is scheduled to mature on 2/5/16; however, full repayment is subject to receipt of surcharge revenue.	**1,296,679**	2,136,737
FirstEnergy Corp./JCP&L; interest at 3%; interest only due monthly through 11/12/20; principal due at maturity on 11/12/20	**1,000,000**	1,000,000
Public Service New Millennium Economic Development Fund, LLC; interest at 2%; interest only due monthly through 11/7/20; principal due at maturity on 11/7/20	**5,000,000**	5,000,000
	$ 9,296,679	$ 10,136,737

Note 7: Notes Payable (continued)

At December 31, 2015, aggregate debt service requirements of notes payable through 2020 are as follows:

	Principal	Interest	Total
2016	$ 656,015	$ 342,856	$ 998,871
2017	703,490	249,884	953,374
2018	746,350	215,897	962,247
2019	793,834	177,166	971,000
2020	6,396,990	124,252	6,521,242
Total	$ 9,296,679	$ 1,110,055	$ 10,406,734

Notes payable activity for the years ended December 31, 2015 and 2014 was as follows:

December 31, 2014	Additions	Reductions	December 31, 2015	Amounts Due Within One Year
$ 10,136,737	$ –	$ (840,058)	**$ 9,296,679**	$ 656,015

December 31, 2013	Additions	Reductions	December 31, 2014	Amounts Due Within One Year
$ 10,835,254	$ –	$ (698,517)	**$ 10,136,737**	$ 448,042

Note 8: Commitments and Contingencies

(a) Loan and Bond Guarantee Programs

The Authority has a special binding obligation regarding all guarantees to the extent that funds are available in the guarantee accounts as specified in the guarantee agreements. Guarantees are not, in any way, a debt or liability of the State.

Note 8: Commitments and Contingencies (continued)

(1) Economic Recovery Fund

The guarantee agreements restrict the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt (exposure and commitments) to Worth (the amount on deposit and available for payment) ratio is greater than 5 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the guarantee program account. Principal payments on guaranteed loans and bonds reduce the Authority's exposure. At December 31, 2015, Debt was $13,208,521 and Worth was $131,586,103, with a ratio of 0.10 to 1.

(2) New Jersey Business Growth Fund

The Authority guarantees between 25% and 50% of specific, low-interest loans to New Jersey companies, made by one of its preferred lenders, with a maximum aggregate exposure to the Authority not to exceed $10 million and, at no time will the Authority pay more than $10 million, net, of guarantee demands. At December 31, 2015, aggregate exposure and related worth within the Business Growth Fund account are both $9,395,058.

(3) New Jersey Global Growth Fund

The Authority guarantees up to 50% of any approved term loan or line of credit to New Jersey companies, made by one of its premier lenders, with a maximum aggregate exposure to the Authority not to exceed $10 million and, at no time will the Authority pay more than $10 million, net, of guarantee demands. At December 31, 2015, aggregate exposure and related worth within the NJ Global Growth Fund account are both $10,000,000.

(4) State Small Business Credit Initiative Fund

The Federal grant agreement restricts the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt (exposure and commitments) to Worth (the amount on deposit and available for payment) ratio is greater than 1 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the State Small Business Credit Initiative Fund. At December 31, 2015, Debt was $3,386,513 and Worth was $4,645,923, with a ratio of 0.73 to 1.

Note 8: Commitments and Contingencies (continued)

(b) Loan Program Commitments and Project Financings

At December 31, 2015 the Authority has $11,280,471 of loan commitments not yet closed or disbursed and $78,440,868 of project financing commitments.

(c) New Markets Tax Credit Program

On December 28, 2005, the Authority loaned $31,000,000 to a limited liability company (“company”), to facilitate their investment in a certified community development entity (“entity”) whose primary mission is to provide loan capital for commercial projects in low-income areas throughout New Jersey. The company also received an equity investment from a private corporation (“corporation”). The company then invested the combined proceeds in the entity, which was awarded an allocation in Federal tax credits under the New Markets Tax Credit Program.

During 2007, the Authority made two additional New Markets commitments. On September 24, 2007 the Authority facilitated a transaction in which $3,500,000 in credits were allocated (no Authority funds were utilized). On September 26, 2007, the Authority loaned $20,296,000 to another company with terms similar to the first transaction.

During 2008, the Authority closed three additional New Markets commitments. A total of $37,000,000 in credits were allocated (no Authority funds were utilized).

In 2009, one New Markets commitment was closed. A total of $12,419,151 in credits were allocated (no Authority funds were utilized).

On February 28, 2013, the first New Markets loan pool, created in 2005, ceased operations, as the investor exercised its option to sell its membership interest.

On September 29, 2014, the second New Markets loan pool, created in 2007, ceased operations, as that investor also exercised its option to sell its membership interest.

Note 8: Commitments and Contingencies (continued)

As part of the remaining agreements, the corporation will claim the Federal tax credits in exchange for their investment. Claiming these credits carries the risk of recapture, whereby an event occurs that would negate the credit taken, causing it to be returned with interest. Based on the agreements between the Authority and the respective companies, the Authority will provide a guaranty to the corporation against adverse consequences caused by a recapture event. As of December 31, 2015 the aggregate exposure to the Authority for the remaining transactions described above is $15,020,000. The Authority has determined the likelihood of paying on the guaranty, at this time, is remote.

Note 9: State and Federal Appropriations and Program Payments

The Authority receives appropriations from the State of New Jersey, as part of the State's annual budget, for purposes of administering certain grant programs enacted by State statute, and has also received appropriations from the United States Department of Housing and Urban Development, via the State of New Jersey, for purposes of administering certain loan and grant programs in connection with the aftermath of Superstorm Sandy in October 2012. The Authority recognizes the disbursement of these funds to grantees as program payments. For the year ended December 31, 2015 state and federal appropriations and program payments were $14,069,332, $49,170,712, and $38,263,793, respectively.

Note 10: Litigation

The Authority is involved in several lawsuits that, in the opinion of the management of the Authority, will not have a material effect on the accompanying financial statements.

Note 11: Employee Benefits

(a) Public Employees Retirement System of New Jersey ("PERS")

The Authority's employees participate in the PERS, a cost sharing multiple-employer defined benefit plan administered by the State. The Authority's contribution is based upon an actuarial computation performed by the PERS. Employees of the Authority are required to participate in the PERS and contribute 7.06% of their annual compensation. The PERS also provides death and disability benefits. All benefits and contribution requirements are established, or amended, by State statute.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after a minimum of 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60, and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62, and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Note 11: Employee Benefits (continued)

Contributions Made

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.92% in State fiscal year ended June 30, 2015, and is 7.06% as of December 31, 2015. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Authority's contractually required contribution rate for the year ended December 31, 2015 and 2014, was 11.80% and 8.67% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were $1,260,522 and $1,137,077 for the years ended December 31, 2015 and 2014.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

The implementation of GASB 68 resulted in the Authority reporting a net pension liability for calendar years 2015 and 2014. The Statement required the Authority to recognize a net pension liability for the difference between the present value of the projected benefits for past service known as the Total Pension Liability ("TPL") and the restricted resources held in trust for the payment of pension benefits, known as the Fiduciary Net Position ("FNP").

At December 31, 2015 and 2014, the Authority reported a liability of $48.7 million and $28.6 million for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2015 and June 30, 2014, respectively, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2014 and July 1, 2013. The actuarial valuations were rolled forward to June 30, 2014 and June 30, 2015 using update procedures. The Authority's proportion of the net pension liability was based on a projection of the long-term share of contribution to the pension plans relative to the projected contributions of all participating State agencies, actuarially determined. At

Note 11: Employee Benefits (continued)

December 31, 2015, the Authority's proportion was .21713% which was an increase of .06423% from its proportion measured as of December 31, 2014.

For the years ended December 31, 2015 and 2014, the Authority recognized pension expense of $4,811,804 and $1,413,001 for PERS. Pension expense is reported in the Authority's financial statements as part of salaries and employee benefits expense.

At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ –	$ 783,660
Changes of assumptions or other inputs	5,234,386	–
Changes in proportion	10,464,352	–
Difference between expected and actual experience	1,162,787	–
Contributions subsequent to the measurement date	1,866,720	–
	$ 18,728,245	$ 783,660

Deferred outflows of resources of $1,866,720 resulted from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year 1 (2016)	$ 3,376,442
Year 2 (2017)	3,376,442
Year 3 (2018)	3,376,442
Year 4 (2019)	3,376,442
Year 5 (2020)	2,572,097
	$ 16,077,865

At December 31, 2014, the Authority reported deferred outflows of resources of $2,482,701 and deferred inflows of resources of $1,706,067.

Note 11: Employee Benefits (continued)

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined based on an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015 using update procedures. The key actuarial assumptions are summarized as follows:

Inflation:	3.04%
Salary increase:	2.15%–5.40%
Investment rate of return:	7.90%
Cost of living adjustment	No cost of living adjustment is assumed

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

Discount Rate

The discount rate used to measure the total pension liability was 4.90% and 5.39% at June 30, 2015 and June 30, 2014. This single blended discount rate was based on the long term rate of return of 7.90% and the municipal bond rates of 3.80% and 4.29% as of June 30, 2015 and 2014 respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The contribution percentage is the average percentage of the annual actual contribution paid over the annual actuarially determined contribution during the most recent five-year period. Based on those assumptions, the pension Plan’s fiduciary net position was projected to be available to make projected future benefit payments of current Plan members until fiscal year 2033.

Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Note 11: Employee Benefits (continued)

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
PERS:		
Cash	5.00%	1.04%
U.S Treasuries	1.75	1.64
Investment Grade Credit	10.00	1.79
Mortgages	2.10	1.62
High Yield Bonds	2.00	4.03
Inflation-Indexed Bonds	1.50	3.25
Broad US Equities	27.25	8.52
Developed Foreign Equities	12.00	6.88
Emerging Market Equities	6.40	10.00
Private Equity	9.25	12.41
Hedge Funds/Absolute Return	12.00	4.72
Real Estate (Property)	2.00	6.83
Commodities	1.00	5.32
Global Debt ex US	3.50	-0.40
REIT	4.25	5.12

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 4.90% for PERS as well as the proportionate share of the net pension liability using a 1.00 percent increase or decrease from the current discount rate as of December 31, 2015:

	1% Decrease	Discount Rate	1% Increase
PERS (3.90%, 4.90%, 5.90%)	$ 60,579,006	$ 48,740,925	$ 38,815,963

Note 11: Employee Benefits (continued)

Detailed information about the Plan's fiduciary net position is available in a separately issued financial report. The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for the PERS. Information on the total Plan funding status and progress, required contributions and trend information is available on the State's web site at www.state.nj.us/treasury/pensions/annrprts.shtml in the Comprehensive Annual Financial Report of the State of New Jersey, Division of Pensions and Benefits.

(b) Postemployment Health Care and Insurance Benefits

The Authority sponsors a single employer postemployment benefits plan that provides benefits in accordance with State statute, through the State Health Benefits Bureau, to its retirees having 25 years or more of service in the PERS, and 30 years or more of service if hired after June 28, 2011, or to employees approved for disability retirement. Health benefits and prescription benefits provided by the plan are at no cost to eligible retirees who had accumulated 20 years of service credit as of June 30, 2010. All other future retirees will contribute to a portion of their health and prescription premiums. Upon turning 65 years of age, a retiree must utilize Medicare as their primary coverage, with State Health Benefits providing supplemental coverage. In addition, life insurance is provided at no cost to the Authority and the retiree in an amount equal to 3/16 of their average salary during the final 12 months of active employment.

Since the Authority is a participating employer in the State Health Benefits Bureau, the Authority does not issue a separate stand-alone financial report regarding other postemployment benefits. The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements for the State Health Benefits Program Funds. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

The State has the authority to establish and amend the benefit provisions offered and contribution requirements.

Pursuant to GASB Statement No. 45 ("GASB 45"), *Accounting & Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Authority obtained an actuarially determined calculation for this obligation, and has established and funded an irrevocable trust for the payments required by this obligation.

Note 11: Employee Benefits (continued)

The Authority's annual other postemployment benefits ("OPEB") cost for the plan is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. This represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year, and to amortize any unfunded actuarial accrued liability ("UAAL") or excess over a period not to exceed 30 years. The Authority elected to amortize the UAAL over one year in 2006. The Authority's annual OPEB cost for the years ended December 31, 2015 and 2014, and the related information for the Plan are as follows (dollar amounts in thousands):

	2015	**2014**
Annual required contribution (ARC)	**$ 9,014**	$ 891
Contributions made	**9,014**	1,205
(Decrease)/increase in net OPEB obligation	**–**	(314)
Net OPEB obligation – beginning of year	**–**	314
Net OPEB obligation – end of year	**$ –**	$ –

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for fiscal years 2015, 2014 and 2013 are as follows (dollar amounts in thousands):

Fiscal Year Ended	**Annual OPEB Cost**	**Percentage of Annual OPEB Cost Contributed**	**Net OPEB Obligation**
December 31, 2015	$ 9,014	100.0%	$ –
December 31, 2014	891	135.2%	–
December 31, 2013	850	63.1%	314

As of December 31, 2015, the actuarial accrued liability for benefits was $30,100,655, none of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was $15,818,820, and the ratio of unfunded actuarial accrued liability to the covered payroll was 48.1%.

Note 11: Employee Benefits (continued)

To fund its OPEB obligation, the Authority has established an irrevocable trust and set aside monies (plan assets) in a bank account administered by a Trustee for the payment of future OPEB obligations. As of December 31, 2015, the balance was $31,151,042 and investment earnings on the account were $272,546 in 2015. The plan assets are reported at fair value.

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrence of future events, such as employment, mortality, and healthcare costs. Amounts determined regarding the funded status of the plan and the annual required contributions of the Authority are subject to continual revision as actual results are compared with past expectations and new estimates are made regarding the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the January 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. In this method benefits are attributed from date of hire to the date of decrement. In the actuarial assumptions the investment return on plan assets was projected at an annual rate of 4%. The healthcare cost trend assumed in the actuarial valuation includes an initial annual healthcare cost trend rate of 7.5% annually, decreasing by 0.5% per year to an ultimate rate of 5% effective 2020 and thereafter. Both rates include a 4% inflation assumption. The unfunded actuarial accrued liability is being amortized over a 30-year closed period on a level-dollar basis.

Note 12: Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Authority recorded current liabilities in the amount of $916,415 and $913,649 as of December 31, 2015 and 2014, respectively. The liability as of those dates is the value of employee accrued vacation time and vested estimated sick leave benefits that are probable of payment to employees upon retirement. The vested sick leave benefit to eligible retirees for unused accumulated sick leave is calculated at the lesser of ½ the value of earned time or $15,000. The payment of sick leave benefits, prior to retirement, is dependent on the occurrence of sickness as defined by Authority policy; therefore, such non-vested benefits are not accrued.

Note 13: Long-Term Liabilities

During 2015, the following changes in long-term liabilities are reflected in the statement of net position:

	Beginning Balance	Additions	Deductions	Ending Balance
Net pension liability	$ 28,627,890	$ 20,113,035	$ –	$ 48,740,925
Notes payable	9,688,695	–	(1,048,031)	8,640,664
Unearned lease revenue	11,065,403	–	(1,053,848)	10,011,555
Accrued guarantee losses	2,552,529	553,490	(1,723,338)	1,382,681
Total long-term liabilities	$ 51,934,517	$ 20,666,525	$ (3,825,217)	$ 68,775,825

For further information, see Notes 7 and 11.

Note 14: Net Position

The Authority's Net Position is categorized as follows:

- Net investment in capital assets
- Restricted
- Unrestricted

Net investment in capital assets includes capital assets net of accumulated depreciation used in the Authority's operations as well as capital assets that result from the Authority's real estate development and operating lease activities. Restricted net position include net position that have been restricted in use in accordance with State law, as well as Federal grant proceeds intended for specific projects, such as the State Small Business Credit Initiative ("SSBCI"). Unrestricted net position include all net position not included above.

Note 15: Condensed Combining Information

The following are Condensed Statements of Net Position as of December 31, 2015, Condensed Statements of Revenues, Expenses and Changes in Net Position for the Year Ended December 31, 2015 and Condensed Statements of Cash Flows for the year ended December 31, 2015.

New Jersey Economic Development Authority
Condensed Statements of Net Position
December 31, 2015

	NJEDA	CCURLP	Eliminations	Total
Assets				
Current assets	$ 157,315,490	$ 11,588,392	$ (5,215,287)	$ 163,688,595
Capital assets	86,152,710	–	–	86,152,710
Other assets	326,680,186	–	–	326,680,186
Total assets	$ 570,148,386	$ 11,588,392	$ (5,215,287)	$ 576,521,491
Deferred outflow of resources				
Deferred outflows related to pension	$ 18,728,245	$ –	$ –	$ 18,728,245
Liabilities				
Current liabilities	$ 23,488,045	$ 5,215,287	$ (5,215,287)	$ 23,488,045
Long-term liabilities	57,381,589	–	–	57,381,589
Total liabilities	$ 80,869,634	$ 5,215,287	$ (5,215,287)	$ 80,869,634
Deferred inflow of resources				
Deferred inflow related to pension	$ 783,660	$ –	$ –	$ 783,660
Net Position				
Net investment in capital assets	$ 82,856,031	$ –	$ –	$ 82,856,031
Restricted	22,583,026	–	–	22,583,026
Unrestricted	401,784,280	6,373,105	–	408,157,385
Total net position	$ 507,223,337	$ 6,373,105	$ –	$ 513,596,442

Note 15: Condensed Combining Information (continued)

New Jersey Economic Development Authority
Condensed Statements of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2015

	NJEDA	CCURLP	Eliminations	Total
Operating revenues	$ 44,047,076	$ –	$ –	$ 44,047,076
Operating expenses	50,018,419	59,933	–	50,078,352
Depreciation	6,616,729	–	–	6,616,729
Operating loss	(12,588,072)	(59,933)	–	(12,648,005)
Non-operating revenues	64,882,321	54,325	–	64,936,646
Non-operating expense	(38,685,338)	–	–	(38,685,338)
Total non-operating revenues, net	26,196,983	54,325	–	26,251,308
Change in net position	13,608,911	(5,608)	–	13,603,303
Net position, beginning of year*	493,614,426	6,378,713	–	499,993,139
Net position, end of year	$ 507,223,337	$ 6,373,105	$ –	$ 513,596,442

*Adjusted for GASB 68/71

New Jersey Economic Development Authority
Condensed Statements of Cash Flows
Year Ended December 31, 2015

	NJEDA	CCURLP	Eliminations	Total
Net cash provided by (used in) operating activities	$ (46,077,219)	$ (244,352)	$ –	$ (46,321,571)
Noncapital financing activities	25,357,747	–	–	25,357,747
Capital and relating financing activities	(2,470,666)	–	–	(2,470,666)
Investing activities	(3,577,633)	2,243,120	–	(1,334,513)
Net increase (decrease)	(26,767,771)	1,998,768	–	(24,769,003)
Beginning cash and cash equivalents balance	94,283,598	5,399,268	–	99,682,866
Ending cash and cash equivalents balance	$ 67,515,827	$ 7,398,036	$ –	$ 74,913,863

Required Supplementary Information

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Schedule of Funding Progress of the Postemployment Healthcare Plan

The funding status of the postemployment health care plan as of December 31, 2015 (based on January 1, 2015 valuation date), and the preceding two actuarial valuation dates of January 1, 2012 and 2009 are as follows (dollars in thousands):

Actuarial Valuation Date	**Actuarial Value of Assets (a)**	**Actuarial Accrued Liability (AAL) (b)**	**Unfunded Actuarial Accrued Liability (UAAL) (b-a)**	**Funded Ratio (a/b)**	**Covered Payroll (c)**	**UAAL as a Percent of Covered Payroll (b-a)/(c)**
1/1/2015	$ 22,498	$ 30,101	$ 7,603	74.7%	$ 15,819	48.1%
1/1/2012	18,374	20,794	2,420	88.4	10,472	23.1
1/1/2009	13,363	16,299	2,936	82.0	11,507	25.5

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Schedule of the Authority's Proportionate Share of the Net Pension Liability

	2015 PERS	2014 PERS
Authority's proportion of the net pension liability	.21713%	.15290%
Authority's proportionate share of the net pension liability	$ 48,740,925	$ 28,627,890
Authority's covered-employee payroll	$ 15,434,227	$ 12,440,364
Authority's proportionate share of the net pension liability as a percentage as a percentage of its covered-employee payroll	315.80%	230.12%
Plan fiduciary net position as a percentage of the total pension liability	38.21%	42.74%

The amounts presented for each fiscal year were determined as of June 30.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Schedule of the Authority's Contributions to the Public Employees' Retirement System (PERS)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	**$ 1,866,720**	$ 1,260,522	$ 1,137,100	$ 1,188,900	$ 1,262,300	$ 1,292,500	$ 1,029,900	$ 743,700	$ 549,444	$ 303,648
Contributions in relation to the contractually required contribution	**1,866,720**	1,260,522	1,137,100	1,188,900	1,262,300	1,292,500	1,029,900	743,700	549,444	303,648
Contribution deficiency (excess)	**$ –**	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Authority's covered employee payroll	**$ 15,818,820**	$ 14,535,358	$ 10,970,510	$ 10,472,305	$ 12,062,333	$ 13,183,135	$ 13,769,583	$ 11,114,716	$ 9,333,073	$ 8,596,556
Contributions as a percentage of covered employee payroll	**11.80%**	8.67%	10.37%	11.35%	10.46%	9.80%	7.48%	6.69%	5.89%	3.53%

Notes to Schedule of the Authority's Contributions to the Public Employees' Retirement System (PERS)

Notes to Schedule:

Valuation Date	Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine the actuarially determined employer contributions are as follows:

Actuarial Cost Method	Projected Unit Credit Method
Amortization Method	Level Dollar Amortization
Remaining Amortization Period	30 years
Asset Valuation Method	A five year average of market value
Investment Rate of Return	7.9% for 2015, 2014 and 2013, 7.95% for 2012, 8.25% for 2011, 2010 2009, 2008, 2007 and 2006
Inflation	3.01%
Salary Increases	2.15% – 5.40% for 2015 through 2013, 4.52% for 2012, 5.45% for 2011, 2010 2009, 2008, 2007 and 2006
Mortality	RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2012 using a generational approach based on Projection Scale AA. Prior to 2012, the RP-2000 Employee Preretirement Mortality table was used and was set back 4 years for females.

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2015 EDA Project List

ATLANTIC COUNTY

Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Cardiff Petroleum, Inc.	Egg Harbor City	RT					Retail Fuel Station-Generator Incentive
City of Pleasantville (City Center Redevelopment)	Pleasantville City	SR					Hazardous Site Remediation - Municipal
City of Atlantic City (Atlantic City Boardwalk)	Atlantic City	EX				253	NCR Recreation
City of Brigantine Central Business District Assoc Associated Improvements	Brigantine City	EX				5	NCR Recreation
City of Somers Point	Somers Point City	EX				3	NCR Recreation
City of Brigantine Central Business District Assoc Associated Improvements	Brigantine City	GF				6	NCR Streetscape
City of Margate	Margate City	GF				3	NCR Streetscape
City of Pleasantville	Pleasantville City	GF				4	NCR Streetscape
DGMB Casino, LLC *	Atlantic City			296		209	Economic Redevelopment Growth
Tropicana Atlantic City Corp. **	Atlantic City	CM				171	Economic Redevelopment Growth-Grant EOA
10 projects				**296**		**654**	

BERGEN COUNTY

Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
WJJ & Company LLC d/b/a Papertec	Garfield City	MF	20	2			Direct Loan
ADPP Enterprises Inc. (Carlstadt)	Carlstadt Borough	RT					Retail Fuel Station-Generator Incentive
ADPP Enterprises Inc. (Mahwah 193 Rt 17 N)	Mahwah Township	RT					Retail Fuel Station-Generator Incentive
AME Management Inc. (Ramsey)	Ramsey Borough	RT					Retail Fuel Station-Generator Incentive
Bergen Convenience Flagship Inc.	Ridgewood Village	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Rutherford)	Rutherford Borough	RT					Retail Fuel Station-Generator Incentive
Paks Fast Service Inc.	Mahwah Township	RT					Retail Fuel Station-Generator Incentive
Tiger Service Station, Inc.	Englewood City	RT					Retail Fuel Station-Generator Incentive
Cedar Barista USA LLC	Carlstadt Borough	DS	6	6			Main Street Assistance Line
Borough of Little Ferry	Little Ferry Borough	GF				33	NCR Recreation
24 Park Way, LLC	Upper Saddle River Borough	MF	210	13		4	Stand-Alone Bond
Ben Porat Yosef, Inc.	Paramus Borough	NP	100	12			Stand-Alone Bond
Cable Solutions Inc	Moonachie Borough	SV	6				Stronger NJ Business Loan Program
Cable Solutions Inc	Moonachie Borough	SV	6				Stronger NJ Business Loan Program
Rayco II World of Spoilers, Inc.	Little Ferry Borough	RT	2	2			Stronger NJ Business Loan Program
333-103 Holding Co, LLC	Westwood Borough	SV	3	2			Statewide Loan Pool
Megas Yeeros LLC	Lyndhurst Township	MF		165		17	Statewide Loan Pool
West Ivy Englewood, LLC	Englewood City	SV	3	2		1	Statewide Loan Pool
Wiseway, LLC	Teaneck Township	CM	43	8			Statewide Loan Pool
Catellus Teterboro Development Urban Renewal, LLC **	Teterboro Borough	RT		776		327	Economic Redevelopment Growth
ENER-G Rudox, Inc. **	East Rutherford Borough	MF	30		30	13	Grow New Jersey Tax Credit-EOA
Sony Music Entertainment **	Rutherford Borough	SV	97	50		17	Grow New Jersey Tax Credit-EOA
United Water Management and Services Inc **	Paramus Borough	EX	294		294	35	Grow New Jersey Tax Credit-EOA
23 projects			**820**	**1,038**	**324**	**447**	

BURLINGTON COUNTY

Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Habitat For Humanity, Burlington County, New Jers ey Affiliate, Inc.	Maple Shade Borough	NP	20	10			Direct Loan
APCO Petroleum Corporation (Bordentown 1080 Rt 206)	Bordentown City	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (Lumberton)	Lumberton Township	RT					Retail Fuel Station-Generator Incentive

continued

BURLINGTON COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
APCO Petroleum Corporation (Marlton)	Evesham Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (Tabernacle)	Tabernacle Township	RT					Retail Fuel Station-Generator Incentive
G&B Business Associates, Inc.	Florence Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Mt Laurel)	Mount Laurel Township	RT					Retail Fuel Station-Generator Incentive
Township of Southampton (Former Stokes Cannery)	Southampton Township	SR					Hazardous Site Remediation - Municipal
Association Headquarters, Inc. **	Mount Laurel Township	SV	175	60	175	15	Grow New Jersey Tax Credit-EOA
9 projects			**195**	**70**	**175**	**15**	

CAMDEN COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
DA Barrett RE LLC	Haddonfield Borough	SV	6	6			New Jersey Business Growth Fund
Ellis Real Estate Holdings, LLC	Gloucester City	RH	2	1			New Jersey Business Growth Fund
Jersey GM Stevens Enterprises LLC and Table Top Fashions, Inc.	Gloucester Township	SV	12	5			New Jersey Business Growth Fund
R & W Investments and Technitool Inc	Berlin Township	MF	15	3			New Jersey Business Growth Fund
Cooperative Business Assistance Corporation	Camden City	NP		7			Direct Loan
Broadway Housing Partners LLC **	Camden City	HS		26		108	Economic Recovery Board - Camden
Broadway Housing Partners LLC	Camden City	HS					Economic Recovery Board - Camden
Camden Coalition of Healthcare Providers	Camden City	NP	80	17			Economic Recovery Board - Camden
Trinity Live Entertainment and Events, LLC	Camden City	SV	1	2			Economic Recovery Board - Camden
APCO Petroleum Corporation (Voorhees)	Voorhees Township	RT					Retail Fuel Station-Generator Incentive
Grove I Partnership	Haddonfield Borough	SR					Hazardous Site Remediation - Commercial
Raymond Porutski	Waterford Township	SR					Hazardous Site Remediation - Commercial
Borough of National Park (Robert Hawthorne Landfill)	Gloucester Township	SR					Hazardous Site Remediation - Municipal
LEAP Academy University Charter School, Inc.	Camden City	NP	134	2			Stand-Alone Bond
MSC State & River LLC	Camden City	NP	48	38		224	Stand-Alone Bond
Ragmen LLC	Pennsauken Township	CM	48	2			Statewide Loan Pool
WebiMax LLC *	Camden		103	21	50	1	EOA Grow NJ
Broadway Housing Partners LLC	Camden City	SV		15		57	Economic Redevel Growth-Tax Credit-EOA
Dicalite Management Group, Inc. **	Pennsauken Township	MF		36		4	Grow New Jersey Tax Credit-EOA
Plastics Consulting and Manufacturing Company, Inc and Science Pump Corporation **	Camden City	MF	20	8	20	7	Grow New Jersey Tax Credit-EOA
The Cooper Health System **	Camden City	NP	353	19	353	24	Grow New Jersey Tax Credit-EOA
21 projects			**822**	**208**	**423**	**425**	

CAPE MAY COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
The Kings Cottage Enterprises	Cape May City	SV					New Jersey Business Growth Fund
Greater Wildwoods Tourism Improvement and Development	Wildwood City	SV	14				Community Economic Development
Cape May City	Cape May City	EX				18	NCR Recreation
Sea Isle City (Landis Avenue) (Landis Avenue) (Lan (Landis Avenue)	Sea Isle City	GF				12	NCR Streetscape
Malusa and Sons, Inc. and Antonio Malusa and Franc and Frances Malusa	Wildwood City	RT		12		11	Stronger NJ Business Loan Program
Atlantis O.C. Holding Limited Liability Company	Ocean City City	SV	14	4			Statewide Loan Pool
6 projects			**28**	**16**		**41**	

continued

CUMBERLAND COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
South Vineland Petroleum, Inc.	Vineland City	RT					Retail Fuel Station-Generator Incentive
City of Millville ((Shones Auto Body))	Millville City	SR					Hazardous Site Remediation - Municipal
Millville Rescue Squad, Inc. d/b/a Medical Respons	Millville City	NP	189				Main Street Assistance Line
Univision Communications Inc., and Subsidiaries **	Vineland City	SV		70		20	Grow New Jersey Tax Credit-EOA
4 projects			189	70	0	20	

ESSEX COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Ancyma, Inc.	Maplewood Township	DS	30	20			Direct Loan
Community Asset Preservation Corporation	Newark City	NP	5	4			Direct Loan
RLK Realty LLC and Flame Cut Steel Inc.	Irvington Township	MF	2	6			Direct Loan
Hampton Hills Associates	Newark City	SR					Hazardous Site Remediation - Commercial
Hampton Hills Associates (Hampton Hill Apartments)	Newark City	SR					Hazardous Site Remediation - Commercial
Eastern Nursing Services I, Inc. and Eastern Nursing Services II, Inc.	Newark City	RH	13				Main Street Assistance Line
The Housing Authority of the City of Newark	Newark City	EX				37	NCR Recreation
Uncommon Properties VI, LLC	Newark City	NP		88		30	Stand-Alone Bond
Atlas Refinery, Inc.	Newark City	MF	18	20			Stronger NJ Business Loan Program
102 Dorsa, LLC	Livingston Township	SV	10	6			Statewide Loan Pool
A&H Holdings LLC	Newark City	CM		16			Statewide Loan Pool
Phone.com, Inc.	Newark City	TC	14	16			Edison Innovation VC Growth Fund
Prudential Financial Inc., and/or Affiliates *	Newark			400		1343	Urban Transit Hub Tax Credit Program
TDAF I Pru Hotel Urban Renewal Company LLC *	Newark			105		145	Economic Redevelopment Growth
Washington Street University Housing Assoc., LLC **	Newark City	SV				200	Economic Redevel Growth-Tax Credit-EOA
Schenker, Inc. **	Newark City	TP	90	25	90		Grow New Jersey Tax Credit-EOA
16 projects			182	706	90	1,755	

GLOUCESTER COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Washington Petroleum, Inc.	Washington Township	RT					Retail Fuel Station-Generator Incentive
Provident Group - Rowan Properties L.L.C.	Glassboro Borough	NP		22		378	Stand-Alone Bond
SETO MP Holdings, LLC	West Deptford Township	OF	6	2			Statewide Loan Pool
TDH Penn Properties LLC	Washington Township	OF	2	3			Statewide Loan Pool
CDIP Paulsboro, LLC **	Paulsboro Borough	RT				100	Economic Redevelopment Growth-Grant EOA
Liscio`s Italian Bakery, Inc. **	Glassboro Borough	MF	216	71	176	9	Grow New Jersey Tax Credit-EOA
6 projects			224	98	176	487	

HUDSON COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
1013 Bergenline LLC	Union City	WS	10				Direct Loan
2000 West Street, LLC	Union City	SV	2	10			Direct Loan
SCF Realty III LLC	Bayonne City	MF					Direct Loan
The Fred 101, LLC	Secaucus Town	MF					Direct Loan
Gurjot Petroleum LLC	Jersey City	RT					Retail Fuel Station-Generator Incentive
Holland Tunnel Service Center Inc.	Jersey City	RT					Retail Fuel Station-Generator Incentive
Lincoln Tiger LLC	Weehawken Township	RT					Retail Fuel Station-Generator Incentive
Harrison Redevelopment Agency (BDA-Frm Hartz Mount	Harrison Town	SR					Hazardous Site Remediation - Municipal

continued

HUDSON COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Jersey City Redevelopment Agency (BDA-Pittsburgh Metal & Graphic)	Jersey City	SR					Hazardous Site Remediation - Municipal
Jersey City Redevelopment Agency (Berry Lane Park) (BDA Hudson County Chromate)	Jersey City	SR					Hazardous Site Remediation - Municipal
Jersey City Redevelopment Agency (Berry Lane Park) (BDA Summit Metals Comp. Inc.)	Jersey City	SR					Hazardous Site Remediation - Municipal
Jersey City Redevelopment Agency	Jersey City	GF				39	NCR Recreation
City of Hoboken (City of Hoboken)	Hoboken City	GF				7	NCR Streetscape
Hudson Community Enterprises, Inc.	Jersey City	NP	475	30			Stand-Alone Bond
The Fred 101, LLC	Secaucus Town	MF		251		28	Stand-Alone Bond
West Campus Housing, LLC	Jersey City	NP		5		304	Stand-Alone Bond
Pastore Music, Inc.	Union City	RT	5				Stronger NJ Business Loan Program
Shelley Food Stores, Inc., II	Jersey City	WS		12			Stronger NJ Business Loan Program
Indiegrove LLC	Jersey City	OF	2			1	Tech Shared Space
Ahold eCommerce Sales Company LLC *	Jersey City			380		242	Urban Transit Hub Tax Credit Program
Goya Foods, Inc.*	Jersey City			175		750	Urban Transit Hub Tax Credit Program
Grand LHN I Urban Renewal LLC *	Jersey City			50		600	Urban Transit Hub Tax Credit Program
Port Imperial South LLC *	Weehawken			42		437	Economic Redevelopment Growth
Harrison Hotel 1, LLC, or affiliate *	Harrison			172		232	Economic Redevelopment Growth
Newport Office Center VI LLC *	Jersey City			1600		300	Economic Redevelopment Growth
AP&G Co., Inc. **	Bayonne City	MF		150		8	Grow New Jersey Tax Credit-EOA
Eltman Law, P.C. **	Jersey City	SV		80		8	Grow New Jersey Tax Credit-EOA
Fidelity Global Brokerage Group, Inc. **	Jersey City	SV		200		47	Grow New Jersey Tax Credit-EOA
First Data Corporation **	Jersey City	SV		74		8	Grow New Jersey Tax Credit-EOA
Forbes Media LLC **	Jersey City	SV		350		47	Grow New Jersey Tax Credit-EOA
Hugo Neu Recycling, LLC **	Kearny Town	RC		63		41	Grow New Jersey Tax Credit-EOA
IT Cosmetics, LLC **	Jersey City	WS	27	57		12	Grow New Jersey Tax Credit-EOA
Insight Catastrophe Group, LLC **	Jersey City	SV		31		3	Grow New Jersey Tax Credit-EOA
JPMorgan Chase Bank, N.A. **	Jersey City	SV	2,612	1,000	2,612	605	Grow New Jersey Tax Credit-EOA
Jacmel Jewelry Inc. **	Secaucus Town	WS		75		1	Grow New Jersey Tax Credit-EOA
Northern Leasing Systems Inc **	Jersey City	SV		92		10	Grow New Jersey Tax Credit-EOA
Principis Capital LLC **	Jersey City	SV		50		2	Grow New Jersey Tax Credit-EOA
RBC Capital Markets LLC **	Jersey City	SV		900		82	Grow New Jersey Tax Credit-EOA
TR U.S. Inc. and Subsidiaries **	Hoboken City	SV		450		22	Grow New Jersey Tax Credit-EOA
39 projects			**3,133**	**6,299**	**2,612**	**3,836**	

HUNTERDON COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Califon Exxon Inc.	Califon Borough	RT					Retail Fuel Station-Generator Incentive
Five Star Gas And Food Mart, Inc	Union Township	RT					Retail Fuel Station-Generator Incentive
Gill Petroleum Inc (Lebanon)	Lebanon Borough	RT					Retail Fuel Station-Generator Incentive
3 projects							

MERCER COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Blue Rock Holdings LLC and Advanced Infrastructure Design, Inc.	Hamilton Township	SV					New Jersey Business Growth Fund
APCO Petroleum Corporation (Ewing)	Ewing Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Princeton)	Princeton Borough	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Mercerville-Hamilton Square)	Hamilton Township	RT					Retail Fuel Station-Generator Incentive
Estate of Dorothy Niece	Hopewell Township	SR					Hazardous Site Remediation - Commercial
Michael A. Tramontana	Trenton City	SR					Hazardous Site Remediation - Commercial
Trenton Business Assistance Corporation d/b/a Regional Business Assistance Corporation	Hamilton Township	NP	11				Loan to Lenders
Britton Realty of Lawrenceville, LLC	Lawrence Township	MF	60	5			Statewide Loan Pool

continued

MERCER COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Building 101 Urban Renewal LLC **	Trenton City	RH				222	Economic Redevel Growth-Tax Credit-EOA
PRC Campus Centers, LLC **	Ewing Township	CM		325		150	Economic Redevel Growth-Tax Credit-EOA
Trent East Senior Apartments Urban Renewal Limited **	Trenton City	RH				73	Economic Redevel Growth-Tax Credit-EOA
Trent East Senior Apartments Urban Renewal Limited **	Trenton City	RH				63	Economic Redevel Growth-Tax Credit-EOA
Solvay USA **	West Windsor Township	MF	359	35	359	40	Grow New Jersey Tax Credit-EOA
13 projects			**430**	**365**	**359**	**548**	

MIDDLESEX COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Aldo Carpets, Inc.	Carteret Borough	RT	27	2		4	TD Bank New Jersey Advantage Program(L)
Benavides & Sons Realty, LLC	Carteret Borough	RT					TD Bank New Jersey Advantage Program(T)
Community Loan Fund of New Jersey, Inc.	New Brunswick City	NP		20			Direct Loan
MG Realty Holding, LLC	North Brunswick Township	SV	12	2		1	Direct Loan
APCO Petroleum Corporation (2836 Rt 27 N., North Brunswick)	North Brunswick Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (4217 Rt 1 S., South Brunswick)	South Brunswick Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (Cranbury)	Cranbury Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (S Brunswick 2040 Rt 130)	South Brunswick Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (78 GSP, Woodbridge)	Woodbridge Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (133 GSP North Woodbridge)	Woodbridge Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey, LLC (480 Amboy Ave., Woodbridge)	Woodbridge Township	RT					Retail Fuel Station-Generator Incentive
Perth Amboy City (BDA General Cable Corp.)	Perth Amboy City	SR					Hazardous Site Remediation - Municipal
Woodbridge Township (Alibani Property)	Woodbridge Township	SR					Hazardous Site Remediation - Municipal
Woodbridge Township (Industrial Highway Corp. BDA)	Woodbridge Township	SR					Hazardous Site Remediation - Municipal
CM&E Con, Inc.	Woodbridge Township	CT	15	6			Main Street Assistance Line
City of Perth Amboy	Perth Amboy City	EX				16	NCR Recreation
ALTYLA REALTY, LLC	Monroe Township	CM	9	6			Statewide Loan Pool
Alisha and Aryan Realty, LLC	South Brunswick Township	DS	9	21			Statewide Loan Pool
New Jersey Restaurant Group, LLC dba Tilted Kilt Pub and Eatery	South Brunswick Township	SV		30		2	Statewide Loan Pool
Pasricha Properties LLC	Edison Township	SV	15	3			Statewide Loan Pool
Tived Lane, LLC	Edison Township	RT	174			20	Statewide Loan Pool
Woodbridge Township Ambulance & Rescue Squad, Inc	Woodbridge Township	NP	36	12			Statewide Loan Pool
Boraie Development LLC of a New Entity to be formed (133 Somerset & Albany Sts) *	New Brunswick			50		1000	Urban Transit Hub Tax Credit Program
Grant Thornton LLP *	Woodbridge Township		53	34	53	4	Business Employment Incentive Program
Interpool, Inc. **	Plainsboro Township	TP		90	310	31	Grow New Jersey Tax Credit-EOA
Sandoz Inc. **	Plainsboro Township	MF	292	70	292	22	Grow New Jersey Tax Credit-EOA
Wenner Bread Products, Inc. **	New Brunswick City	MF		253		16	Grow New Jersey Tax Credit-EOA
iCIMS, Inc. **	Old Bridge Township	CM	48	239	239	15	Grow New Jersey Tax Credit-EOA
Maplewood Beverage Packers, LLC & its affiliates **	Woodbridge Township	MF	215	100	215		Grow New Jersey Tax Credit
29 projects			**905**	**938**	**1,109**	**1,131**	

continued

MONMOUTH COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Excellency Enterprise, LLC	Eatontown Borough	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Long Branch)	Long Branch City	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Wall)	Wall Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Morganville)	Marlboro Township	RT					Retail Fuel Station-Generator Incentive
ERBA Company, Inc.	Ocean Township	SR					Hazardous Site Remediation - Commercial
George Adjami	Middletown Township	SR					Hazardous Site Remediation - Commercial
Monmouth Conservation Foundation (Chris River Plaza Marina)	Middletown Township	SR					Hazardous Site Remediation - Commercial
Township of Neptune (BDA Chidnese Property)	Neptune Township	SR					Hazardous Site Remediation - Municipal
Carton Brewing Company, LLC	Atlantic Highlands Borough	CM	10	20			Main Street Assistance Line
Carton Brewing Company, LLC	Atlantic Highlands Borough	CM					Main Street Assistance Line
Keyport Historical Society	Keyport Borough	NP					NCR Recreation
Asbury Park- Boardwalk Lighting Improvements	Asbury Park City	GF				8	NCR Streetscape
Borough of Belmar	Belmar Borough	GF					NCR Streetscape
Borough of Keansburg	Keansburg Borough	GF				10	NCR Streetscape
Borough of Oceanport (Borough of Oceanport) (Borou (Borough of Oceanport)	Oceanport Borough	GF				3	NCR Streetscape
Borough of Sea Bright	Sea Bright Borough	EX				11	NCR Streetscape
Long Branch City (Long Branch City) (Long Branch C (Long Branch City)	Long Branch City	GF				6	NCR Streetscape
Township of Neptune (Township of Neptune) (Townshi (Township of Neptune)	Neptune Township	GF				7	NCR Streetscape
Springpoint at the Atrium, Inc.	Red Bank Borough	NP	85	2			Stand-Alone Bond
Gateway Marina	Highlands Borough	SV	10	2			Stronger NJ Business Loan Program
Gateway Marina	Highlands Borough	SV					Stronger NJ Business Loan Program
Jamie Lee Hentschel DBA Nova Boutique	Sea Bright Borough	RT	1				Stronger NJ Business Loan Program
Margaritaville, Inc.	Union Beach Borough	SV					Stronger NJ Business Loan Program
S Kelly Corporation d/b/a The Mad Hatter and Kelly and Kelly Management Group,LLC	Sea Bright Borough	CM	30	50			Stronger NJ Business Loan Program
Shrewsbury River, Inc. and Shrewsbury River Associ Associates	Sea Bright Borough	SV		30		36	Stronger NJ Business Loan Program
Bayshore Holdings LLC & Tre Belle Figlie, LLC	Union Beach Borough	SV		1			Statewide Loan Pool
DOTBC Holdings, LLC & Carton Brewing Company, LLC (Co-Borrowers)	Atlantic Highlands Borough	CM					Statewide Loan Pool
IM Broad St., LLC and Business Automation Technolo Technologies, Inc.	Little Silver Borough	TC	12	2			Statewide Loan Pool
Festo Didactic Inc. **	Eatontown Borough	SV	50	36	50	7	Grow New Jersey Tax Credit-EOA
Marathon Data Operating Company, LLC **	Neptune Township	TC	74	35	74		Grow New Jersey Tax Credit-EOA
30 projects			272	178	124	88	

MORRIS COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Power Precision Realty Limited Liability Company	Denville Township	SV	20	12			Direct Loan
ADPP Enterprises Inc. (Mount Olive)	Mount Olive Township	RT					Retail Fuel Station-Generator Incentive
Fuel Max Inc.	Pequannock Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Succasunna-Kenvil)	Roxbury Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Mine Hill)	Mine Hill Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey, LLC (Montville)	Montville Township	RT					Retail Fuel Station-Generator Incentive

continued

MORRIS COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
PMG New Jersey, LLC (Mount Olive)	Mount Olive Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey, LLC (Rockaway)	Rockaway Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Morristown)	Morristown Town	RT					Retail Fuel Station-Generator Incentive
T&J Service Center Inc.	Madison Borough	RT					Retail Fuel Station-Generator Incentive
Wayne DeKorte T/A Mount Arlington Exxon	Mount Arlington Borough	RT					Retail Fuel Station-Generator Incentive
Wharton Hill Inc.	Wharton Borough	RT					Retail Fuel Station-Generator Incentive
AllTech International Inc. d/b/a T&B Car Wash d/b/ d/b/a T&B Car Wash	Parsippany-Troy Hills Township	SV	10	3			Stronger NJ Business Loan Program
125 East Halsey Road LLC and Farmplast, LLC	Parsippany-Troy Hills Township	MF	8	19			Statewide Loan Pool
291 Main Street LLC	Chatham Borough	SV	3	1			Statewide Loan Pool
Artech Information Systems L.L.C. **	Morris Township	OF	235	41	44	7	Grow New Jersey Tax Credit-EOA
16 projects			**276**	**76**	**44**	**7**	

STATEWIDE/MULTI COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Dakota Properties, Inc.	Statewide	NP	35	2			Stand-Alone Bond
Twin Oaks Community Services, Inc.	Statewide	NP	100	30			Stand-Alone Bond
2 projects			**135**	**32**	**0**	**0**	

OCEAN COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Hook TNT LLC	Stafford Township	SV	3	3			Direct Loan
Tuckers Management LLC	Beach Haven Borough	SV	50				Direct Loan
Dilek, Inc.	Brick Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Brick)	Brick Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Toms River)	Dover Township	RT					Retail Fuel Station-Generator Incentive
Tiger Tail 1 LLC	Lakewood Township	RT					Retail Fuel Station-Generator Incentive
Patricio and Omaira Villarroel	Point Pleasant Beach Borough	SR					Hazardous Site Remediation - Commercial
Township of Berkeley (Bayview Park)	Berkeley Township	SR					Hazardous Site Remediation - Municipal
Borough of Beach Haven	Beach Haven Borough	EX				50	NCR Catalytic
Borough of Beach Haven	Beach Haven Borough	GF					NCR Catalytic
Township of Lacey	Lacey Township	EX				12	NCR Recreation
Borough of South Toms River	South Toms River Borough	GF				6	NCR Streetscape
Township of Little Egg Harbor	Little Egg Harbor Township	EX				9	NCR Streetscape
Bnos Melech of Lakewood, Inc.	Lakewood Township	NP	40	12			Stand-Alone Bond
Cong Bnos Devorah Inc.	Lakewood Township	NP	80	20			Stand-Alone Bond
Congregation Birchas Chaim	Lakewood Township	NP	10	4			Stand-Alone Bond
Congregation Oros Bais Yaakov of Lakewood Inc	Lakewood Township	NP	40	2			Stand-Alone Bond
Talmud Torah Bais Avrohom	Lakewood Township	NP	30	20			Stand-Alone Bond
Yeshiva Gedola of Woodlake Village, Inc.	Lakewood Township	NP	16	5			Stand-Alone Bond
AFW 500, LLC	Seaside Heights Borough	SV	48				Stronger NJ Business Loan Program
AFW 500, LLC	Seaside Heights Borough	SV					Stronger NJ Business Loan Program
Barnacle Bills, Inc.	Seaside Heights Borough	RT	16	20			Stronger NJ Business Loan Program
Barnacle Bills, Inc.	Seaside Heights Borough	SV					Stronger NJ Business Loan Program
Charlroy Corporation d/b/a Charlroy Motel	Seaside Park Borough	SV	3	3			Stronger NJ Business Loan Program
Charlroy Corporation d/b/a Charlroy Motel	Seaside Park Borough	SV					Stronger NJ Business Loan Program

continued

OCEAN COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Cimorelli, Storino & Storino	Seaside Heights Borough	SV	13				Stronger NJ Business Loan Program
Cimorelli, Storino & Storino	Seaside Heights Borough	SV					Stronger NJ Business Loan Program
DAKK Enterprises Limited Liability Company d/b/a J Joe Pop's Shore Bar and Restaurant	Ship Bottom Borough	RT	2	1			Stronger NJ Business Loan Program
J.C. Pisacreta, LLC dba Il Giardinello Beach Grill	Dover Township	SV	6				Stronger NJ Business Loan Program
J.C. Pisacreta, LLC dba Il Giardinello Beach Grill	Dover Township	SV					Stronger NJ Business Loan Program
Jo Ann Netta d/b/a Black Dog Cafe Deli	Beach Haven Borough	SV	1	1			Stronger NJ Business Loan Program
Key Harbor Marina LLC, et al	Ocean Township	SV	10	3			Stronger NJ Business Loan Program
Key Harbor Marina LLC, et al	Ocean Township	SV					Stronger NJ Business Loan Program
Lakewood Candies LLC	Lakewood Township	DS	12	10			Stronger NJ Business Loan Program
Lyceum Enterprises Inc.	Ship Bottom Borough	SV	9	7			Stronger NJ Business Loan Program
Lyceum Enterprises Inc.	Ship Bottom Borough	SV					Stronger NJ Business Loan Program
Mac's Dock Inc dba South Harbor Marine	Ocean Township	SV					Stronger NJ Business Loan Program
Mac's Dock Inc dba South Harbor Marine	Ocean Township	SV	6				Stronger NJ Business Loan Program
New Jersey Appliance Limited Liability Company	Lakewood Township	RT	1	2			Stronger NJ Business Loan Program
New Jersey Appliance Limited Liability Company	Lakewood Township	RT					Stronger NJ Business Loan Program
Opdyke Furniture, Inc.	Point Pleasant Borough	RT	30				Stronger NJ Business Loan Program
Pt. Pleasant Packing Inc.	Point Pleasant Beach Borough	CF	28	31		31	Stronger NJ Business Loan Program
Susskind & Almallah Eye Associates, P.A	Brick Township	RH					Stronger NJ Business Loan Program
Thomas Tweer & Robert Tweer, a general partnership Thomas Tweer & Robert Tweer a general partnership d/b/a Hobby Lobby Marine	Dover Township	RT	7				Stronger NJ Business Loan Program
Tipico Products Co., Inc. *	Lakewood Township	MF	98	30	98	1	Business Employment Incentive Program
Chambers Crescent LLC **	Lakewood Township	RH				89	Economic Redevel Growth-Tax Credit-EOA
46 projects			**559**	**174**	**98**	**198**	

PASSAIC COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Placko Signs LLC and 681 Van Houten LLC	Clifton City	MF	5				New Jersey Business Growth Fund
Tiger 23 Inc.	Wayne Township	RT					Retail Fuel Station-Generator Incentive
Edward R. Freed	Clifton City	SR					Hazardous Site Remediation - Commercial
Patella Construction Corportation and 99 South Passaic LLC	Passaic City	MF				15	Local Development Financing Fund
Jimmy's Cookies, LLC d/b/a Jimmy's Cookies	Clifton City	MF					Main Street Assistance Line
Patella Construction Corp.	Passaic City	MF		70			Main Street Assistance Line
CHCC of Wayne, LLC	Wayne Township	NP	12	9			Stand-Alone Bond
Compounding Engineering Solutions Inc.	Clifton City	MF	8	7			Stronger NJ Business Loan Program
Compounding Engineering Solutions Inc.	Clifton City	MF					Stronger NJ Business Loan Program
Patella Construction Corp.	Passaic City	MF					Statewide Loan Pool
Scott Real Estate LLC	Wayne Township	DC	20	5			Statewide Loan Pool
Accurate Box Co. Inc. **	Paterson City	MF	224	51	224	102	Grow New Jersey Tax Credit-EOA
Jimmy's Cookies, LLC d/b/a Jimmy's Cookies **	Clifton City	MF	43	79	43	6	Grow New Jersey Tax Credit-EOA
Patella Construction Corp. **	Passaic City	MF		70		15	Grow New Jersey Tax Credit-EOA
14 projects			**312**	**291**	**267**	**138**	

continued

SOMERSET COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Verizon Soucing LLC	Bernards Township	CM				120	Large Scale CHP - Fuel Cells Program
CHA Learning Centers Inc.	North Plainfield Borough	CM	60	3			Main Street Assistance Line
The Gill St. Bernard's School	Peapack-Gladstone Borough	NP	130	2			Stand-Alone Bond
62 Veronica LLC	Somerset	MF	15	35		2	Statewide Loan Pool
Biovail Americas Corporation **	Bridgewater Township	OF	274	550	274	60	Grow New Jersey Tax Credit-EOA
5 projects			**479**	**590**	**274**	**182**	

SUSSEX COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
LUKOIL North America LLC (Hardyston)	Hardyston Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Sussex)	Sussex Borough	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Sandyston)	Sandyston Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Sparta)	Sparta Township	RT					Retail Fuel Station-Generator Incentive
4 projects			**0**	**0**	**0**	**0**	

UNION COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
BUF Health and Human Services Corporation, Inc.	Plainfield City	DC					Direct Loan
BUF Health and Human Services Corporation, Inc.	Plainfield City	NP					Direct Loan
PMG New Jersey, LLC (Rahway)	Rahway City	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Elizabeth)	Elizabeth City	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Linden)	Linden City	RT					Retail Fuel Station-Generator Incentive
Borough of Roselle Park (Roselle Park DPW)	Roselle Park Borough	SR					Hazardous Site Remediation - Municipal
3rd St Holdings, LLC	Elizabeth City	DS	20	10			Local Development Financing Fund
East Grand Associates Urban Renewal Entity, LLC	Elizabeth City	RT					Real Estate Impact Fund
BUF Health and Human Services Corporation, Inc.	Plainfield City	NP	95	2			Stand-Alone Bond
BUF Health and Human Services Corporation, Inc.	Plainfield City	NP					Stand-Alone Bond
Flamingo Properties LLC	Hillside Township	MF	25	5		1	Stand-Alone Bond
Puerto Rican Organization for Community Education and Economic Development, Inc.	Elizabeth City	NP	76	10			Stand-Alone Bond
Wakefern Food Corp. *	Elizabeth			350		821	Urban Transit Hub Tax Credit Program
D'Artagnan, Inc. **	Union Township	WS	115	52	115	20	Grow New Jersey Tax Credit-EOA
Pollaro Custom Furniture, Inc. **	Hillside Township	MF	50	55	50	4	Grow New Jersey Tax Credit-EOA
Sutherland Asset I, LLC **	New Providence Borough	OF	50	55	50	4	Grow New Jersey Tax Credit-EOA
ADPP Enterprises Inc. (Lopatcong)	Lopatcong Township	RT					Retail Fuel Station-Generator Incentive
ADPP Enterprises Inc. (Phillipsburg)	Phillipsburg Town	RT					Retail Fuel Station-Generator Incentive
ADPP Enterprises Inc. (Washington)	Washington Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Allamuchy)	Allamuchy Township	RT					Retail Fuel Station-Generator Incentive
20 projects			**431**	**539**	**215**	**850**	

*** Completed/Certified**

**** Executed pending certification**

Project Type Key			
CF: Commercial Fishing	EX: Exempt Public Facility	OF: Office Facility	TC: Technology
CM: Commercial	GF: Government Facility	RH: Residential Health Care	WS: Wholesale
CT: Construction T	HS: Housing	RT: Retail	
DC: Day Care	MF: Manufacturing	SR: Site Remediation	
DS: Distribution	NP: Not For Profit	SV: Services	

2015 Technology Business Tax Certificate Transfer Program

2015 List of Approved Sellers			
Company Name	**Type**	**Municipality**	**County**
Advaxis	Biotech	Princeton	Mercer
Agile Therapeutics	Biotech	Princeton	Mercer
Akers Biosciences, Inc.	Biotech	West Deptford	Gloucester
Alphion Corporation	Tech	Princeton Junction	Mercer
Angel Medical Systems, Inc.	Biotech	Shrewsbury	Monmouth
BioAegis Therapeutics, Inc.	Biotech	North Brunswick	Middlesex
Cancer Genetics, Inc.	Biotech	Rutherford	Bergen
Catheter Robotics, Inc.	Biotech	Mt. Olive	Morris
Celator Pharmaceuticals	Biotech	Ewing	Mercer
Celldex Research Corporation	Biotech	Phillipsburg	Warren
Connotate	Tech	New Brunswick	Middlesex
Cornerstone Pharmaceuticals, Inc.	Biotech	Cranbury	Middlesex
CytoSorbents, Inc.	Biotech	Monmouth Junction	Middlesex
DataMotion, Inc.	Tech	Florham Park	Morris
Dataram Corporation	Tech	Princeton	Mercer
DvTel, Inc.	Tech	Ridgefield Park	Bergen
Edge Therapeutics, Inc.	Biotech	Berkeley Heights	Union
Electromagnetic Technologies Industries, Inc.	Tech	Boonton	Morris
Elite Laboratories, Inc.	Biotech	Northvale	Bergen
Emisphere Technologies, Inc.	Biotech	Roseland	Essex
Eos Energy Storage	Tech	Edison	Middlesex
Flowonix Medical Inc.	Tech	Mt. Olive	Morris
Glowpoint, Inc.	Tech	Murray Hill	Union
Gold Group Enterprises, Inc.	Tech	Clark	Union
Hemispherx Biopharma, Inc.	Biotech	New Brunswick	Middlesex
Immunomedics, Inc.	Biotech	Morris Plains	Morris
Insmed Incorporated	Biotech	Bridgewater	Somerset
Ivy Sports Medicine, LLC	Biotech	Montvale	Bergen
Liquid Light, Inc.	Tech	Monmouth Junction	Middlesex
Matinas Biopharma Holdings, Inc.	Biotech	Bedminster	Somerset
Ocean Power Technologies, Inc.	Tech	Pennington	Mercer
Orthobond Corporation	Tech	North Brunswick	Middlesex
Rive Technology, Inc.	Tech	South Brunswick	Middlesex
Roka Bioscience, Inc.	Biotech	Warren	Somerset
SightLogix, Inc.	Tech	Princeton	Mercer
Soligenix, Inc.	Biotech	Princeton	Mercer
Svelte Medical Systems, Inc.	Biotech	New Providence	Union
SymbolicIO Corporation	Tech	Edison	Middlesex
VaxInnate Corporation	Biotech	Cranbury	Middlesex
Voxware, Inc.	Tech	Hamilton	Mercer
Watchful Software Inc.	Tech	Medford	Burlington
41 companies		**$47.4 million**	

2015 Angel Investor Tax Credit Program

2015 Approvals

Investor	Technology Company	Tax Credit Amount
Shaklee Corporation	Just Greens LLC	$ 100,000
John Hui	Bergen Medical	$ 2,500
David W. Marx	CircleBlack	$ 25,000
David W. Marx	CircleBlack	$ 10,000
Kenneth and Susan Gruskin	CircleBlack	$ 10,000
Michael J. Castellano	CircleBlack	$ 25,000
Nancy I. & Martin E. Beaulieu	CircleBlack	$ 25,000
Nancy I. & Martin E. Beaulieu	CircleBlack	$ 10,000
Pinehill Investments, LLC	CircleBlack	$ 25,000
Sandra Michel	CircleBlack	$ 10,000
Alan Merson	D3UC LLC	$ 2,500
Catherine M. Brown	D3UC LLC	$ 2,500
David Vaccari, Jr.	D3UC LLC	$ 2,500
Erin and James Misgen	D3UC LLC	$ 2,500
FatCube Limited	D3UC LLC	$ 4,992
Marc A. Salvato	D3UC LLC	$ 2,500
Margee S. Vaccari	D3UC LLC	$ 2,500
Marie Muller-Noonan	D3UC LLC	$ 2,500
Mark D. Vaccari	D3UC LLC	$ 2,500
Prashant Patel	D3UC LLC	$ 2,500
Steven Merson	D3UC LLC	$ 5,000
Ted Calandra Sr.	D3UC LLC	$ 5,000
William T. Guthrie	D3UC LLC	$ 2,500
Piushbhai Patel	Drug Stores II LLC	$ 6,250
Snehal Patel	Drug Stores II LLC	$ 6,250
David & Leslie Rosenthal	Edge Therapeutics, Inc.	$ 1,395
David & Mary Comora	Edge Therapeutics, Inc.	$ 10,462
David & Susan Kalb	Edge Therapeutics, Inc.	$ 13,253
David R. Victor Revocable Trust	Edge Therapeutics, Inc.	$ 10,000
DJ&J, LLC	Edge Therapeutics, Inc.	$ 25,000
Tianning Yu	Edge Therapeutics, Inc.	$ 5,000
Wayne Huepenbecker	Edge Therapeutics, Inc.	$ 10,000
Babst Family Trust	Edge Therapeutics, Inc.	$ 5,022
BioBrit, LLC	Edge Therapeutics, Inc.	$ 50,000
Brian Leuthner	Edge Therapeutics, Inc.	$ 1,700
George Kalil	Edge Therapeutics, Inc.	$ 5,022
Harry Kargman	Edge Therapeutics, Inc.	$ 5,000
James J. Loughlin	Edge Therapeutics, Inc.	$ 7,800
James J. Loughlin	Edge Therapeutics, Inc.	$ 7,701
Joel Yanowitz	Edge Therapeutics, Inc.	$ 2,511
Paul D. Ehrman	Edge Therapeutics, Inc.	$ 2,093
Robert Grinberg	Edge Therapeutics, Inc.	$ 10,000
Robert J. Spiegel	Edge Therapeutics, Inc.	$ 15,000
Roger D. Bozarth	Edge Therapeutics, Inc.	$ 4,511
Roger D. Bozarth	Edge Therapeutics, Inc.	$ 2,500
NeuroCore Investment Partners LLC	ElectroCore LLC	$ 358,300
ETS Investors LLC	Energy Technology Savings	$ 105,672
Acme Operating Company, LLC	Eos Energy Storage	$ 30,000
Alina LLC	Eos Energy Storage	$ 50,000
AltEnergy Storage, LLC	Eos Energy Storage	$ 250,000
AME Cloud Ventures, LLC	Eos Energy Storage	$ 50,000
Andrew James Kelleher	Eos Energy Storage	$ 100,000
Bruce Langone	Eos Energy Storage	$ 6,452
David M. Cohen	Eos Energy Storage	$ 16,566
David Schiff	Eos Energy Storage	$ 10,000
David Schiff	Eos Energy Storage	$ 7,500
Fisher EOS LLC	Eos Energy Storage	$ 50,000
Glenn Oztemel	Eos Energy Storage	$ 20,000
Glenn Oztemel	Eos Energy Storage	$ 35,000
Global Equity Partners, LLC	Eos Energy Storage	$ 10,000
Hawthorne II Investment LP	Eos Energy Storage	$ 25,000
Jerry Labowitz	Eos Energy Storage	$ 25,000
Jerry Labowitz	Eos Energy Storage	$ 30,000
Matthew Lenhart	Eos Energy Storage	$ 50,000
Michael Gamson	Eos Energy Storage	$ 100,000
Richard T Weiss Living Trust	Eos Energy Storage	$ 25,000

Investor	Technology Company	Tax Credit Amount
Sarathi Roy	Eos Energy Storage	$ 12,500
Timothy G. LaLonde	Eos Energy Storage	$ 17,500
Timothy G. LaLonde	Eos Energy Storage	$ 5,000
David R. Quackenbush	Innovaci Incorporated	$ 4,000
David R. Quackenbush	Innovaci Incorporated	$ 2,000
J Henry Scott	Innovaci Incorporated	$ 10,000
Neil Desena	Innovaci Incorporated	$ 5,000
River Capital Associates, LLC	Innovaci Incorporated	$ 5,000
River Capital Associates, LLC	Innovaci Incorporated	$ 10,000
Andrew Brown	Inpensa, Inc.	$ 7,500
Domo, LLC	Inpensa, Inc.	$ 10,000
Josh Burwick	Inpensa, Inc.	$ 7,500
SGB Family Holdings, LP	Inpensa, Inc.	$ 25,000
SGB Family Holdings, LP	Inpensa, Inc.	$ 25,000
Alexandria Rascals, LLC	Inspirit Group, LLC	$ 100,000
C. Parkhill Mays III	Inspirit Group, LLC	$ 16,666
C. Parkhill Mays III	Inspirit Group, LLC	$ 10,000
David B. Pearl	Inspirit Group, LLC	$ 10,000
Fortuna 303, LLC	Inspirit Group, LLC	$ 10,000
Fortuna 303, LLC	Inspirit Group, LLC	$ 3,000
Jane Kilcullen	Inspirit Group, LLC	$ 10,000
Jane Kilcullen	Inspirit Group, LLC	$ 10,000
Jane Kilcullen	Inspirit Group, LLC	$ 3,055
John A. Spada	Inspirit Group, LLC	$ 10,000
Kilcullen Family Dynasty Trust	Inspirit Group, LLC	$ 15,000
Kilcullen Family Dynasty Trust	Inspirit Group, LLC	$ 22,922
Neil Ross	Inspirit Group, LLC	$ 5,000
SFP Enterprises, LP	Inspirit Group, LLC	$ 100,000
SFP Enterprises, LP	Inspirit Group, LLC	$ 100,000
Timothy and Suzanne Bates	Inspirit Group, LLC	$ 5,000
Alvin B. Krongard	Kiswe Mobile	$ 60,000
BEMP 2012, LLC	Kiswe Mobile	$ 10,000
BEMP 2012, LLC	Kiswe Mobile	$ 20,000
BEMP 2012, LLC	Kiswe Mobile	$ 20,000
Brauchli Media Enterprises LLC	Kiswe Mobile	$ 4,500
DJAC Enterprises LLC	Kiswe Mobile	$ 4,500
Hyoung Joo Kim	Kiswe Mobile	$ 2,000
James Arthur Lynn	Kiswe Mobile	$ 30,000
Jeong H. Kim Revocable Trust	Kiswe Mobile	$ 340,000
KB Investments LLC	Kiswe Mobile	$ 13,500
Michael F. Thibault Revocable Tr	Kiswe Mobile	$ 10,000
Raul Fernandez	Kiswe Mobile	$ 20,000
Samuel A. Nunn, Jr.	Kiswe Mobile	$ 10,000
Scott McCune	Kiswe Mobile	$ 10,000
Terence L. Seese	Kiswe Mobile	$ 4,500
The Roger Mody Revocable Trust	Kiswe Mobile	$ 25,000
Theodore J. Leonsis Revocable Tr	Kiswe Mobile	$ 7,000
Two Trey LLC	Kiswe Mobile	$ 60,000
Wentworth Capital Investments	Kiswe Mobile	$ 50,000
Wim Sweldens	Kiswe Mobile	$ 30,000
Yeon Cheon Oh	Kiswe Mobile	$ 10,000
Zachary E. Leonsis	Kiswe Mobile	$ 3,000
Rasik Gondalia	Leading Pharma	$ 250,000
Ronald Gold	Leading Pharma	$ 250,000
Douglas C. Cline	Log Storm Security	$ 60,000
Naseem Haffar	LugTrack LLC	$ 12,500
Fred Beans	Midawi Holdings	$ 25,000
John Benis	Midawi Holdings	$ 5,000
Morton Collins	Midawi Holdings	$ 12,500
Morton Collins	Midawi Holdings	$ 10,000
Morton Collins	Midawi Holdings	$ 5,000
Theodore Marcus	Midawi Holdings	$ 2,500
Nelson Ferreira	Noveda Technologies	$ 22,650
Nelson Ferreira	Noveda Technologies	$ 30,000
Daniil Fishteyn	OnTimeWorks LLC	$ 12,500
Rachel Lyubovitzky	OnTimeWorks LLC	$ 12,500

continued

2015 Angel Investor Tax Credit Program (continued)

2015 Approvals (continued)

Investor	Technology Company	Tax Credit Amount
William K. Loss	OnTimeWorks LLC	$ 50,000
Carl Westcott	Princeton Infrared Technologies	$ 20,000
Hough Family Trust	Princeton Infrared Technologies	$ 10,000
John E. Stoddard III	Princeton Infrared Technologies	$ 10,000
Linehan Family Investments, LLC	Princeton Infrared Technologies	$ 25,000
Parrish Family Trust	Princeton Infrared Technologies	$ 10,000
Paul Duchen	Princeton Infrared Technologies	$ 30,000
Stephen W. McHugh	Princeton Infrared Technologies	$ 10,000
William J. Roddy	Princeton Infrared Technologies	$ 10,000
Darren Hammell	Princeton Power Systems	$ 5,000
GHO Ventures LLC	Princeton Power Systems	$ 113,538
Kenneth W. McCauley	Princeton Power Systems	$ 7,455
Marshall J. Cohen Family Trust	Princeton Power Systems	$ 15,129
William & Anne Lennox Rev Trust	Princeton Power Systems	$ 5,957
Rajiv and Sushma Lakhanpal	SPECTRAMD USA, INC	$ 10,000
Rajiv and Sushma Lakhanpal	SPECTRAMD USA, INC	$ 20,000
Sandeep Tyagi	SPECTRAMD USA, INC	$ 5,000
Sandeep Tyagi	SPECTRAMD USA, INC	$ 15,000
Avtar S. Parhar	SPECTRAMD USA, INC	$ 10,000
Bikramjit Singh	SPECTRAMD USA, INC	$ 15,000
Harjit Singh	SPECTRAMD USA, INC	$ 5,000
Rajiv and Sushma Lakhanpal	SPECTRAMD USA, INC	$ 15,000
Rajiv Lakhanpal	SPECTRAMD USA, INC	$ 9,250
Raksha Trivedi	SPECTRAMD USA, INC	$ 7,500
Reema Puri	SPECTRAMD USA, INC	$ 15,000
Sandeep Tyagi	SPECTRAMD USA, INC	$ 10,000
SpectraMD Inc.	SPECTRAMD USA, INC	$ 22,500
Sushma Lakhanpal	SPECTRAMD USA, INC	$ 9,250
Varinder Singh	SPECTRAMD USA, INC	$ 10,000
Christopher Schlank	TAXIS Pharmaceuticals, Inc.	$ 10,000
Ernest Mario	TAXIS Pharmaceuticals, Inc.	$ 50,000
Gregory G. Mario	TAXIS Pharmaceuticals, Inc.	$ 5,000
Mario Family Partners LP	TAXIS Pharmaceuticals, Inc.	$ 50,000
Gary Gelbfish, M.D.	Turnpoint Medical Devices, Inc.	$ 19,950
Betsy Dawson Cotton	United Silicon Carbide, Inc.	$ 5,000
John Christopher Dries	United Silicon Carbide, Inc.	$ 75,000
John Christopher Dries	United Silicon Carbide, Inc.	$ 20,000
David J. Leishman	VectraCor, Inc.	$ 15,000
James E. Pinkin	VectraCor, Inc.	$ 15,000
Alan Dlugash	WorldWater & Solar Technologies	$ 12,500
Alfred L. Cohen	WorldWater & Solar Technologies	$ 50,000
Bruce Deichl	WorldWater & Solar Technologies	$ 12,500
Ira Kevelson	WorldWater & Solar Technologies	$ 7,500
Christopher Palmer Miller	Zipz, Inc.	$ 10,000
James Formisano	Zipz, Inc.	$ 10,802
James Formisano	Zipz, Inc.	$ 9,998
James Rogan	Zipz, Inc.	$ 3,941
Jamie R Pollack Irrevocable Trust	Zipz, Inc.	$ 12,499
Joseph Monte	Zipz, Inc.	$ 15,833
Margate Partners I	Zipz, Inc.	$ 5,238
Mark S Pollack Irrevocable Trust	Zipz, Inc.	$ 12,499
Neil Desena	Zipz, Inc.	$ 10,000
Neil Desena	Zipz, Inc.	$ 17,766
Neil Desena	Zipz, Inc.	$ 17,500
Nicholas Cassino	Zipz, Inc.	$ 5,000
Nicholas Cassino	Zipz, Inc.	$ 15,000
Pamela Sculler	Zipz, Inc.	$ 5,000
Patrick Scire	Zipz, Inc.	$ 18,582
River Capital Associates, LLC	Zipz, Inc.	$ 30,000
River Capital Associates, LLC	Zipz, Inc.	$ 26,194
River Capital Associates, LLC	Zipz, Inc.	$ 15,000
Salvatore Scire	Zipz, Inc.	$ 5,238
The Patrick Scire 2001 GST Trust	Zipz, Inc.	$ 20,000
The Patrick Scire 2001 GST Trust	Zipz, Inc.	$ 10,478
The Patrick Scire 2001 GST Trust	Zipz, Inc.	$ 10,000
TRT Holdings LLC	Zipz, Inc.	$ 10,000
TRT Holdings LLC	Zipz, Inc.	$ 19,999
TRUST FBO CATHERINE G. KNOPF	Zipz, Inc.	$ 4,166
TRUST FBO CATHERINE G. KNOPF	Zipz, Inc.	$ 8,331
TRUST FBO ELIZABETH A. KNOPF	Zipz, Inc.	$ 4,166
TRUST FBO ELIZABETH A. KNOPF	Zipz, Inc.	$ 8,331
TRUST FBO EMILY C. KNOPF	Zipz, Inc.	$ 3,125
TRUST FBO EMILY KNOPF	Zipz, Inc.	$ 6,249
TRUST FBO JAMES M. KNOPF	Zipz, Inc.	$ 4,166
TRUST FBO JAMES M. KNOPF	Zipz, Inc.	$ 8,331
TRUST FBO JENNIFER S. KNOPF	Zipz, Inc.	$ 3,125
TRUST FBO JENNIFER S. KNOPF	Zipz, Inc.	$ 6,249
TRUST FBO LAURA M. KNOPF	Zipz, Inc.	$ 6,249
TRUST FBO LAURA M. KNOPF	Zipz, Inc.	$ 3,125
TRUST FBO MAX B. KNOPF	Zipz, Inc.	$ 3,125
TRUST FBO MAX B. KNOPF	Zipz, Inc.	$ 6,249
213 application approvals		**$ 5,113,828**

INCENTIVES PROGRAM

ECONOMIC REDEVELOPMENT AND GROWTH (ERG) PROGRAM

The following summary is provided for information only. Full eligibility and review criteria can be found in the program's rules.

ECONOMIC REDEVELOPMENT AND GROWTH (ERG) PROGRAM

Created by law in 2012, and revised through P.L. 2013, c. 161, and the "Economic Opportunity Act of 2014, Part 3," P.L. 2014, c. 63, the intent of this program is to provide State incentive grants to a developer, or non-profit organization on behalf of a qualified developer, to capture new State incremental taxes derived from a project's development to address a financing gap, with $603 million authorized for qualified residential projects.

Per N.J.S.A. 52:27D-489a / N.J.A.C. 19:31-4 and the program's rules, the applicant must:

- Have a redevelopment project that is located in a qualifying area and not have begun any construction at the project site prior to submitting an application, except: if the EDA determines the project would not be completed otherwise; or if the project is undertaken in phases, a developer may apply for phases which construction has not yet commenced.
- Demonstrate to the EDA that: 1) the project shall be constructed in accordance with certain minimum environmental standards; 2) except with regards to a qualified residential project, the project will yield a net positive benefit equaling no less than 110% of the grant assistance, not to exceed 20 years; and 3) the project has a financing gap.
- Meet a 20% equity requirement.

Staff Review:

- A comprehensive net benefit analysis is conducted to ensure the project has a positive net benefit to the State of no less than 110%. The economic impact model used by the EDA includes multipliers from the RIMS II data base, published by the US Department of Commerce, along with internal econometric analysis and modeling to assess economic outputs, impacts and likely jobs creation.

Amount of award based upon:

- Up to 75% of annual incremental State tax revenues or 85% in a Garden State Growth Zone (GSGZ) generated by the project over a term of up to 20 years, provided the combined amount of reimbursements do exceed 20% of total project cost, or 30% in a GSGZ.
- The maximum amount of any grant, including any increase in the amount of reimbursement, shall be up to 30% of total project cost, except for projects in a GSGZ, which may be up to 40%.
- Bonus amounts of up to 10% of total project cost are available if the project is: In distressed municipality which lacks adequate access to nutritious food and will include a supermarket, grocery store or prepared food establishment; In distressed municipality which lacks adequate access to health care/services and will include a health care and services center; Transit project; Qualified residential project with at least 10% of residential units reserved for moderate income housing; In highlands development credit receiving area or redevelopment area; Disaster recovery project; Aviation project; Tourism destination project; or Substantial rehabilitation or renovation of an existing structure(s).

Qualified Residential Projects:

The law authorizes $603 million in incentives for qualified residential projects, excluding transitional or homeless units, that the EDA administers as tax credits as follows: 1) $250 million for projects within 8 southernmost counties, of which: $175 million for projects in Camden/Atlantic City and $75 million for projects in municipalities with a 2007 MRI Index of 400 or higher; 2) $250 million for projects in: Urban Transit Hubs that are commuter rail in nature, GSGZ, Disaster recovery projects, and SDA municipalities located in Hudson County that were awarded State Aid in FY 2013 through the Transitional Aid to Localities Program; 3) $87 million for projects in distressed municipalities, deep poverty pockets, highlands development credit receiving areas or redevelopment areas; and 4) $16 million for projects located within a qualifying ERG incentive area.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

To: Members of the Authority

From: Timothy Lizura
President and Chief Operating Officer

Date: June 14, 2016

RE: **One Cooper Residential Urban Renewal, LLC**
Residential Economic Redevelopment and Growth Grant Program ("RES ERG")
P #42320

Request

As created by statute, the Economic Redevelopment and Growth (ERG) Program offers state incentive grants to finance development projects that demonstrate a financing gap. Applications to the ERG 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. 52 :27D-489a et seq. / N.J.A.C. 19:31-4 and the program's rules, developers or non-profit organizations on behalf of a qualified developer, must have a redevelopment project located in a qualifying area, demonstrate that the project has a financing gap, meet minimum environmental standards, meet a 20% equity requirement, and, except with regards to a qualified residential project, mixed-use parking project, or a university infrastructure project yield a net positive benefit to the state. With the exception of residential ERG projects, mixed-use parking projects, and university infrastructure projects grants are made annually based on the incremental eligible taxes actually generated as a result of the project.

The Members are asked to approve the application of One Cooper Residential Urban Renewal, LLC (the "Applicant") for a Project located in the City of Camden, Camden County (the "Project"), for the issuance of tax credits pursuant to the RES ERG program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 ("Act").

The total costs of the Project are estimated to be $55,200,000 and of this amount, $51,074,000 are eligible costs under the RES ERG program. The recommendation is to give 40% of actual eligible costs, not to exceed $20,429,600. A residential project is eligible to receive a RES ERG tax credit of up to 20% of the total eligible project costs. One Cooper Residential Urban Renewal, LLC is also eligible for a bonus of an additional 20% (for a total of 40%) because the Applicant has demonstrated they will reserve 20% of the units for moderate income housing and the project is located in a Garden State Growth Zone.

Project Description

The "Project" is the new construction of a mixed use property that will include 2 four story buildings. The buildings will be mixed use containing a total of approximately 6,515 square feet of retail space, 184 apartment units and 217 parking spaces. The Project's two parcels of land are located between Cooper Street and Delaware Avenue in the City of Camden. Together the parcels are approximately 3.4 acres and are currently utilized as surface parking lots.

The Project is the first phase in the Camden Waterfront Redevelopment Enterprise ("Enterprise"). The Enterprise is a multi-phase, mixed-use development situated on 20 acres. Planned for up to 2 million square feet of development, the enterprise includes the construction of 207 rental residential units, a 130 bedroom hotel, 22,000 square feet of retail space, 1.4 million square feet of office space, and parking for over 4,000 vehicles. Upon completion, it is anticipated that targeted office space tenants for this development will include 7,300 workers.

The Authority is in receipt of a Market Feasibility Analysis dated April 8, 2016, prepared by Econsult Solutions, a third party consultant who issued their determination of current and future market conditions. The study demonstrates the continued market demand for the project.

The project is anticipated to be completed by May 2018. The Applicant intends to comply with the green building requirements by meeting the LEED silver standard.

The property is subject to a Development and Option Agreement ("D and O Agreement") between the NJEDA and Camden Town Center, LLC ("CTC"). The Waterfront Development Agreement dated May 19, 2006 between CTC and Dranoff Properties, Inc. gives Dranoff the right of first refusal to purchase the property for residential development. EDA staff has also received a letter of intent between the Applicant and Liberty Property Trust, the contract purchaser of CTC, stating both parties' intention to enter into a purchase and sales contract for both sites.

Although applicants for the RES ERG program are not required to maintain certain employment levels, it is estimated that this Project, per the Applicant, will create approximately 270 temporary construction jobs and 25 full time positions at the Project site as a result of the ERG subsidy.

Project Ownership

The Applicant is a single purpose entity that will be 100% owned by One Cooper Residential, LLC. One Cooper Residential, LLC will be owned 99.99% by an Investor Member LLC that will be created. The anticipated owners of the Investor Member LLC are Carl Dranoff, Michaels Development, and Riverside Capital, LLC. Dranoff Properties, Inc. will be the managing member of One Cooper Residential, LLC and own .01% of the entity. Dranoff Properties, Inc. was founded in 1997 by Carl E. Dranoff who is a multifamily developer based in Philadelphia. The company has a strong presence in Philadelphia and New Jersey. Dranoff Properties, Inc.'s project One Theatre Square in Newark, NJ was approved on 11/15/13 for a HUB in the amount of $33 million. The One Theatre Square project site is adjacent to the New Jersey Performing Arts Center. Once completed, this development will include 245 apartments, 15,000 square feet of ground floor retail, and parking for 285 cars.

Financial information on the specific owners of the Applicant can be found in the Confidential Memorandum on Financial Analysis, following this analysis.

Project Uses

The Applicant proposes the following uses for the Project:

Uses	*Total Project Costs*	*RES ERG Eligible Amount*
Acquisition of Land and Buildings	$ 130,000	$ 130,000
Construction & Site Improvements	41,922,000	41,922,000
Professional Services	4,142,000	4,142,000
Financing & Other Costs	5,001,000	3,083,000
Contingency	1,797,000	1,797,000
Development Fee	2,208,000	0
TOTAL USES	**$ 55,200,000**	**$ 51,074,000**

RES ERG eligible project costs exclude ineligible costs aggregating 4,126,000, including reserves of $1.9 million and development fee of $2.2 million.

Sources of Financing	*Amount*
Construction Debt	$ 29,523,000
ERG Bridge Loan	14,637,000
Equity:	
Developer Equity	11,040,000
Total	**$ 55,200,000**

The Applicant received a letter of intent for construction financing from Continental Mortgage Corporation in the amount of $29.52 million. It is anticipated that the permanent debt will have a 15 year amortization period with a term of 15 years and a fixed interest rate of 5.50%. Continental Mortgage will also be providing a RES ERG Bridge Loan in the amount of $14.6 million. The Bridge loan will have a 10 year term with a 10 year amortization period at a fixed interest rate of 5.50%. The Applicant is injecting $11 million of equity towards the Project that equates to 20% of total project costs.

Gap Analysis

EDA staff has reviewed the application to determine if there is a shortfall in the project development economics pertaining to the return on the investment for the developer and their ability to attract the required investment for this Project. Staff analyzed the pro forma and projections of the Project and compared the returns with and without the ERG over 11 years (one year to build and 10 years of cash flow).

Without ERG	**With ERG**
Equity IRR 3.32%	Equity IRR 12.51%

As indicated in the chart above, the Project would not otherwise be completed without the benefit of the ERG. **With the benefit of the ERG, the Equity IRR is 12.51% which is below the**

Maximum IRR of 15.27% for a retail & multifamily real estate project located in the City of Camden, Camden County. This maximum IRR was calculated by the EDA's Hurdle Rate Model which was developed by Jones Lang LaSalle.

Other Statutory Criteria

In order to be eligible for the program, the Authority is required to consider the following items:

The economic feasibility and the need of the redevelopment incentive agreement to the viability of the Project

The Project poses a funding gap and the development of this multifamily community is unlikely without the EDA's assistance. The Applicant was able to demonstrate a shortfall in the financing structure without being awarded the RES ERG credits. The site is currently a surface parking lot.

The Authority is in receipt of a Market Feasibility Analysis dated April 8, 2016, prepared by Econsult Solutions, a third party consultant who issued their determination of current and future market conditions. The study demonstrates the continued market demand for the project and supports the financial assumptions included in the project pro-forma. As per the market study, the subject is located in an established urban area with vacancy rates of 2.9%. The study states there is strong demand for units in the area and project's rent up within 6 months of construction completion.

The Project is a component in the proposed Camden Waterfront Plan. The Camden Waterfront Plan is a multi-phase, mixed-use development situated on 20 acres in Camden, New Jersey. The enterprise will be developed by Liberty Property Trust and includes two million square feet of development. The Camden Waterfront Plan will include the construction of 207 residential units, 130 bedroom hotel, 22,000 square feet of retail, and 1.4 million square feet of office space.

Based on the information provided, the Project is economically feasible based on the track record of the applicant and their development team as well as the committed funding sources for the entire cost budget, which is available to this project.

The degree to which the redevelopment project within a municipality which exhibits economic and social distress, will advance State, regional, local development and planning strategies, promote job creation and economic development and have a relationship to other major projects undertaken within the municipality.

The Project is located in Camden, an urban aid municipality. Camden is ranked number 566 out of 566 municipalities per the ranking of distress in New Jersey. The greater Camden area has suffered from population declines, poverty, high crime rates, and overall negative trends over the past several decades. Camden's average household income is $38,588 per year, ranked as one of the lowest in New Jersey.

Historically the Waterfront areas of Camden were largely used for industrial purposes that became vacant. The Waterfront Redevelopment Plan is designed to revitalize Camden's waterfront properties to complement the current development in the area and leverage such attractions as the Camden Aquarium and Cooper University Hospital, and Rutgers University to redevelop the area into a mixed use transit community. A major goal of the Waterfront Redevelopment plan is to utilize the Waterfront's existing transportation infrastructure and proximity to Philadelphia. The plan includes the development of office space, retail, and residential units. Upon completion of the Enterprise it is anticipated that target office space tenants for this development will include 7,300 workers. The development of the One Cooper Residential project is vital to the overall Waterfront redevelopment plan and will be a major component of housing to the Camden Waterfront's redevelopment plan.

Recommendation

Authority staff has reviewed the application for One Cooper Residential Urban Renewal, 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 a commitment letter to the Applicant.

Issuance of the RES ERG Approval Letter is contingent upon the Applicant meeting the following condition:

1. Submission of the Final Purchase and Sales Contract for the site within six months of this approval.

Issuance of the RES ERG tax credits are contingent upon the Applicant meeting the following conditions:

1. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant to the Authority for the RES ERG; and

2. Evidence of site control and site plan approval for the Project; and

3. Copies of all required State and federal government permits for the Project and copies of all local planning and zoning board approvals that are required for the Project.

4. Evidence that the Project complies with N.J.A.C. 19:31-4.3(a) (3).

Tax Credits shall be issued upon:

1. Completion of construction and issuance of a Certificate of Occupancy (no later than July 28, 2018); and

2. Submission of a detailed list of all eligible costs, which costs shall be certified by a CPA and satisfactory to the NJEDA; and

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

The New Jersey Economic Opportunity Act of 2013 provides a total of $600 million in tax credits to be utilized towards eligible residential based projects. This allocation is further separated into five additional allocations to assist projects meeting certain geographic and/or economic criteria. This Project being located in the City of Camden, Camden County qualifies to be funded under the allocation for projects located in the City of Camden or Atlantic City. The initial total of this allocation was $175 million. After today's approvals, $2.7 million remains in the allocation and $50.5 million tax credits remain in the total residential program.

Total Eligible Project Costs: $51,074,000

Eligible Tax Credits and Recommended Award: The recommendation is to award 40% of actual eligible costs, not to exceed $20,429,600 to be paid over 10 years.

Timothy Lizura
President and Chief Operating Officer

Prepared by: Matt Boyle

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

To: Members of the Authority

From: Timothy Lizura
President and Chief Operating Officer

Date: June 14, 2016

RE: **Parking Authority of the City of Camden**
Mixed Use Parking Economic Redevelopment and Growth Grant Program ("Mixed Use Parking ERG")
P #42221

Request

As created by statute, the Economic Redevelopment and Growth (ERG) Program offers state incentive grants to finance development projects that demonstrate a financing gap. Applications to the ERG 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. 52 :27D-489a et seq. / N.J.A.C. 19:31-4 and the program's rules, developers or non-profit organizations on behalf of a qualified developer, must have a redevelopment project located in a qualifying area, demonstrate that the project has a financing gap, meet minimum environmental standards, meet a 20% equity requirement, and, except with regards to a qualified residential project, mixed-use parking project, or a university infrastructure project yield a net positive benefit to the state. With the exception of residential ERG projects, mixed-use parking projects, and university infrastructure projects grants are made annually based on the incremental eligible taxes actually generated as a result of the project.

The Members are asked to approve the application of the Parking Authority of the City of Camden (the "Applicant") for a Project located at 100 Federal Street, Camden, Camden County (the "Project"), for the issuance of tax credits pursuant to the Mixed Use Parking ERG program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 ("Act").

On July 13, 2015, legislation was enacted as P.L. 2015, c. 69 allowing municipal redevelopers to apply for tax credits under the Mixed Use Parking ERG program for mixed use parking projects. The maximum of reimbursement shall equal up to 100% of the total eligible project costs allocable to the parking component of the project and in addition 40% of the total eligible project costs allocable to the office space / retail component of the project. The total costs of the Project are estimated to be $42,615,811, and of this amount, $33,222,486 is eligible parking costs under the Mixed Use Parking ERG program. The recommendation is to award 100% of actual eligible Parking costs, not to exceed $14,000,000.

Project Description

The Project site is located between Federal Street and Dr. Martin Luther King Boulevard in the City of Camden, Camden County. The site is approximately 3.3 acres and is currently utilized as a surface parking lot. The site is currently owned by the Delaware River Port Authority ("DRPA"). The proposed project is the construction of a 1,300 space garage (381,000 square feet), 800 square feet of retail, and 28,153 square feet of office space.

The Project will be located in close proximity to a multi-phase, mixed-use development situated on 20 acres known as the Camden Waterfront Redevelopment Area. The Camden Waterfront Plan as currently envisioned by the proposed developer, Liberty Property Trust, will include the construction of 207 residential units, 130 bedroom hotel, 22,000 square feet of retail space, and 1.4 million square feet of office space. Currently, the Camden Waterfront attractions draw over 3 million visitors to the area.

The Project site is located within the Camden Downtown Redevelopment Plan. The plan is designed to revitalize Camden's downtown area. Two of the plan's many redevelopment goals are the assistance of expanding Rutgers and Rowan University campuses and improving Camden's transit infrastructure. Also, Cooper University Hospital campus has struggled to find sufficient parking for both staff and patients, as the hospital plans to relocate an additional 350 employees from its Cherry Hill and Mount Laurel locations to Camden. Demand and utilization of the garage is evidenced by letters of intent the Applicant has received from Cooper University Hospital and Rutgers University.

As per a Market Feasibility Analysis prepared by Phoenix Advisors, a third party consultant, the subject is located in an urban redevelopment area that is projected to have a shortage of parking inventory. The study states there is strong demand for parking and that new businesses will need to rely on remote parking north of the Ben Franklin Bridge and south of Mickle Boulevard unless additional parking is constructed.

Construction is expected to begin in August, 2016 in conjunction with the closing on financing and investments. The anticipated completion of the Project is June, 2018. The Applicant intends to comply with the green building requirements by meeting the LEED Bronze standard.

Although applicants for the Mixed Use Parking ERG program are not required to maintain certain employment levels, it is estimated that this Project, per the Applicant, will create approximately 200 temporary construction jobs.

Project Ownership

The Parking Authority of the City of Camden (PACC) was created in 1958 by an ordinance passed pursuant to the New Jersey Parking Authority Act of 1948. The Authority is a public body politic and corporate and a political subdivision of the State of New Jersey, working in conjunction with the Mayor and members of the City Council for the continuing improvement of parking conditions within the City of Camden. The purpose of the Authority is the construction, provision and operation of off-street parking facilities, the promotion of traffic improvement, and any other legal parking related activity, Additionally, to the extent authorized by the governing body of the City, the Authority is involved in the management and operation of on-street parking meters and other related facilities and enforcement of the applicable laws, ordinances and regulations relating to the parking of vehicles. Recently, the Authority has been offering its parking services to a variety of private and public sector anchors in the City of Camden and assisting in the identification, operations, and maintenance of several facilities throughout the City.

Project Uses

The Applicant proposes the following uses for the Project:

Uses	*Total Project Costs*	*MIXED USE PARKING ERG Eligible Amount*
Acquisition of Land and Buildings	2,500,000	2,500,000
Construction & Site Improvements	32,727,098	32,727,098
Professional Services	2,100,000	2,100,000
Financing & Other Costs	3,222,281	935,106
Contingency	2,066,432	2,066,432
TOTAL USES	**42,615,811**	**40,328,636**
Less: Amount of State Grant	3,000,000	3,000,000
Net Project Costs	**39,615,811**	**37,328,636**
Net Cost of Parking Component	**35,258,072**	**33,222,486**

ERG eligible project costs exclude ineligible costs aggregating $2.29 million, which includes estimated debt reserve escrows and working capital which are deemed ineligible. While $40,328,636 in project costs are eligible costs, when calculating the amount of the ERG incentive, any amounts deemed state grants are subtracted. This Project is anticipated to receive $3,000,000 in State grants (from the Economic Recovery Board of Camden). Subtracting the $3,000,000 grant from the eligible project costs of $40,328,636 leaves a balance of $37,328,636 as the basis for the ERG award. Based on the Pro forma submitted by the applicant 11% of eligible cost are attributed to non-parking components of the project and 89% of the eligible cost are attributed to parking components of the project. For a Mixed Use Parking Project the maximum reimbursement shall equal up to 100% of the actual eligible costs of the parking component and 40% of the actual eligible costs of the non-parking component of the project. Eligible parking costs of $33,222,486 were used in the calculation of the award due to the majority of the project costs being attributed to the parking component of the project and the applicant's requested Mixed Use Parking ERG of $14 million. The Applicant is eligible for a maximum ERG of 100% of parking costs, however; an ERG of $14,000,000 is being recommended for approval.

Sources of Financing	*Amount*
Debt Financing	$ 19,815,000
ERB Grant	3,000,000
ERG Bridge Loan	11,277,649
Applicant Equity	8,523,162
Total	**$ 42,615,811**

The Applicant anticipates issuing $19.8 million of 30 year bond financing at an estimated interest rate of 4.45% through the Camden County Improvement Authority that will be supported by the Project's cash flows. The Applicant also anticipates receiving an ERG Bridge Loan with a 10 year amortization at an interest rate of 4.45%. Mixed Use Parking ERG projects are required to have a minimum of 20% equity in the Project. The Applicant is injecting $8.5 million of equity towards the Project that equates to 20% of total project costs.

Gap Analysis

EDA staff has reviewed the application to determine if there is a shortfall in the project development economics pertaining to the return on the investment for the developer and their ability to attract the required investment for this project. Staff analyzed the pro forma and projections of the project and compared the returns with and without the Mixed Use Parking ERG over 12 years (two years to build and 10 years of cash flow).

Without ERG	**With ERG**
Equity IRR -4.16 %	Equity IRR 6.22 %

As indicated in the chart above, the project would not otherwise be completed without the benefit of the ERG. **With the benefit of the ERG, the Equity IRR is 6.22% which is significantly below the Hurdle Rate Model provided by EDA's contracted consultant Jones Lang LaSalle which indicates a maximum IRR of 14.87% for a project located in the City of Camden.**

Other Statutory Criteria

In order to be eligible for the program, the Authority is required to consider the following items:

The economic feasibility and the need of the redevelopment incentive agreement to the viability of the project.

The Project poses a funding gap and the development of this parking structure is likely not to happen without the EDA's assistance. The Applicant was able to demonstrate a shortfall in the financing structure without being awarded the Mixed Use Parking ERG credits. The site is currently a surface parking lot.

The Authority is in receipt of a Market Feasibility Analysis prepared by Phoenix Advisors, a third party consultant who issued their determination of current and future market conditions. The study demonstrates the continued market demand for the Project and supports the financial assumptions included in the project pro-forma. As per the market study, the subject is located in an urban redevelopment area that once completed is projected to increase the shortage of parking inventory. The study states there is strong demand for parking and that new businesses will need to rely on remote parking north of the Ben Franklin Bridge and south of Mickle Boulevard unless additional parking is constructed.

The Project will be located in close proximity to the proposed Camden Waterfront Plan, which is a multi-phase, mixed-use development situated on 20 acres in Camden, New Jersey. The Waterfront Redevelopment Area will be developed by Liberty Property Trust and includes two million square feet of development. The Camden Waterfront Plan will include the construction of 207 residential units, 130 bedroom hotel, 22,000 square feet of retail, and 1.4 million square feet of office space.

The Project appears to be economically feasible based on the track record of the Applicant and their development team as well as the committed funding sources for the entire cost budget which is available to this project.

The degree to which the redevelopment project within a municipality which exhibits economic and social distress, will advance State, regional, local development and planning strategies, promote job creation and economic development and have a relationship to other major projects undertaken within the municipality.

The Project is located in Camden, an urban aid municipality. Camden is ranked number 566 out of 566 municipalities per the ranking of distress in New Jersey. The greater Camden area has suffered from population declines, poverty, high crime rates, and overall negative trends over the past several decades. Camden's average household income is $38,588 per year, ranked as one of the lowest in New Jersey.

Historically the Waterfront and Downtown areas of Camden were largely used for industrial purposes that became vacant. The Downtown and Waterfront Redevelopment Plans are designed to revitalize Camden's Waterfront properties to complement the current development in the area and leverage such attractions as the Camden Aquarium, Cooper University Hospital, and Rutgers University to redevelop the area into a mixed use transit community. A major goal of the Waterfront Redevelopment plan is to utilize the Waterfront's existing transportation infrastructure and proximity to Philadelphia. The plan includes the development of office space, retail, and residential units.

Upon completion of the Waterfront Redevelopment Area it is anticipated that targeted office space tenants for this development will include 7,300 workers. Currently, the Camden Waterfront attractions draw over 3 million visitors to the area. Cooper University Hospital campus has struggled to find sufficient parking for both staff and patients, while the hospital plans to relocate an additional 350 employees from its Cherry Hill and Mount Laurel locations to Camden.

The Project site is located within the Camden Downtown Redevelopment Plan. The plan is designed to revitalize Camden's downtown area. Two of the key focuses of the redevelopment plan are to provide assistance by expanding Rutgers and Rowan's university campuses and to improve Camden's transit infrastructure. Cooper Health System anticipates leasing no less than 400 spaces and Rutgers University anticipates leasing no less than 800 spaces. The development of this parking garage will add much needed parking space to support the redevelopment of Camden's downtown area.

The Project is expected to create a total of 200 construction jobs. The increased economic activity generated by this Project should result in a decrease of the unemployment figures in the area.

Recommendation

Authority staff has reviewed the application for the Parking Authority of the City of Camden 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 Mixed Use Parking ERG Approval Letter is contingent upon the Applicant meeting the following condition:

1. Submission of the Final Purchase and Sales Contract for the site within six months of this approval.

Issuance of the Mixed Use Parking ERG tax credits is contingent upon the Applicant meeting the following conditions:

1. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant to the Authority for the Mixed Use Parking ERG. and

2. Evidence of site control and site plan approval for the Project within six months of approval; and

3. Copies of all required State and federal government permits for the Project and copies of all local planning and zoning board approvals that are required for the Project.

Tax Credits shall be issued upon:

1. Completion of construction and issuance of a Certificate of Occupancy (no later than June 01, 2019 ; and

2. Submission of a detailed list of all eligible costs, which costs shall be certified by a CPA and satisfactory to the NJEDA;

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

The New Jersey Economic Opportunity Act of 2013 provides a total of $600 million in tax credits to be utilized towards eligible residential based projects. This allocation is further separated into five additional allocations to assist projects meeting certain geographic and/or economic criteria. This Project being located in the City of Camden, Camden County qualifies to be funded under the allocation for projects located in the City of Camden or Atlantic City. The initial total of this allocation was $175 million. After today's approvals, $2.7 million remains in the allocation and $50.5 million tax credits remain in the total residential program.

Total Estimated Eligible Project Costs: $ 33,222,486.

Eligible Tax Credits and Recommended Award: 100% of actual eligible Parking costs, not to exceed $14,000,000 to be paid over ten years.

Timothy Lizura
President and Chief Operating Officer

Prepared by: Matt Boyle

GROW NEW JERSEY ASSISTANCE PROGRAM

The following summary is provided for information only. Full eligibility and review criteria can be found in the program's rules.

GROW NEW JERSEY ASSISTANCE PROGRAM (GROW NJ)

Created by law in 2012, and revised through P.L. 2013, c. 161 and the "Economic Opportunity Act of 2014, Part 3," the intent of this program is to provide tax credits to eligible businesses which make, acquire or lease a capital investment equal to or greater than certain minimum capital investment amounts at a qualified business facility at which it will employ certain numbers of employees in retained and/or new full-time jobs.

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

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, i.e.: Industrial, Warehousing, Logistics and R&D/Rehabilitation Projects -$20 sq. ft.; Industrial, Warehousing, Logistics and R&D/New Construction Projects-$60 sq. ft.; Other/Rehabilitation Projects-$40 sq. ft.; and Other/New Construction-$120 sq. ft.
  Minimum capital investment amounts lowered to 2/3 in GSGZs and in eight southernmost counties

- Retain full-time jobs and/or create new full-time jobs in an amount equal to or greater than, the applicable minimum requirements, as follows: Tech start ups and manufacturing businesses - 10 new/25 retained FT jobs; Other targeted industries - 25 new/35 retained FT jobs; All other businesses/industries - 35 new/50 retained FT jobs.
  Minimum employment numbers lowered to 3/4 in GSGZs and in eight southernmost counties

- Demonstrate that: 1) the qualified business facility is constructed to certain minimum environmental / sustainability standards; 2) the proposed capital investment and resultant retention and creation of eligible positions will yield a net positive benefit equaling at least 110% of requested tax credit allocation amount prior to taking into account the value of requested tax credit, and shall be based on benefits generated during the initial years following project completion (Mega Project or GSGZ – up to 30 years; GSGZ-Camden up to 35 years and equal to 100% of requested allocation; all other projects up to 20 years); and, 3) the award of tax credits will be a material factor in the business's decision to create or retain the minimum number of full-time jobs with evidence relating to viable alternatives to the site and ability to dispose of or carry the costs of the site, if the business moves to the alternate site.

Staff Review:

- A comprehensive net benefit analysis is conducted to ensure the project has a positive net benefit to the State of at least 110%. The economic impact model used by the EDA includes multipliers from the RIMS II data base, published by the US Department of Commerce, along with internal econometric analysis and modeling to assess economic outputs, impacts and likely jobs creation.
- For material factor, staff reviews cost benefit analyses provided by the company regarding other out-of-state sites under consideration and cost of rent, property taxes, and utility costs; and, also investigates any existing labor contracts or real estate ownership that would render a re-location out of New Jersey impractical or cost prohibitive.
- For intra-State job transfers, EDA Board shall make a separate determination to verify and confirm that the jobs are at risk of leaving the state, the date(s) at which the EDA expects that those jobs would actually leave, or with respect to projects in a GSGZ-Camden/Atlantic City, that the provision of tax credits under the program is a material factor in the businesses decision to make a capital investment and locate there, as attested to in a CEO certification.
- If the business reduces the total number of its full-time employees in the State by more than 20% from the tax period prior to approval, then the business shall forfeit its credit for that tax period and going forward until such time as its full-time employment in the State has increased to the 80% level.

Amount of award based upon:

- Base, gross and maximum amounts of tax credits for each new or retained full-time job, follows:

Project Type	Base Amount *Per Job/Per Year*	Gross Amount *Per Job/Per Year*	Maximum Amount *To be Applied Annually*
Mega Project	$5,000	$15,000	$30 million
GSGZ Project	$5,000	$15,000	$30 million/*$35 million-Camden/Atlantic City*
UTHTC Municipality	$5,000	$12,000	$10 million
Distressed Municipality	$4,000	$11,000	$8 million
Priority Area	$3,000	$10,500	$4 million *(Not more than 90% of withholdings)*
Other Eligible Area	$500	$6,000	$2.5 million *(Not more than 90% of withholdings)*
Disaster Recovery Project	$2,000	$2,000	

- Bonus – The amount of tax credit shall be increased if the qualified business facility meets any of the following priority criteria or other additional or replacement criteria determined by EDA from time to time in response to evolving economic or market conditions:

Bonus Type	Bonus Amount
Deep poverty pocket or Choice Neighborhoods Transportation Plan area	$1,500
Qualified incubator facility	$500
Mixed-use development with sufficient moderate income housing on site to accommodate 20% of full-time employees	$500
Transit oriented development	$2,000
Excess capital investment in industrial site for industrial use *(excludes mega projects)*	$3,000 maximum
Excess capital investment in industrial site for industrial use *(mega projects or GSGZ projects)*	$5,000 maximum
Average salary in excess of county's existing average or in excess of average for GSGZ	$1,500 maximum
Large numbers of new and retained full-time jobs	
251 to 400	$500
401 to 600	$750
601 to 800	$1,000
801 to 1,000	$1,250
1,001+	$1,500
Business in a targeted industry	$500
Exceeds LEED "Silver" or completes substantial environmental remediation	$250
Located in municipality in eight southernmost counties with a MRI Index greater than 465	$1,000
Located within a half-mile of any new light rail station	$1,000
Projects generating solar energy for onsite use	$250
Vacant commercial building with over 1 million sq. ft. of lab space/1 year occupancy	$1,000

- Final Total Tax Credit Amount – Except for in GSGZs, the final total amount of tax credit, following the determination by EDA of the gross amount of tax credits, shall be equal to 100% of the gross amount of tax credits for each new full-time job; and the lesser of 50% for each retained full-time job or the capital investment made by the applicant, per employee.
- For tax credits in excess of $40 million, the amount available to be applied by the business annually shall be the lesser of the permitted statutory maximum amount or an amount determined by EDA necessary to complete the project, determined through staff analysis of all locations under consideration and all lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations and potential out-of State location alternatives.
- Limits on Annual Tax Credits – The amount of tax credits available to be applied by the business annually shall not exceed: GSGZ/Camden/Atlantic City - $35,000,000; Mega Project/GSGZ - $30,000,000; Urban Transit Hub - $10,000,000; Distressed Municipality - $8,000,000; Priority Areas - $4,000,000 (not more than 90% of withholdings); and Other Eligible Areas - $2,500,000 (not more than 90% of withholdings).

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: CompoSecure, L.L.C. P42516

PROJECT LOCATION: 309-313 Pierce Street Franklin Township Somerset County

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

APPLICANT BACKGROUND:
CompoSecure, L.L.C. (CompoSecure) is one of the world's leading card manufacturing companies, specializing in metal cards, government issued IDs, pre-laminated materials, new product development, in-house contract manufacturing and consulting services. Established in 2000, CompoSecure identified a need for card longevity and durability in the ID market and subsequently began manufacturing and developing pre-laminated composites for card manufacturers and providing consulting services to major card issuers. Today CompoSecure manufactures and exports its products to card issuers around the world. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
CompoSecure currently maintains headquarters and manufacturing operations in Franklin Township, New Jersey where it houses 212 employees including production, senior leadership and administrative staff in approximately 45,000 sq. ft. of space with a lease expiration on April 30, 2022. CompoSecure is experiencing dramatic growth that the existing facility cannot accommodate and is considering splitting its operations to provide additional capacity. CompoSecure intends to move a portion of its manufacturing activities to a new facility, ultimately accounting for the retention of 94 existing production jobs and the creation 91 new production jobs, along with the retention of 9 senior leadership positions and 20 administrative positions to be relocated from the existing facility. The existing facility will continue in operation representing 89 production jobs that would not be immediately at risk of leaving New Jersey as a result of the remaining lease term.

CompoSecure has identified an approximately 115,000 sq. ft. facility also in Franklin Township to house the relocated manufacturing and headquarters activities. In addition to the retention of 123 jobs and the creation of 91 new jobs, the expansion would entail a capital investment of $9.5 million including $2.2 million in renovations and $7.3 million in machinery and equipment. Upon the expiration of the lease at the existing facility in 2022 the operations could be consolidated at the new facility. Alternatively in the event that the this facility is not sited in Franklin Township, the Company would locate the headquarters and select manufacturing activities in Conshohocken, Pennsylvania where CompoSecure will make a comparable capital investment into a 115,000 sq.

ft. facility. Upon expiration of the lease at the existing facility the activities would likely be consolidated in Pennsylvania where all of CompoSecure's shareholders currently reside.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of CompoSecure 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 Michele Logan, the CEO of CompoSecure, L.L.C., 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 $32.8 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 123 New Jersey jobs listed in the application are at risk of being located outside the State on or before October 1, 2016 as this is the date upon which the non-New Jersey alternative facility would be operational. 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/Warehouse/Logistics/R&D – Rehabilitation Project, for a manufacturing 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	$4,621,440	$9,553,700
New Jobs	10	91
Retained Jobs	25	123

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	Franklin Township 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.

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 * $3,500 = $1,750)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($9,553,700/ 10 / (91+123) = $4,464)

	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:			
Targeted Industry (Manufacturing):		$ 500	
INCREASE PER EMPLOYEE:			$ 500
PER EMPLOYEE LIMIT:			
Priority Area		$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			$ 3,500
AWARD:			
New Jobs:	91 Jobs X $3,500 X 100% =		$ 318,500
Retained Jobs:	123 Jobs X $3,500 X 50% =		$ 215,250
		Total:	**$533,750**
ANNUAL LIMITS:			
Priority Area (Est. 90% Withholding Limit)		$ 4,000,000/ ($216,636)	
TOTAL ANNUAL AWARD			**$533,750**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 9,553,700
EXPECTED PROJECT COMPLETION:	December 31, 2018
SIZE OF PROJECT LOCATION:	115,536 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	91
RETAINED FULL-TIME JOBS:	123
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):	224
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 31,200

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 37,057,529
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 4,270,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 32,787,529

ELIGIBILITY PERIOD: 8 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 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage CompoSecure, L.L.C. 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: 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: Edison Lithographing & Printing Corp. dba Edison Solutions LLC P42610

PROJECT LOCATION: 1700 Suckle Highway Pennsauken Township Camden County

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

APPLICANT BACKGROUND:
Edison Lithographing & Printing Corp. dba Edison Solutions LLC ("Edison") is a widely recognized printer in the cosmetic, clothing, liquor and retail store business. It prints and designs advertisements and pop up displays for globally recognized brands and companies. As Edison grew, it acquired a company in Georgia, called Compass which became Compass/Edison, to enhance its capabilities with wide format printing. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The project consists of the purchase of a 114,195 square foot building in Pennsauken NJ with the addition of $4,000,000 in machinery that will provide the means to accomplish the expansion of the business to accommodate the requests of its client base for wider format printing. The company found that in its search for space in New Jersey, South Jersey was a more economical solution, with access to a sufficient number of workers. The alternate location is an 80,000 square foot facility in Kennesaw, GA.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Edison Lithographing & Printing Corp. 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 Susan Ostreicher the CEO of Edison Lithographing & Printing Corp., 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 $4.9 million over the 20 year period required by the Statute.

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	$1,522,600	$4,420,000
New Jobs	8	95
Retained Jobs	19	0

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		
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 $4,420,000 is

	capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of $3,000	190.3% 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	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 * $8,500 = $4,250)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($4,420,000/ 10 / (95 + 0) = $4,652) 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 Camden County:	$ 1,000	
INCREASE PER EMPLOYEE:		$ 4,500
PER EMPLOYEE LIMIT:		
Distressed Municipality	$11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 8,500
AWARD:		
New Jobs:	95 Jobs X $8,500 X 100% =	$ 807,500
Retained Jobs:	0 Jobs X $8,500 X 50% =	$ 0,000
	Total:	**$807,500**
ANNUAL LIMITS:		
Distressed Municipality	$ 8,000,000	
TOTAL ANNUAL AWARD		**$807,500**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 4,420,000
EXPECTED PROJECT COMPLETION:	March 31, 2017
SIZE OF PROJECT LOCATION:	114,195 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Industrial
CONSTRUCTION: ( ) Yes (X) No	

NEW FULL-TIME JOBS:	95
RETAINED FULL-TIME JOBS:	0
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):	0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 35,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 12,982,846
TOTAL AMOUNT OF AWARD:	$ 8,075,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 4,907,846

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 approve the proposed Grow New Jersey grant to encourage Edison Lithographing & Printing Corp. 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: Greener Cleaner Inc. P42595

PROJECT LOCATION: 215 South 10th Street Camden City Camden County

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

APPLICANT BACKGROUND:
Greener Cleaner Inc. d/b/a Tweeds Drycleaning and Tweeds Restoration is a commercial dry cleaning, restoration, and delivery laundry services company. Since 2007, the company provides fabric and textile restoration of damaged items from fire, smoke, water and mold as well as drycleaning and laundry pick up services for businesses and households. The company also dry cleans drapes, upholstery, rugs, bedding and table linens. Items to be cleaned and/or restored are picked-up and transported to the company's 16,500 sq. ft. warehouse in Camden, NJ where it performs the services. The company has 62 employees at the Camden facility, of which 44 full-time employees are eligible for Grow NJ program. The company also leases warehouse space in Pinebrook, NJ with 3 employees, which is not part of the Grow NJ project. 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 Greener Cleaner 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 Scott Kaufmann the CEO of Greener Cleaner 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 Greener Cleaner Inc. chooses the Camden option, the company would purchase the property in Camden to maintain its dry cleaning and restoration business. The alternative is to relocate to a 17,500 sq. ft. building in Philadelphia, PA.

This project represents a significant positive step forward for Camden's redevelopment efforts, retaining a dry cleaning/restoration business in the city. It is estimated that the project would have a net benefit to the State of $948,057 over the 35 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 44 New Jersey jobs listed in the application are at risk of being located outside the State on or before August 1, 2017, when the operations are relocated to Pennsylvania prior to the expiration of Camden lease on October 1, 2017. 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 a 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	$440,000	$1,291,987
New Jobs	27	0

Retained Jobs	38	44

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	215 South 10th Street 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	215 South 10th Street is located in a Transit Oriented Development by virtue of being within 1 mile of the midpoint of a New Jersey Transit Corporation rail station.
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 566

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 * $9,500 = $4,750) or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs

	(\$1,291,987 / 10 / (0 + 44) = \$2,936) 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	
2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem:	\$ 1,000	

INCREASE PER EMPLOYEE: \$ 4,500

PER EMPLOYEE LIMIT:

Garden State Growth Zone	\$15,000	

LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT: \$ 9,500

AWARD:

New Jobs:	0 Jobs X \$9,500 X 100% =	\$ 0,000
Retained Jobs:	44 Jobs X \$9,500 X 100% =	\$418,000
	Total:	**\$418,000**

ANNUAL LIMITS:

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

TOTAL ANNUAL AWARD **\$418,000**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	\$ 1,291,987
EXPECTED PROJECT COMPLETION:	May 1, 2017
SIZE OF PROJECT LOCATION:	16,500 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:		44
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):		65
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:		N/A
MEDIAN WAGES:	$	23,000
GROSS BENEFIT TO THE STATE (OVER 35 YEARS, PRIOR TO AWARD):	$	5,128,057
TOTAL AMOUNT OF AWARD:	$	4,180,000
NET BENEFIT TO THE STATE (OVER 35 YEARS, NET OF AWARD):	$	948,057
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 Greener Cleaner 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: 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: H&M Hennes & Mauritz LP P42618

PROJECT LOCATION: 300 Lighting Way Secaucus Town Hudson County

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

APPLICANT BACKGROUND:
H&M Hennes & Mauritz LP is a subsidiary of H&M Hennes & Mauritz, AB, a designer and retailer of women's, men's, and children's fashion. The applicant was established in 2002 as a vehicle for its parent to enter the North American market, and it oversees executive functions, distribution networks, and retail sales. The company currently operates over 500 retail locations in North America. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

MATERIAL FACTOR/NET BENEFIT:
H&M Hennes & Mauritz LP houses a majority of its corporate back office operations in an office adjacent to a distribution center in North Arlington, New Jersey. The back office functions, including accounting, human resources, tax, and IT, serve all of North America. The distribution center serves store locations in the surrounding area, primarily in New Jersey, New York, and eastern Pennsylvania. The applicant will relocate both the back office and distribution center when the current lease at the North Arlington facility expires in October of 2016. The applicant is considering relocating its back office operations to a 48,500 SF office space in Secaucus, NJ, or a 35,000 SF office space in Langhorne, PA, either of which it would lease and renovate. The distribution center will be relocated to Burlington, NJ.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of H&M Hennes & Mauritz LP 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 Daniel Kulle, the President of H&M Hennes & Mauritz LP, 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 $24.9 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 110 New Jersey jobs listed in the application are at risk of being located outside the State on or before October 1, 2016, the expiration date of the applicant's 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 an Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Project for an other business in Hudson 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	$1,940,000	$4,539,500
New Jobs	35	45
Retained Jobs	50	110

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	Secaucus Town 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 $75,732 exceeds the Hudson County median salary by 56% resulting in an increase of $250 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 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 * $4,250 = $2,125)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($4,539,500 / 10 / (45 + 110) = $2,928) 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	
INCREASE PER EMPLOYEE:		$ 250
PER EMPLOYEE LIMIT:		
Distressed Municipality	$ 11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 4,250
AWARD:		
New Jobs:	45 Jobs X $4,250 X 100% =	$191,250
Retained Jobs:	110 Jobs X $4,250 X 50% =	$233,750
	Total:	**$425,000**
ANNUAL LIMITS:		
Distressed Municipality	$8,000,000	
TOTAL ANNUAL AWARD		**$425,000**

PROJECT IS: (X) Expansion (X) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 4,539,500
EXPECTED PROJECT COMPLETION:	July 1, 2019
SIZE OF PROJECT LOCATION:	48,500 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	45
RETAINED FULL-TIME JOBS:	110
STATEWIDE BASE EMPLOYMENT (AS OF NOVEMBER 30, 2015):	128
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	North Arlington
MEDIAN WAGES:	$ 75,732
GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 29,165,277
TOTAL AMOUNT OF AWARD:	$ 4,250,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 24,915,277
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 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage H&M Hennes & Mauritz LP 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: The Hibbert Company P42476

PROJECT LOCATION: 400 Pennington Avenue Trenton City Mercer County

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

APPLICANT BACKGROUND:
The Hibbert Company, established in 1881, is a printing and marketing campaign management firm servicing clients in industries including pharmaceutical, telecommunications, finance, technology, electronics, and advertising. The company provides services which include digital marketing, client database management, sales and marketing program administration, as well as direct marketing fulfillment and distribution of materials and information. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The Hibbert Company is considering renovating its owned facility in Trenton, or relocating its operations to a larger facility it would lease, in Langhorne, PA. The NJ facility is over 100 years old, and in need of significant renovations. The alternate location is a newer, single-story facility, which would offer workflow advantages over the applicant's current 4 story facility. The applicant would retain the 259 jobs at the NJ project facility or relocate them to the alternate 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 The Hibbert Company 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 Timothy Moonan, the CEO of The Hibbert Company, 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 $3,683,450 over the 30 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 259 New Jersey jobs listed in the application are at risk of being located outside the State on or before November 30, 2016 to allow time for the applicant to move by year end. 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 Mercer 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	$3,466,667	$10,124,914
New Jobs	8	0
Retained Jobs	19	259

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	Trenton 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	400 Pennington Avenue is located in a Deep Poverty Pocket.
Jobs with Salary in Excess of 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 $51,558 exceeds the Garden State Growth Zone median salary by 55% 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 retain 259 Full-Time Jobs at the project location resulting in an increase of $500.
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 in an industrial premises 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 $10,124,914 is 192% above the minimum capital investment resulting in an increase of $5,000 per year.
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 * $13,000 = $6,500) or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($10,124,914 / 10 / (0 + 259) = $3,909) 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 PER EMPLOYEE:		
Deep Poverty Pocket:	$ 1,500	
Jobs with Salary in Excess of GSGZ Average:	$ 250	
Large Number of New/Retained F/T Jobs:	$ 500	
Targeted Industry (Manufacturing):	$ 500	
GSGZ Ind. Project w/ Cap. Inv. In Excess of Min:	$ 5,000	
On Site Solar Generation of ½ of Project's Elec. Needs:	$ 250	
INCREASE PER EMPLOYEE:		$ 8,000
PER EMPLOYEE LIMIT:		
Garden State Growth Zone	$15,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 13,000
AWARD:		
New Jobs:	0 Jobs X $13,000 X 100% =	$ 0
Retained Jobs:	259 Jobs X $13,000 X 100% =	$ 3,367,000
	Total:	**$3,367,000**
ANNUAL LIMITS:		
Garden State Growth Zone	$30,000,000	
TOTAL ANNUAL AWARD		**$3,367,000**

PROJECT IS: ( ) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 10,124,914
EXPECTED PROJECT COMPLETION:	November 30, 2016
SIZE OF PROJECT LOCATION:	260,000 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:	259
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):	266
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 51,558
GROSS BENEFIT TO THE STATE (OVER 30 YEARS, PRIOR TO AWARD):	$ 37,353,450
TOTAL AMOUNT OF AWARD:	$ 33,670,000
NET BENEFIT TO THE STATE (OVER 30 YEARS, NET OF AWARD):	$ 3,683,450
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. Due to the Net Benefit to the State exceeding the minimum Net Benefit required for a Grow NJ award by 10% or less, the Net Benefit to the State will be recalculated if the CPA certification shows a 10% or more reduction of the number of eligible jobs, capital investment, or payroll from the amounts approved by the Board. If the Net Benefit analysis does not support awarding a tax credit for the entire amount then the amount of the award will be reduced accordingly.

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 November 30, 2016; 2) approve the proposed Grow New Jersey grant to encourage The Hibbert Company 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: C. Fuentes **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: iCIMS, Inc. P42594

PROJECT LOCATION: 101 Crawfords Corner Road Holmdel Township Monmouth County

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

APPLICANT BACKGROUND:
iCIMS, Inc. ("iCIMS") is a software services company specializing in applicant-tracking software for human resources professionals. The company specializes in clients having between 500 and 5,000 employees. iCIMS has enjoyed rapid growth in terms of both revenue and employee head count since its founding by current CEO Colin Day in 2000. The company currently employs 552 people in New Jersey. The applicant has demonstrated the financial ability to undertake the project.

iCIMS applied for a Grow NJ Award in December, 2014 and was approved for the award by the NJEDA Board in March, 2015, in an amount not to exceed $13,124,460. Unprecedented growth since that time has made it necessary for the company to increase hiring and find an even larger qualified business facility in which to expand the business.

MATERIAL FACTOR/NET BENEFIT:
The company is expanding and is out of space options at its two current locations. It anticipates hiring 390 new full-time positions in the near-term. Rather than splitting up the company even further by adding a third location, the applicant is contemplating relocation to a single larger location. The applicant would lease approximately 339,327 square feet (or 15.4%) of vacant space in the approximately 2,200,000 square foot Bell Works building located in Holmdel, NJ, which is 95% vacant. The renovations would include, but may not be limited to, fit out of space to provide Class A office space. The alternate site is a 336,005 square foot facility in Phoenix, AZ.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of iCIMS, 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 Colin Day, the CEO of iCIMS, 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 $170.7 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 552 New Jersey jobs listed in the application are at risk of being located outside the State on or before July 1, 2017, the date the applicant could start moving into the Arizona space. 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 Monmouth 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	$13,573,080	$41,116,151
New Jobs	25	390
Retained Jobs	35	552

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	101 Crawfords Corner Road is a designated Priority Area
Increase(s) Criteria		
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 942 Full-Time Jobs at the project location resulting in an increase of $1,250.
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 Technology business.
Vacant Commercial Building in excess of 1,000,000 sq. ft.	An increase of $1,000 per job for a project that includes a vacant commercial building having in excess of 1,000,000 sq. ft. of office or laboratory space available for more than 1 year.	101 Crawfords Corner Road is a commercial building qualifying for this bonus as listed on the NJEDA website.

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 * $5,750 = $2,875)** or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($41,116,151/ 10 / (390 + 552) = $4,364) 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:			
Large Number of New/Retained F/T Jobs:		$ 1,250	
Targeted Industry (Technology):		$ 500	
Vacant Commercial Building in excess of 1,000,000 sq. ft.		$ 1,000	
INCREASE PER EMPLOYEE:			$ 2,750
PER EMPLOYEE LIMIT:			
Priority Area		$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			$ 5,750
AWARD:			
New Jobs:	390 Jobs X $5,750 X 100% =		$2,242,500
Retained Jobs:	552 Jobs X $5,750 X 50% =		$1,587,000
		Total:	**$3,829,500**
ANNUAL LIMITS:			
Priority Area	(Est. 90% Withholding Limit) $ 4,000,000/($2,638,141)		
TOTAL ANNUAL AWARD			**$3,829,500**

PROJECT IS: (X) Expansion (X) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 41,116,551
EXPECTED PROJECT COMPLETION:	June 1, 2019
SIZE OF PROJECT LOCATION:	339,327 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	390
RETAINED FULL-TIME JOBS:	552
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):	526
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	Borough of Matawan
MEDIAN WAGES:	$ 83,500

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 209,004,719
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 38,295,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 170,709,719
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, 2017; 2) approve the proposed Grow New Jersey grant to encourage iCIMS, 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: 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: Manhattan Telecommunications Corporation P42590

PROJECT LOCATION: 101 Crawfords Corner Road Holmdel Township Monmouth County

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

APPLICANT BACKGROUND:
Manhattan Telecommunications Corporation, established in 1997, is a telecommunications service provider that provides communication and related support services to corporate clients. The applicant provides its clients with consolidated telecommunications solutions including traditional voice services, VoIP, cloud managed services and consulting services, as well as a single point of contact for services, billing, repairs and provisioning. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The applicant's growth has created a need for additional space. The company plans to remain in its current location in Manhattan, and is considering expanding in a lower cost space in either Holmdel, NJ or Salt Lake City, Utah. The applicant would locate the 100 jobs at the selected location, 30 of which would be relocated from the Manhattan facility, while the remaining 70 would be the result of planned future growth. The applicant currently has operations in the Utah building, and, should it select that location, it would enter into a lease for an additional 28,958 SF of office space which it would renovate to accommodate its expansion. Should the applicant elect to locate its project at the NJ site, it would enter into a lease and renovate 30,000 SF of office space at the Bell Works facility. The NJ project location is more expensive to operate on an annual basis than the UT facility due to higher payroll expense.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Manhattan Telecommunications 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 Marshall Aronow, the CEO of Manhattan Telecommunications 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 $26.1 million over the 20 year period required by the Statute.

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 Monmouth 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	$1,200,000	$2,925,000
New Jobs	35	100
Retained Jobs	50	0

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	101 Crawfords Corner Road is a designated Priority Area by way of being a vacant commercial building having had in excess of 400,000 sq. ft. of office or laboratory space available for more than 1 year.

Increase(s) Criteria		
Vacant Commercial Building in excess of 1,000,000 sq. ft.	An increase of $1,000 per job for a project that includes a vacant commercial building having in excess of 1,000,000 sq. ft. of office or laboratory space available for more than 1 year.	101 Crawfords Corner Road is a commercial building qualifying for this bonus as listed on the NJEDA website.

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 ($2,925,000 / 10 / (100 + 0) = $2,925) 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:		
Vacant Commercial Building in excess of 1,000,000 sq. ft.	$ 1,000	
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:	100 Jobs X $4,000 X 100% =	$400,000
Retained Jobs:	0 Jobs X $4,000 X 50% =	$ 0
	Total:	**$400,000**

ANNUAL LIMITS:
Priority Area (Est. 90% Withholding Limit) $ 4,000,000/($490,584)

TOTAL ANNUAL AWARD **$400,000**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 2,925,000
EXPECTED PROJECT COMPLETION:	June 1, 2019
SIZE OF PROJECT LOCATION:	30,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	100
RETAINED FULL-TIME JOBS:	0
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):	0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 85,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 30,164,336
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 4,000,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 26,164,336

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 approve the proposed Grow New Jersey grant to encourage Manhattan Telecommunications 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: 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: Nobel Biocare Procera, LLC P42335

PROJECT LOCATION: 800 Corporate Drive Mahwah Township Bergen County

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

APPLICANT BACKGROUND:
Nobel Biocare Procera, LLC is a manufacturer of implant-based dental restorations. The company's portfolio offers solutions from single tooth to fully edentulous indications with dental implant systems, including a comprehensive range of high-precision individualized prosthetics, diagnostics, treatment planning and guided surgery solutions. Nobel Biocare also supports its customers through all phases of professional development, offering training and education along with practice support and patient information materials. Production takes place at six sites in the United States, Sweden, Japan and Israel, including a manufacturing facility in Mahwah, NJ with 151 full-time employees. The company is headquartered in Zurich Switzerland and since 2014 is part of the Danaher Corporation, a designer, manufacturer and marketer of professional medical, industrial and commercial products and services in the businesses of Test and Measurement, Environmental Sciences and Diagnostics, Dental and Industrial Technologies. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

MATERIAL FACTOR/NET BENEFIT:
Nobel Biocare Procera, LLC is evaluating the closing of one of its manufacturing locations currently located in New Jersey or Sweden; with the equipment and production capacity of the closed facility to be relocated to the remaining facility. The current Mahwah manufacturing facility of 84,000 sq. ft. has 151 employees and if NJ is chosen would house an additional 11 full-time jobs. The alternative is to move the operations to existing facility Sweden.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Nobel Biocare Procera, 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 Thomas M. Olsen, the CEO of Biocare Procera, 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 $48 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 151 New Jersey jobs listed in the application are at risk of being located outside the State on or before December 31, 2016, when the NJ facility would close, the equipment would be moved and operations would be shifted overseas. 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 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	$1,680,000	$2,100,000
New Jobs	10	11
Retained Jobs	25	151

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	Mahwah is a designated

	for projects located in a designated Priority Area	Priority Area
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 $2,100,000 is 25% above the minimum capital investment resulting in an increase of $1,000 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.

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 * $4,500 = $2,250) or - **The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($2,100,000/ 10 / (11 + 151) = $1,296)** 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:		
Capital Investment in Excess of Minimum (non-Mega):	$ 1,000	
Targeted Industry (Manufacturing):	$ 500	
INCREASE PER EMPLOYEE:		$1,500
PER EMPLOYEE LIMIT:		
Priority Area	$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$4,500

AWARD:

New Jobs:	11 Jobs X $4,500 X 100% =	$ 49,500
Retained Jobs:	151 Jobs X $1,296 X 100% =	$195,696
	Total:	**$245,196**

ANNUAL LIMITS:
Priority Area (Est. 90% Withholding Limit) $ 4,000,000/($296,339)

TOTAL ANNUAL AWARD **$245,196**

PROJECT IS: (X) Expansion ( ) Relocation	
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 2,100,000
EXPECTED PROJECT COMPLETION:	May 31, 2019
SIZE OF PROJECT LOCATION:	84,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Industrial
CONSTRUCTION: (X) Yes ( ) No	

NEW FULL-TIME JOBS:	11
RETAINED FULL-TIME JOBS:	151
STATEWIDE BASE EMPLOYMENT:	151
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 60,126

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $50,596,419
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS) $ 2,451,960
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $48,144,459

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 Nobel Biocare Procera, 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**: 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: PuraCap Pharmaceutical LLC P42608

PROJECT LOCATION: 20 Kingsbridge Road Piscataway Township Middlesex County

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

APPLICANT BACKGROUND:
PuraCap Pharmaceutical LLC, headquartered in South Plainfield, New Jersey, is a fully integrated pharmaceutical company with a focus on growing branded, generic and over-the-counter prescription brands through its owned research and development and the manufacturing and distributing of its products to its customers. Founded in 2009, the company was established by Humanwell Healthcare (Group) Co., Ltd, a healthcare solution provider headquartered in China. The Company's products, manufactured in China and distributed worldwide, include soft gels, tablets and creams, such as the national brand equivalent products known as Vicks Dayquil and NyQuil, Unisom, Dulcolax and Benadryl. In 2014, PuraCap was chosen as WalMart and CVS's top new supplier for a variety of store-brand pharmaceuticals. PuraCap has 50 full-time jobs in New Jersey located in a 12,700 sq. ft. office facility in South Plainfield and a 5,500 sq. ft. laboratory facility in Piscataway. The company has an additional packaging facility in Kentucky and manufacturing facilities in Puerto Rico and New York. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The company currently has reached capacity at its 12,700 sq. ft. leased facility in South Plainfield and is evaluating new space to establish its U.S. headquarters, including laboratory space for research and development. The company is evaluating options to expand and relocate into a 26,000 sq. ft. facility in Piscataway, NJ for the 50 existing full-time jobs and 75 new jobs. The alternative is to lease 27,000 sq. ft. in Laurelton, NY from Epic Pharma LLC, a manufacturer of generic prescription drugs in a variety of therapeutic categories in tablet, capsule and powder forms, which was recently acquired by PuraCap and Humanwell Healthcare.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of PuraCap Pharmaceutical 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 Dahai Guo, the CEO of PuraCap Pharmaceutical 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 50 New Jersey jobs listed in the application are at risk of being located outside the State on or before August 1, 2016, when the lease expires at its current location and the jobs are relocated to NY. 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/Warehouse/Logistics/R&D – Rehabilitation Project for an other targeted industry business in Middlesex 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	$1,059,320	$1,290,000
New Jobs	25	75
Retained Jobs	35	50

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	Piscataway Township 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 Health 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 * - $3,500 = $1,750) or - **The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($1,290,000 / 10 / (75 + 50) = $1,032)** 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:		
Targeted Industry (Health):	$ 500	
INCREASE PER EMPLOYEE:		$ 500
PER EMPLOYEE LIMIT:		
Priority Area	$10,500	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$3,500
AWARD:		
New Jobs:	75 Jobs X $3,500 X 100% =	$262,500
Retained Jobs:	50 Jobs X $1,032 X 100% =	$ 51,600
	Total:	**$314,100**
ANNUAL LIMITS:		
Priority Area (Est. 90% Withholding Limit)	$4,000,000/($256,781)	
TOTAL ANNUAL AWARD		**$314,100**

PROJECT IS: (X) Expansion (X) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 1,290,000
EXPECTED PROJECT COMPLETION:	June 1, 2019
SIZE OF PROJECT LOCATION:	26,483 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	75
RETAINED FULL-TIME JOBS:	50
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 30, 2105):	50
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	South Plainfield/Piscataway
MEDIAN WAGES:	$ 72,930

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$23,864,819
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)	$ 3,141,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$20,723,819
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 PuraCap Pharmaceutical 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: M. Peters **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: US Mobile Phones, Inc. P42315

PROJECT LOCATION: 1189 Magnolia Avenue Elizabeth City Union County

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

APPLICANT BACKGROUND:
Founded in 2001, US Mobile Phones, Inc. (US Mobile) is a rapidly growing global wholesale consumer electronics distributor and remarketer with deep roots in the mobile device business. Its suppliers include the largest mobile device carriers, distributors and OEMs in the United States as well as start-up entrepreneurs with emerging product lines. A majority of US Mobile's sales come from products that have been reclaimed, tested, and refurbished. The company resells over 250,000 pounds annually of used product that would otherwise end up in landfills as tech-waste. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

MATERIAL FACTOR/NET BENEFIT:
US Mobile is currently headquartered in Brooklyn, NY with 88 employees split between an owned facility serving as the primary facility and leased space used for storage. As a result of continued sales growth US Mobile has outgrown its current facilities and the company is evaluating options to establish a new headquarters with expanded operations that would include activities currently being outsourced such as the repair of mobile devices and the destruction and recycling of discarded devices. US Mobile has identified a facility in Elizabeth, NJ that meets its operational requirements. The New Jersey project would result in capital investment of more than $1.2 million into a 36,044 sq. ft. facility along with the creation of 200 new jobs at completion. In the event that US Mobile does not expand in New Jersey it will relocate its headquarters to a facility in Calverton, NY.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of US Mobile Phones, 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 Doris Mosseri, the President of US Mobile Phones, 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 $2.3 million over the 20 year period required by the Statute.

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 Project, for an other business in Union 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	$720,880	$1,249,999
New Jobs	35	200
Retained Jobs	50	0

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
Urban Transit Hub Municipality	Base award of $5,000 per year for projects located in a designated Urban Transit Hub Municipality	Elizabeth City is a designated Urban Transit Hub Municipality
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	1189 Magnolia 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	1189 Magnolia Avenue 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 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 ($1,249,999/ 10 / (200 + 0) = $624)** 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:		
Urban Transit HUB Municipality		$ 5,000
INCREASES PER EMPLOYEE:		
Deep Poverty Pocket or Choice Neighborhood:	$ 1,500	
Transit Oriented Development:	$ 2,000	
INCREASE PER EMPLOYEE:		$ 3,500
PER EMPLOYEE LIMIT:		
Urban Transit HUB Municipality	$12,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:		$ 8,500
AWARD:		
New Jobs:	200 Jobs X $8,500 X 100% =	$ 1,700,000
Retained Jobs:	0 Jobs X $ 624 X 100% =	$ 0,000
	Total:	**$1,700,000**
ANNUAL LIMITS:		
Urban Transit HUB Municipality	$10,000,000	
TOTAL ANNUAL AWARD		**$1,700,000**

PROJECT IS: (X) Expansion ( ) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	$ 1,249,999
EXPECTED PROJECT COMPLETION:	April 1, 2019
SIZE OF PROJECT LOCATION:	36,044 sq. ft.
NEW BUILDING OR EXISTING LOCATION?	Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?	Non-Industrial

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS:	200
RETAINED FULL-TIME JOBS:	0
STATEWIDE BASE EMPLOYMENT:	0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:	N/A
MEDIAN WAGES:	$ 25,000
GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):	$ 19,312,095
TOTAL AMOUNT OF AWARD:	$ 17,000,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):	$ 2,312,095
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 Net Benefit to the State will be recalculated if the CPA certification shows a 10% or more reduction of the number of eligible jobs, capital investment, or payroll from the amounts approved by the Board. If the Net Benefit analysis does not support awarding a tax credit for the entire approved amount, then the amount of the award will be reduced accordingly.

APPROVAL REQUEST:

The Members of the Authority are asked to approve the proposed Grow New Jersey grant to encourage US Mobile Phones, 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: Diane Ubinger **APPROVAL OFFICER**: Kevin DeSmedt

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: June 14, 2016

SUBJECT: Grow New Jersey Extension Request for Conopco, Inc. d/b/a Unilever
Application P39350

MODIFICATION REQUEST

The Board approved Conopco, Inc. d/b/a Unilever ("Unilever") for a $38,000,000 Grow New Jersey Grant Award on May 16, 2014. Due to a number of factors affecting the project schedule, the company is requesting an extension of its deadline to complete its project and the issuance of the accompanying tax credits from May 16, 2017 to May 16, 2018.

BACKGROUND:

On May 16, 2014, Unilever was approved for a Grow New Jersey Award to consolidate and renovate its two existing facilities at 700 and 800 Sylvan Avenue, Englewood Cliffs, Bergen County; which consisted of a capital investment of approximately $57 million and the retention of 1,600 full-time employees.

The Grow New Jersey program calls for projects to be completed and the accompanying tax credits issued within three years of the Authority's approval of the project. In extenuating circumstances, the Authority may grant two six-month extensions of the deadline, however, in no event shall the tax credit issuance date occur later than four years following the date of approval by the Authority.

Since the time of the Grow approval in May 2014, the company continued to evaluate its location options both inside and outside of New Jersey, even considering multiple NJ sites. Ultimately, the company decided to stay at the Englewood Cliffs locations and spent considerable time weighing design options to accommodate the current workforce and attract top level talent for years to come. The re-evaluation of the renovations to the buildings and changes made to the project over the last two years include significant improvements beyond those originally planned along with a parking deck, increasing the project costs to approximately $100 million from an initial estimation of $57 million. This increase in project costs also caused significant delays as the company weighed its options and ultimately approved the project funding plan. In addition, the developer for the project was recently selected after an extensive search.

To date, architectural plans, site plan approval and certain permits have been secured for the project. The first phase of the work on the 800 building is slated to begin in July 2016. The company plans to have the renovations completed by December 2017.

Due to the re-evaluation of the project location and increase in the scope of the construction project, Unilever has requested for the Authority to grant the two six-month extensions. Staff approved the first six-month extension to November 16, 2017 and requests the Members to approve the second extension to May 16, 2018.

RECOMMENDATION:
Based on the above, staff recommends the Modification Request allowing Conopco, Inc. d/b/a Unilever the additional six-month extension to complete the project and submit the certified public accountant certification for the issuance of the tax certificate.

Prepared by: Teresa Wells

BOND RESOLUTIONS

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

APPLICANT: Allied Specialty Foods, LLC P41908

PROJECT USER(S): Allied Specialty Foods, Inc. * * - indicates relation to applicant

PROJECT LOCATION: 1585 W. Forest Grove Road Vineland City (T/UA) Cumberland

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

APPLICANT BACKGROUND:

Allied Specialty Foods, LLC ("ASF LLC") is the real estate holding company for its wholly owned operating company, Allied Specialty Foods, Inc. ("ASF Inc."). ASF Inc., established in 1956, is a manufacturer of specialty raw and fully cooked beef and poultry items. Its core product line is thinly sliced steak products for sandwiches, fajitas and other signature products formulated to meet its customer's needs.

Allied Specialty Foods, Inc. was approved for a Grow NJ tax credit in September 2014 for $13.8 million at this location.

APPROVAL REQUEST:

Authority assistance will enable the applicant to finance a portion of the costs related to the acquisition and renovation/expansion of an 80,000 sq. ft. building on 8 acres of land, to be used by Allied Specialty Foods Inc. Proceeds of the bonds will also pay costs of issuance.

FINANCING SUMMARY:

BOND PURCHASER: Wintrust Bank of Chicago (Direct Purchase)

AMOUNT OF BOND: $7,500,000 Tax-Exempt Bond

TERMS OF BOND: 20 years; interest-only monthly during a draw period of up to 18 months; thereafter principal plus interest based on a 20 year amortization schedule; variable interest rate for the first 10 years at a floating rate equal to the tax-exempt equivalent of 30 day LIBOR plus 3.50%, subject to call option by the bank anytime after 10 years; subject to interest rate reset after year 10 at a tax-exempt market rate; the applicant may enter into a swap to a fixed rate for 10 years; estimated fixed swap rate as of June 9, 2016 is 2.96%.

ENHANCEMENT: N/A

PROJECT COSTS:

Renovation of existing building	$11,658,531
Acquisition of existing building	$2,950,000
Purchase of equipment & machinery	$1,766,300
Engineering & architectural fees	$450,000
Other/Contingency	$300,000
Legal fees	$215,000
Other - Fees	$176,000
Finance fees	$156,000
TOTAL COSTS	$17,671,831

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

PUBLIC HEARING: 06/14/16 (Published 06/01/16) **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: M. Athwal **APPROVAL OFFICER:** M. Chierici

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, Inc. 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, Inc. 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 building consists of two stories with a full basement. The property located at 873 Vine Avenue was completed in January 2016.

The project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause.

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 and pay closing costs.

FINANCING SUMMARY:

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

AMOUNT OF BOND: $6,600,000 Tax-Exempt Bond

TERMS OF BOND: 25 years; Variable interest rate equal to 70% of 1 month LIBOR plus 225 basis points. The applicant may enter into a swap to a fixed rate for either 5 or 10 years, subject to call options every 5 or 10 years. The estimated rates for the 5 and 10 year swaps are 2.60% and 2.85% respectively, as of June 6, 2016.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	$6,600,000
Finance fees	$40,000
Legal fees	$32,500
Closing Costs	$27,500
TOTAL COSTS	$6,700,000

AMENDED BOND RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: June 14, 2016

SUBJECT: Uncommon Properties, LLC
$7,806,000 Taxable Qualified Zone Academy Bonds
North Star Academy Charter School of Newark, Inc.
P37823

Request:
Consent to change in project location.

Background:

Uncommon Schools, Inc. (USI) is a not for profit entity that starts and manages public charter schools and through its subsidiaries, owns real estate that is leased to the school for use as public school facilities. Uncommon Properties, LLC is a wholly owned subsidiary of Uncommon Schools, Inc. (USI) formed in 1997 to provide real estate services and hold title of real estate projects for the benefit of the schools within the USI network, including North Star Academy Charter School of Newark, Inc. (NSA). NSA is a network of eleven public charter schools serving over 4,000 students in grades K-12 in Newark, NJ.

Since 2009, Uncommon Properties and its affiliates have closed on approximately eight bond financings with the Authority for the benefit of NSA and as a conduit issuer the Authority has no credit exposure.

In December 2012, the Authority issued $7.8 million taxable Qualified Zone Academy Bonds (QZAB) that were directly purchased by Uncommon NSA Lender, LLC ("Purchaser") with the funding from Low Income Investment Fund ("Bondholder Representative"). The current outstanding principal balance of the Bonds is approximately $7.8 million. The Bonds were expected to fund a portion of the acquisition and renovations to a facility on 15th Avenue in Newark. NSA however was not able to acquire the 15th Avenue property within the IRS's 3 year timeline and requested IRS's agreement for additional time to use the funds.

In December, 2015, the IRS issued a private letter ruling granting the Borrower an additional 2 years to spend the bond proceeds due to the unexpected obstacles obtaining ownership of the 15th Avenue facility.

Currently the Borrower has identified a new location and requests EDA's consent to change the project location to 571 18th Avenue, Newark and to use the bond proceeds to rehabilitate and repair the 18^{th} Avenue facility. Both Purchaser and Bondholder Representative have consented to the change in location.

Chiesa, Shahinian, and Giantomasi, PC, Bond Counsel to the Authority, has advised that the new project location will not adversely affect the federal income tax credit allocable to the Borrower. The request is being presented at the June 14, 2016 Board meeting for public hearing.

Recommendation:
Consent to change in project location as described above.

Prepared By: Lori Zagarella

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: June 14, 2016

SUBJECT: Uncommon Properties, LLC
$7,145,000 Taxable Qualified Zone Academy Bonds
North Star Academy Charter School of Newark, Inc.
P40207

Request:
Consent to change in project location.

Background:

Uncommon Schools, Inc. (USI) is a not for profit entity that starts and manages public charter schools and through its subsidiaries, owns real estate that is leased to the school for use as public school facilities. Uncommon Properties, LLC is a wholly owned subsidiary of Uncommon Schools, Inc. (USI) formed in 1997 to provide real estate services and hold title of real estate projects for the benefit of the schools within the USI network, including North Star Academy Charter School of Newark, Inc. (NSA). NSA is a network of eleven public charter schools serving over 4,000 students in grades K-12 in Newark, NJ.

Since 2009, Uncommon Properties LLC and its affiliates have closed on approximately eight bond financings with the Authority for the benefit of NSA and as a conduit issuer the Authority has no credit exposure.

In December 2014, the Authority issued $7,145,000 million taxable Qualified Zone Academy Bonds (QZAB) to enable Uncommon Properties to finance renovations and purchase furniture and fixtures at the Fairmount Campus of North Star Charter School, located at S. 9th Street in Newark, NJ. The Bonds were directly purchased by Uncommon NSA Lender IV, LLC ("Purchaser") who sold the QZAB tax credits to Prudential Insurance Company of America ("Bondholder Representative") immediately following the issuance of the Bonds. The current outstanding principal balance of the Bonds is $7,145,000.

Currently the Borrower requests the Members' consent to change the project location for the 2014 Bonds from S. 9th Street to 18 Washington Place, Newark. Proceeds will be used to renovate the 18 Washington Place facility to provide additional classroom and assembly space for North Star high school students. Both Uncommon NSA and Prudential have consented to the change in project location.

Chiesa, Shahinian, and Giantomasi, PC, Bond Counsel to the Authority, has advised that the modification will not constitute a reissuance for Federal tax law purposes. The request is being presented at the June 14, 2016 Board meeting to allow a public hearing.

Recommendation:
Consent to change in project location as described above.

Prepared By: Lori Zagarella

PRELIMINARY RESOLUTIONS

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

APPLICANT: Congregation Yeshiva Yesodei Torah, Inc P42710

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

PROJECT LOCATION: 21-43 South Bell Ave Lakewood Township (T/UA) Ocean

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

APPLICANT BACKGROUND:

Congregation Yeshiva Yesodei Torah, Inc., a 501(c)(3) not-for-profit organization established in 1995, operates a private college. The school includes 78 students in a 10,000 sq. ft. building. The organization has recently completed construction of additional faculty and student housing on its campus. Yisroel Treff is the Administrator of the school. The project is under review 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. The difference between the project costs and the bond amount will be funded via applicant's cash on hand.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	$8,877,500
Legal fees	$15,000
Finance fees	$15,000
Closing Costs	$2,500
TOTAL COSTS	$8,910,000

JOBS: At Application 22 Within 2 years 16 Maintained 0 Construction 0

PUBLIC HEARING: 06/14/16 (Published 06/01/16) **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi,

DEVELOPMENT OFFICER: K. Durand **APPROVAL OFFICER:** D. Poane

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

APPLICANT: Lakewood Cheder School, Inc. P42653

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

PROJECT LOCATION: Multiple Lakewood Township (T/UA) Ocean

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

APPLICANT BACKGROUND:

Lakewood Cheder School, Inc. (the "School") is a 501(c)(3) not-for-profit corporation established in 1966. The School has a present enrollment of 4,100 students in kindergarten through eighth grade.

The School received Authority assistance in 1991 in the amount of $3,455,000, as a Series R Project in the December 1991 Composite Issue with Banque National de Paris as the letter of credit bank and having an Authority guarantee of 90%. Bond proceeds were used by the School to acquire (1) acre of land and construct a 20,000 sq. ft. addition to a 46,000 sq. ft. facility. In 2005, the School current refunded the outstanding balance of the 1991 Series R Bond plus costs of issuance in the form of a $1,770,000 tax-exempt bond with a direct purchase from Commerce Bank.

The School currently operates four (4) educational facilities at the following addresses: 725 Vassar Avenue, 350 Courtney Road, 180 S. Park Avenue and 100 Park Avenue, all located in Lakewood. The School has conventional debt with Fulton Bank associated with each of the respective schools as follows: $14,553,355, $579,504, $666,698 and $1,617,815 for a total of $17,417,372 as of April 18, 2016.

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

The School 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 the existing mortgages with Fulton Bank, fund working capital needs, and pay closing costs through the issuance of a tax-exempt bond.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	$17,417,372
Working capital	$382,000
Finance fees	$300,628
TOTAL COSTS	$18,100,000

JOBS: At Application 470 Within 2 years 10 Maintained 0 Construction 0

PUBLIC HEARING: 06/14/16 (Published 05/31/16) **BOND COUNSEL:** Chiesa, Shahinian & Giantomas

DEVELOPMENT OFFICER: K. Durand **APPROVAL OFFICER:** K. DeSmedt

LOANS/GRANTS/GUARANTEES

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

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

DATE: June 14, 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 upgrade, closure and site remediation activities. The scope of work is described on the attached project summaries:

UST Commercial Grant:	
Sabino Guanci	$ 112,303
UST Residential Grants:	
John and Shirley Both	$ 101,313
Michele C. Davies	$ 387,550
	$ 488,863

Total UST Funding – June 2016 **$ 601,166**

Timothy Lizura

Prepared by: Wendy Wisniewski

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

APPLICANT: Sabino Guanci P42092

PROJECT USER(S): Syed Family, LLC * - indicates relation to applicant

PROJECT LOCATION: 122 Bloomfield Ave. Bloomfield Township (T/UA) Essex

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

APPLICANT BACKGROUND:

Between April 1999 and January 2014, Sabino Guanci, the former owner and operator of the project site which was a gasoline station, received an initial grant in the amount of $200,930 under P10753 and supplemental grants totaling $231,926 under P10753s, P15908 and P38381 to remove four underground storage tanks (USTs) and perform the required remediation. The NJDEP has determined that the supplemental project costs are technically eligible to perform extensive soil remediation. Under the agreement with the current owner, Syed Family,LLC, Sabino Guanci remains financially responsible for the cleanup.

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 $112,303 to perform the approved scope of work at the project site. Total grant funding including this approval is $545,159. The project site is located in a Metropolitan State Planning Area and therefore eligible for up to $1 million in grant funding.

The NJDEP oversight fee of $11,230 is the customary 10% of the grant amount. This estimate 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: $112,303

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

PROJECT COSTS:

Remediation	$112,303
NJDEP oversight cost	$11,230
EDA administrative cost	$500
TOTAL COSTS	$124,033

APPROVAL OFFICER: K. Junghans

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

APPLICANT: John Both and Shirley Both P42024

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

PROJECT LOCATION: 29 Black Oak Dr. Vernon Township (T) Sussex

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

APPLICANT BACKGROUND:

In July 2013, John Both and Shirley Both received a grant in the amount of $146,138 under P38018 to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank was decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional remedial activities.

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

APPROVAL REQUEST:

The applicants are requesting supplemental grant funding in the amount of $101,313 to perform the approved scope of work at the project site. Total grant funding including the approval is $247,451.

The NJDEP oversight fee of $10,131 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: $101,313

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	$101,313
NJDEP oversight cost	$10,131
EDA administrative cost	$250
TOTAL COSTS	$111,694

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Michele C. Davies P42218

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

PROJECT LOCATION: 43 Saddle River Rd. Teaneck Township (N) Bergen

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

APPLICANT BACKGROUND:

Between November 2008 and February 2013, Michele C. Davies received an initial grant in the amount of $28,217 under P23588 and supplemental grants totaling $92,468 under P30362 and P37241 to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank was decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional remedial activities.

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 $387,550 to perform the approved scope of work at the project site. Total grant funding including this approval is $508,235. The project site is located in a Metropolitan State Planning Area and is eligible for up to $1 million in funding.

The NJDEP oversight fee of $38,755 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: $387,550

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remediation	$387,550
NJDEP oversight cost	$38,755
EDA administrative cost	$250
TOTAL COSTS	$426,555

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: June 14, 2016

SUBJECT: NJDEP Hazardous Discharge Site Remediation Fund Program

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

HDSRF Municipal Grants:

Borough of Madison (Former Guerriero Paving Company)	$ 215,063
City of Paterson (BDA Former ATP Processors)	$ 124,938
	$ 340,001

Timothy Lizura

Prepared by: Wendy Wisniewski

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

APPLICANT: Borough of Madison (Fmr Guerriero Paving Company) P42354

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

PROJECT LOCATION: 22 Orchard Road Madison Borough (N) Morris

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

APPLICANT BACKGROUND:

In November 2011, Borough of Madison, received a grant in the amount of $85,166 under P28993 to perform Remedial Investigation (RI). The project site identified as Block 4312, Lots 14, 15 & 16 is a former commercial/industrial site and vacant lot which has potential environmental areas of concern (AOCs). The Borough of Madison currently holds a tax sale certificate on the project site and has satisfied proof of site control. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for affordable housing.

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 50% of the costs of remedial action for projects involving the redevelopment of contaminated property for affordable housing. The grant is awarded based on a calculation equal to 50% of the RA costs ($215,063).

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

APPROVAL REQUEST:

Borough of Madison is requesting supplemental grant funding to perform RA in the amount of $215,063 at the former Guerriero Paving Company project site. Total grant funding including this approval is $300,229.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $215,063

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	$430,125
EDA administrative cost	$500
TOTAL COSTS	$430,625

APPROVAL OFFICER: K. Junghans

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

APPLICANT: City of Paterson (BDA - former ATP Processors) P42347

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

PROJECT LOCATION: Mill & Van Houten Street Paterson City (T/UA) Passaic

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

APPLICANT BACKGROUND:

Between December 1995 and March 2008, the City of Paterson received an initial grant in the amount of $85,692 under P08484 and supplemental grants totaling $821,026 under P09145, P17593 and P19833 for Site Investigation (SI) and Remedial Investigation (RI) activities at the Former ATP Processors project site. The project site, which is located within a Brownfield Development Area (BDA), is a former textile printing company with environmental areas of concern (AOCs) based on the investigation activities performed to date. The City intends to acquire the project site for the purpose of redevelopment and has satisfied proof of site control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site for recreational use.

NJDEP has approved supplemental 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 City of Paterson is requesting supplemental grant funding to perform additional RI activities required by NJDEP in the amount of $124,938 at the Former ATP Processors project site. Total grant funding including this approval is $1,031,656.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $124,938

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	$124,938
EDA administrative cost	$500
TOTAL COSTS	$125,438

APPROVAL OFFICER: K. Junghans

OFFICE OF RECOVERY

STRONGER NJ BUSINESS LOAN PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: June 14, 2016

SUBJECT: Amendment to Stronger NJ Business Loan Program Policies

Request:

The Members are asked to approve modifications to the Stronger NJ Business Loan ("SBL") Program to allow for extensions of the Principal and Interest moratoriums.

Background:

At the November 10, 2014 Board Meeting, the Board approved an amendment to the SBL Program to allow for a two year moratorium on principal payments to all construction loan borrowers, as well as a two year moratorium for working capital loans. This was approved because it was recognized that businesses required additional time to recover and have sufficient cash flow to pay back their loan and not impair their ability to operate their business.

As the SBL Program has matured, it has become evident with the various Federal Regulations attached to the Superstorm Sandy funding that construction loans can take upwards of 2 years from commitment to be fully disbursed and for the applicant to have a Certificate of Occupancy ("CO"). In response to the extended construction periods, and in order to continue to aid these small businesses in their ongoing recovery, staff requests two modifications to the SBL Program's Principal and Interest ("P&I") Moratorium to assist impacted businesses in their recovery.

First, when a borrower's business has been completely destroyed by Superstorm Sandy, and they have not been in operation, or have operated in a severely diminished capacity, during the period of recovery, P&I payments on a construction loan should not begin until two years after the CO has been obtained. This extended moratorium will allow the impacted business sufficient time to rebuild their customer base and revenues prior to their beginning payments on their SBL loan(s), therefore maximizing their chances for a full recovery.

Second, when a borrower has both a Construction Loan and a Working Capital Loan, the moratorium on Working Capital P&I payments should correlate with the moratorium on the Construction Loan and payments should begin concurrently. In most instances, the borrower's ability to repay the Working Capital Loan was based on either pre-Sandy productivity or upon the completion of the proposed construction project. It would be a potential burden on our borrowers to begin repayments on their Working Capital Loan prior to their project being completed and an appropriate amount of time allowed for their business to recover.

Borrowers may benefit from both of these proposed moratorium extensions in the instance when a borrower has both a Working Capital and Construction Loan for a business that was completely destroyed by the Storm.

These amendments will be applied to all applications that have not yet been approved and all previous approvals will be modified to reflect this amendment, if applicable.

Recommendation:

The Members of the Board are asked to approve the following proposed amendments to the Stronger NJ Business Loan program: 1) Allow a two year Principal and Interest Moratorium from Certificate of Occupancy for Construction Loans to borrowers whose business had been completely destroyed or operating at a substantially diminished capacity as a result of Superstorm Sandy; and 2) When a Stronger NJ Business Loan borrower has both a Working Capital and Construction Loan, allow the Principal and Interest Moratoriums on the Working Capital Loan to correlate with the Construction Loan moratorium.

Prepared by: Kim Ehrlich

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STRONGER NJ BUSINESS LOAN PROGRAM PROGRAM

APPLICANT: Key Harbor Marina LLC, et al P40968

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

PROJECT LOCATION: 2 Point Road Ocean Township (N) Ocean

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

APPLICANT BACKGROUND:
Key Harbor Marina LLC is a full service marina located in Waretown, Ocean Township NJ along the west shore of Barneget Bay. The Marina was established in 2004. The Marina operates boat slip rentals via 9 docks accommodating watercraft ranging from small jet skis to boats as large as 55 feet. The rentals are seasonal and dry docking is offered for the off-season. The Marina also offers fuel and electrical services.

APPROVAL REQUEST:
A $2,600,578 construction loan is requested under the Stronger NJ Business Loan Program.

A previous request by the Company was submitted and approved by the EDA Board on 08/11/2015 for a working capital loan in the amount of $1,018,514.

The Company previously received a $50,000 forgivable working capital loan under the Stronger NJ Business Loan Program.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: $2,600,578

TERMS OF LOAN: Construction Loan: 30 year term. 24 months of 0% interest followed by 336 months of interest payments based on the 5 year US Treasury rate. Rate reset at each 10 year anniversary. During the first 24 months of the loan no principal payments are due. Thereafter, equal monthly payments of principal in an amount adequate to fully amortize the loan over the remaining term.

PROJECT COSTS:

Const. Unmet Need	$2,966,333
TOTAL COSTS	$2,966,333

JOBS: At Application	Within 2 years	Maintained	Construction
Jobs on Related P039636 10	3	13	0

DEVELOPMENT OFFICER: T. Trifeletti **APPROVAL OFFICER:** S. Novak

REAL ESTATE

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President/Chief Operating Officer

DATE: June 14, 2016

RE: Leasing Brokerage Services Contracts
Technology Centre of New Jersey

Summary
I am asking the Members' approval for the award of a leasing brokerage services contract to Jones Lang LaSalle (JLL) of Parsippany, New Jersey for the Technology Centre of New Jersey ("Tech Centre"), as well as the Waterfront Technology Center at Camden ("WTCC"), if required.

Background
The Real Estate Division publicly advertised a Request for Qualifications and Proposals (RFQ/P) for leasing brokerage services with regard to the Tech Centre, with the possibility of adding the Waterfront Technology Center at Camden ("WTCC"), if the sale of the building does not proceed as expected. Pursuant to the terms of the RFQ/P, the Authority has the ability to add additional properties to the scope of services. The current contract expires on July 31, 2016.

Site tours were held and questions and answers were posted on the Authority's website. One (1) firm submitted a proposal in response to the solicitation. The proposal was reviewed for compliance and evaluated to ensure all of the qualifications, experience, and other requirements as outlined in the RFQ/P were met.

JLL meets all the criteria outlined in the RFQ/P, and has satisfactorily performed these services for the Tech Centre and WTCC for the past five years. It is recommended that JLL be retained to provide these services for a 2 year period with three, 1 year renewal options for the Tech Centre, and for WTCC, if required.

JLL's commission rate for the Tech Centre is 5% with an override rate of 2.5% for years 1 through 5 of the lease term and 2.25% for year 6 through the end of the lease term. This is the same as the rate for the last five years. JLL's commission rate for WTCC is 6% for Year 1 of the lease, 5% for Year 2 of the lease, 4% for Year 3 of the lease, and 3% for the remaining years of the lease to the end of the term. JLL's override rate for WTCC is 3% for Year 1 of the lease, 2.5% for Year 2 of the lease, 2% for Year 3 of the lease, and 1.5% for the remaining years of the lease to the end of the term. The rate for WTCC under the current contract is the same as the Tech Centre rate.

When a lease is executed with a tenant that is represented by a broker, the commission is paid to the tenant's broker and the override rate is paid to the listing broker. However, no override will be paid when JLL or an affiliate or subsidiary of JLL is the tenant's broker. The commission and override rates are fixed for the contract and renewal terms.

Final approval of the selection of JLL will be subject to receipt and approval of its compliance documentation.

Recommendation
In summary, I ask for the Members' consent to award a leasing brokerage services contract to Jones Lang LaSalle for the Technology Centre of New Jersey, and for the Waterfront Technology Center at Camden, if the sale does not proceed as expected, and subject to approval of the Chief Executive Officer, President/Chief Operating Officer, and the Attorney General's Office.

Timothy J. Lizura
President/ Chief Operating Officer

Prepared by: Christine Roberts

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President / Chief Operating Officer

RE: License Agreement between
Public Service Electric and Gas Company and the Authority
Barnes Street Parking Lot
Trenton, New Jersey

DATE: June 14, 2016

Summary
I am requesting the Members' approval to enter into a License Agreement with Public Service Electric and Gas Company ("PSE&G") to allow the Authority to install security cameras on the existing light poles in or near the Barnes Street Parking Lot.

Background
The Authority requested permission from PSE&G to utilize the existing light poles for installation of security cameras for the benefit of the Barnes Street Parking Lot. PSE&G has agreed to this use and requested the Authority enter into a License Agreement related to the Authority's installation, operation, maintenance, repair, inspection, and removal of this equipment, as more fully described in the attached License Agreement. The term of the Agreement is seven (7) years subject to certain early termination rights of either party.

The Authority will remit a one time License Preparation Fee in the amount of $1,000 to PSE&G and yearly payments in the amount of $28.06 to be adjusted by CPI annually as set forth in the attached Agreement. The Authority will be responsible for installing and maintaining the cameras. The Authority will also provide insurance coverage naming PSE&G as an additional insured.

The initial plan was to install a 15 foot pole and dig a trench through the parking lot and run the wire approximately 150 feet back to the guard booth where the existing meter is located. The bidding process for this work was initiated and estimates were received for approximately $15,000. In addition to the cost involved in installing the pole, one parking spot would have been eliminated in the parking lot. Entering into the License Agreement with PSE&G is the most cost effective approach.

The attached form of License Agreement is in substantially final form. The final document and plan will be subject to revision, although basic terms and conditions will remain substantially consistent with those in the attachment. Final terms of the License Agreement will be subject to the approval of the President / Chief Operating Officer and the Attorney General's Office.

Recommendation

In summary, I am requesting the Members' approval to enter into a License Agreement with Public Service Electric and Gas Company to allow the Authority to install security cameras to the existing poles, on terms acceptable to the President / Chief Operating Officer and the Attorney General's Office.

Timothy J. Lizura

Attachment

Prepared by: Vince R. Wardle

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DISTRIBUTION POLE ATTACHMENT LICENSE FOR SURVEILLANCE CAMERAS
GRANTED TO

THIS AGREEMENT, made this ___ day of _____, 20__, between Public Service Electric And Gas Company, a corporation of the State of New Jersey, having its office at 80 Park Plaza, Newark, New Jersey, 07102, hereinafter called "PSE&G", and ________________, a corporation formed under the laws of the State of New Jersey, having its offices at __________________, hereinafter called "Grantee."

WITNESSETH

WHEREAS, Grantee is desirous of attaching security cameras (the "Facilities") to certain wholly owned PSE&G utility poles in _____________, New Jersey, and desires to enter into an agreement therefore with PSE&G: and

WHEREAS, PSE&G is willing to permit, to the extent it may lawfully do so and on the terms hereinafter set forth, the attachment of said security cameras to its poles as described on Exhibit A when, in its judgment, such use will not interfere with its own service requirements, or the provision of future service, including considerations of safety and reliability; and

WHEREAS, PSE&G has consented to the requested license, subject to the terms and conditions set below.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties hereto mutually covenant and agree as follows:

1. License. PSE&G licenses to Grantee to attach surveillance cameras to the Communications Space on wholly-owned PSE&G poles more specifically designated and described in **Exhibit A**, hereto attached and hereby made a part hereof, situated in ________, New Jersey. This license for a single attachment per pole.

2. Construction.

A. Approval. Prior to installing any Facilities on wholly-owned PSE&G wood poles the Grantee shall submit an Exhibit A (form attached) of listing all PSE&G owned poles it plans to attach to. It is expressly understood by Grantee that approval by PSE&G of construction or installation plans does not in any way relieve the Grantee from its full responsibility for code compliance in the construction and installation of the Facilities, nor shall any such approval restrict, modify, or void the obligations assumed by the Grantee pursuant to this License. PSE&G shall give its approval to Grantee by no later than _____ days of its receipt of an Exhibit A.

B. Changes in Construction Plan. After installation of the Facilities has commenced, any material changes of the construction or installation plans, as previously approved by PSE&G, shall be submitted to PSE&G for approval, in accordance with the procedure set forth in Section A above, prior to being implemented. Any additional costs or expenses associated with revisions in plans shall be at the sole cost and expense of Grantee.

C. Grantee shall submit a proposed schedule of commencement and completion dates for installation on each portion of the System Route.

D. All of the Grantee's Facilities shall be installed and maintained in full compliance with the requirements of the current editions of the National Electrical Safety Code (NESC), the National Electrical Code (NEC) and any other applicable codes. Grantee shall use best efforts to correct any violations of the aforesaid Codes at Grantee's expense as soon as reasonably possible. If Grantee fails to make such corrections or, if Grantee has not made substantial progress toward the mitigation of the deficiencies in a 30 days period after written notification by PSE&G, PSE&G reserves the right, as the pole owner, to remove Grantee's Facilities from the licensed poles, at the expense of Grantee in accordance with Paragraph 3E.

E. Grantee shall maintain Communications Space Facilities in good order and condition, of which PSE&G shall be the sole reasonable judge. Noted deficiencies in the physical condition of the Grantee's Facilities shall be corrected by Grantee, at Grantee's expense, within thirty (30) days of notification by PSE&G, unless a shorter time period is required for safety or reliability purposes. If Grantee fails to make such corrections in said thirty (30) days, or such other applicable period, PSE&G reserves the right to remove the Grantee's Facilities from the licensed poles, at the expense of Grantee in accordance with Paragraph 3E.

3. <u>Term and Termination</u>.

A. Term. The term of this Agreement shall be seven (7) years from the Effective Date.

B. <u>Grantee's Termination Rights</u>. Grantee may terminate this Agreement for convenience by giving PSE&G at least ninety (90) days prior written notice of such termination. Should Grantee undergo a material change in business such that one or more specific System Routes previously approved by PSE&G are no longer financially viable for Grantee, Grantee shall provide PSE&G at least ninety (90) days prior written notice of such termination. In either such case Grantee shall remove or abandon the Facilities in accordance with the provisions set forth in Section 3E hereof. Should Grantee terminate the Agreement, Grantee shall forfeit to PSE&G the balance of the all fees for the remaining term as liquidated damages.

C. <u>PSE&G's Termination Rights</u>. PSE&G may abrogate all or part of this Agreement, upon at least ninety (90) days written notice to Grantee, should it become incumbent upon PSE&G to appropriate the licensed space to use in connection with the provision of electric telecommunications related service. Should it become necessary for PSE&G to exercise this right, PSE&G will make reasonable good faith efforts to accommodate Grantee with an alternative facility location(s); however, the expense incurred in relocating Grantee's Facilities shall be the responsibility of Grantee in accordance with the provisions of Section 10 below. If Grantee determines in its sole discretion that the alternative facility route is unacceptable, Grantee shall have the right to terminate the Agreement, as to the affected Facilities upon ninety (90) days written notice to PSE&G.

D. Restoration of PSE&G's Property/Equipment. In addition to any other legal remedies that PSE&G may have against Grantee, Grantee shall be solely responsible for any cost and/or expense associated with restoring any of PSE&G's property or equipment to its original condition, which is destroyed or disturbed by the Carrier's installation, operation, maintenance, removal or disposal of any Facilities.

E. Removal of Equipment. Unless otherwise agreed to in writing between the parties, no later than forty-five (45) days from expiration or termination of this Agreement, the Facilities shall be removed by Grantee and Grantee shall return PSE&G's property to its original condition less ordinary wear and tear. If Grantee fails to remove said Facilities within the forty-five (45) days period, PSE&G shall have the right to remove and dispose of said Facilities at Grantee's expense. If PSE&G removes the said facilities any and all amounts due to PSE&G under this Agreement, including the costs of removal and disposal shall be netted and set-off against cash security being held by PSE&G.

4. Work Performed by PSE&G. All work specifically authorized in this Agreement performed by (a) PSE&G will be billed to Grantee based upon PSE&G's current Fully Allocated Labor Rate or (b) PSE&G's contractors or subcontractors will be billed to Grantee based upon the amount invoiced to PSE&G. It is intended by the Parties hereto that all work by PSE&G will be done during normal scheduled work hours. Should Grantee request PSE&G to perform work at other times, Grantee shall reimburse PSE&G for any additional material, labor and other expenses incurred by PSE&G due to premium time work occasioned to accommodate the needs of Grantee. To the extent practicable, PSE&G shall provide Grantee with the cost prior to commencing such work. Any other work performed by PSE&G, its contractors, or subcontractors for Grantee, including construction work, shall be governed by a separate agreement negotiated between the Parties and shall not be covered by this Agreement. All work to be performed for Grantee must be paid in full to PSE&G (30) days prior to commencing such work.

5. Compliance. The Facilities shall be installed and maintained in full compliance with the requirements of the current editions of the National Electrical Safety Code and the National Electrical Code and all applicable federal, state and local laws, regulations and requirements. All work shall be performed in a workmanlike manner and in accordance with all applicable industry standards including the regulations of OSHA, NJDEP and EPA.

6. Work Rules.

A. All PSE&G's Electric Space construction, installation, maintenance and inspection must be performed by PSE&G, as a contractor for Grantee, pursuant to a separate agreement negotiated between the parties, or by a PSE&G approved contractor. Inclusion of a contractor on a list of pre-approved contractors shall not in any manner be interpreted as a recommendation of a contractor.

B. PSE&G shall direct the Grantee on the location of the attaching security camera to be installed in the communication space. The cost of the engineering review for such attachment shall be at Grantee's expense.

C. All construction, installation and maintenance shall be conducted in a manner so as not to interfere with PSE&G's operations of providing electric related service.

D. All of Grantee's Facilities shall be plainly identified with a firmly affixed tag of a type and with printed identification approved by PSE&G. In the event that Grantee changes its name, assigns its rights through a sale, merger or consolidation, all Facilities shall be retagged at Grantee's expense, including Grantee's splice cases, within ninety (90) days of such change.

E. Before any work is performed by Grantee, Grantee shall make available at all work sites: all necessary traffic and pedestrian safety equipment, rescue apparatus, emergency communications equipment (cellular or PCS telephone or two-way radio capable of contacting emergency services and at least one physically rescue capable work crew member on the ground at all times.

F. Only dielectric type fiber optic cable and non-metallic components shall be used in PSE&G's Electric Space

G. Upon completion of all work, Grantee shall remove all of its tools, material, cable sheathing, debris, or any similar matter caused by any work performed on or around the poles.

H. Mark-Out. PSE&G and Grantee shall be independently responsible for "mark-out" of their own Facilities when requested to do so by third parties in connection with excavation in proximity to the Facilities.

7. Escort. Due to the unique nature of PSE&G's electric energy system, the inherent dangers associated with electrical energy and PSE&G's obligation to maintain system reliability and infrastructure security, the Parties agree that where, in the sole discretion of PSE&G, PSE&G determines that an escort is required, PSE&G shall provide an escort to be on site as soon as operating conditions reasonably permit. Grantee shall be solely responsible for the costs and expenses associated with the use of a PSE&G representative as an escort. Grantee acknowledges that having a PSE&G representative at the site does not in any manner relieve Grantee of its obligations under this License nor will PSE&G's escort be interpreted to mean that PSE&G has assumed any responsibility for the safety of Grantee, its agents, employees or contractors.

8. Application for Attachment. Grantee must apply for attachment to PSE&G's Communication Space on PSE&G poles by contacting the PSE&G representative at the appropriate Division Headquarter listed below. The appropriate division shall be selected by referring to Attachment 1 of this Agreement.

PSE&G - Central Division Headquarters
472 Weston Canal Road
Somerset, NJ 08873
Paul Nicholas (732) 764-3190
Fax (732) 748-0573

PSE&G - Metropolitan Division Headquarters
150 Circle Avenue
Clifton, NJ 07011
Joseph Apgar (973) 365-5308
Fax (973) 772-9442

PSE&G Palisades Division Headquarters
325 County Road
Secaucus, NJ 07094
Onivaldo Rodrigues (201)330-6558
Fax (201) 866-2743

PSE&G - Southern Division Headquarters
300 New Albany Road
Moorestown, NJ 08057
John Felice (856) 778-6727
Fax 856-235-4276

PSE&G - Southern Division Subheadquarters - Trenton
4140 Quakerbridge Road
Lawrenceville, NJ 08648
Scott Brown
(609)799-6815
Fax (609) 716-8599

9. Emergency and Disaster Operations. In the event of an emergency or disaster which results in actual damage to Grantee's system, contact should be established between PSE&G's local Division Operations Center as soon as reasonably possible and the **Grantees Network Management Center at (xxx) xxx-xxxx.** PSE&G and Grantee shall coordinate their efforts to jointly restore operation of the respective electric and telecommunications systems, but PSE&G's work shall take precedence over any and all operations of Grantee on PSE&G's poles. If Grantee has an emergency request, it should fax such request to (877) 511-2141, at the

PSE&G Inquiry Center, which operates 24 hours 7 days a week, using the form attached hereto as Exhibit B.

10. Relocation. In the event that any of the Facilities must be altered, rearranged or relocated, PSE&G will not be responsible for the expense of altering, rearranging or relocating Grantee's Facilities, and PSE&G shall have the option of exercising its rights as defined in Section 3C hereof. Grantee shall alter, rearrange or relocate such Facilities within thirty (30) days of notice provided by PSE&G, when required by PSE&G for gas or electric related service, or as required by a court or governmental agency. Such work shall be under the direction of and subject to the supervision and satisfaction of PSE&G. Grantee will cooperate with PSE&G in the alteration, rearrangement or relocation of its Facilities for the purpose of facilitating third-party attachments. Any work performed by PSE&G associated with making the pole ready for said attachments is billable to the Grantee at PSE&G's prevailing Fully Allocated Labor Rate. For any damages or losses incurred by Grantee as a result of such alteration, rearrangement or relocation, redress must be pursued by Grantee against the entity causing the alteration, rearrangement or relocation. During the term of this Agreement, in the event the location of part or all of the pole is in any way altered or moved from the location specified herein, to the extent reasonably practicable, PSE&G shall provide Grantee with at least forty-five (45) days prior written notice that such relocation or move is being planned. In the event of such relocation, PSE&G will exercise its reasonable good faith efforts to relocate the Facilities. If Grantee determines that the proposed relocation location is unacceptable, Grantee may terminate this Agreement as to the affected Facilities.

11. Condition of Facilities. If Grantee shall permit any of its Facilities to be out of good order or condition of which PSE&G shall be the sole judge but exercising its reasonable discretion, then, and in that event, upon being requested to do so by PSE&G, Grantee shall put the same in such order and condition as shall be satisfactory to PSE&G within a reasonable time period or such additional period as PSE&G may require. If Grantee shall fail to correct, PSE&G shall, at the expense of Grantee, cause said Facilities to be removed.

12. PSE&G's Operations. Grantee agrees that PSE&G will not be responsible for damage to Grantee's Facilities resulting from or arising out of normal operation of, or failure of, PSE&G's equipment or facilities. PSE&G's need to provide continuity of service to its customers shall take precedence over Grantee's work operations and PSE&G shall have the right to suspend Grantee's work to effect such continuity of service.

13. Taxes.

A. PSE&G shall be responsible for the payment of all taxes or other assessments, which may be levied against the pole and PSE&G's facilities on the pole except as defined in Section 13B.

B. Grantee shall pay (or in the case of taxes imposed directly on PSE&G - reimburse PSE&G for) all sales, use, excise and other taxes and all assessments which may be levied as a result of the existence of, or the use of or business facilitated by the Facilities.

14. Insurance Coverage. Prior to the start of any work or the occupancy of PSE&G's Property, Carrier, its contractors, and any third parties utilizing Carrier's Equipment on PSE&G's Property, shall provide at its own expense and maintain during the term of this Agreement the following minimum insurance in forms and with insurance companies acceptable to PSE&G:

A. Workers' Compensation insurance in accordance with statutory requirements and Employer's Liability insurance with a minimum limit of $1,000,000 each occurrence.

B. Comprehensive General Liability insurance (occurrence form) including Premises, Contractual Liability, Products Liability, Completed Operations, Independent Contractors, Broad Form Property Damage and coverage for damage caused by Explosion, Collapse or structural injury and damage to Underground utilities with the following minimum limits of liability:

Bodily Injury	$1,000,000 each occurrence
Property Damage	$1,000,000 each occurrence

C. Comprehensive Automobile Liability insurance including coverage for all owned, non-owned and hired automobiles used by the Carrier in the performance of the Agreement with the following minimum limits of liability:

Bodily Injury	$1,000,000 each occurrence
Property Damage	$1,000,000 each occurrence

E. Umbrella and /or Excess Insurance with a minimum limit of $10,000,000 per each occurrence to apply in excess of coverage outlined in Employer's Liability, Commercial General, and Commercial Automobile insurance above, which are scheduled as primary.

1. All liability coverage, except Workers Compensation, shall name PSE&G as an additional insured to support the contractual obligations assumed by the Carrier in acceptance of this Agreement and provide that this coverage is primary and without right of contribution from insurance carried by PSE&G. PSE&G shall have the right, at its option, to require Carrier to provide certified copies of all insurance policies evidencing the coverage required under this section.

2. The Completed Operations coverage shall be provided for a period of at least two years after termination of the Agreement.

3. Prior to the start of any Work, Carrier shall deliver to PSE&G's Infrastructure Access Specialist, Mail Code 18A, 80 Park Plaza, Newark, New Jersey 07101, Certificates of Insurance evidencing that the foregoing coverage is in effect. The Certificates of Insurance shall be submitted annually for at least two (2) years

after completion of any work showing Completed Operations coverage is in effect.

4. The insurance requirements set forth above are to fully protect PSE&G from any and all claims by third parties, including employees of the Carrier, its agents, Subcontractors and invitees. Said insurance, however, is in no manner to relieve or release Carrier, its agents, subcontractors and invitees from, or limit their liability as to any and all obligations assumed under the Agreement.

6. If after any work has commenced, additional insurance is requested by PSE&G, Carrier shall furnish such additional insurance and the associated premium shall be paid by PSE&G.

7. PSE&G may carry Builder's Risk insurance to protect its property erected or stored on the premises awaiting installation. PSE&G shall have no liability for damage to or loss of Carrier's tools, equipment, records, construction materials or facilities.

8. The Carrier shall notify PSE&G's on-site representatives and the Claims Department immediately by telephoning (973) 430-7000 and in writing within 24 hours after the occurrence thereof, of all accidents arising out of work done under this Agreement. Such notice shall not relieve either party of any of its obligations under this Agreement, nor be construed to be other than a mere notification.

15. Limitation of Liability. It is expressly agreed that neither PSE&G nor Grantee shall be liable to the other for any consequential loss or damages whatsoever (including lost profits or revenue), whether claims for said loss or damages are premised on contract, tort (including negligence), or otherwise, arising out of or caused by any acts or omission on the part of either party hereto, its employees, agents, contractors, subcontractors or invitees.. This Agreement will be governed by and construed under the laws of the State of New Jersey. Notwithstanding anything to the contrary set forth in this Agreement, any and all claims against the Grantee based on contract law shall be made in accordance with and subject to the provisions of the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.). Any and all claims against the Grantee based on tort law shall be made in accordance with and subject to the provisions of the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.).

16. Damage to PSE&G Property. Grantee shall exercise reasonable caution to avoid damage to facilities of PSE&G and hereby assumes all responsibility for any and all loss for such damage caused by Grantee, its employees, agents, contractors or subcontractors. Grantee shall make immediate report to PSE&G of the occurrence of any such damage as provided for in Sections 9 and 25 and hereby agrees to reimburse PSE&G for the expense incurred in making repairs to any of said damaged facilities.

17. Default.

A. If Grantee is in default on any term of this Agreement, and such default, in PSE&G's sole opinion, could result in physical harm or damage to persons or equipment ("safety default"), PSE&G may take immediate action to correct such safety default and provide notice as soon as reasonable to Grantee. Any costs and/or expenses associated with such action shall be charged to Grantee at PSE&G's Fully Allocated Labor Rate. Should Grantee have more than two safety defaults within a one-year period, PSE&G may terminate the license upon ten (10) days written notice to Grantee.

B. Except as provided for in Section 18A, should Grantee be in default of any term of this Agreement, PSE&G shall notify Grantee of such default in writing. Grantee shall have thirty (30) days from the date of such notification, or such other additional period of time PSE&G shall reasonably approve in the event Grantee is diligently pursuing, in which to cure such default to PSE&G's reasonable satisfaction. Should Grantee fail to cure such default and should PSE&G at any time wish to revoke the license hereby granted, it shall do so by giving ten (10) days written notice to Grantee and Grantee shall remove and dispose of its Facilities in accordance with Section 3E hereof. If Grantee shall fail to cure a default within the time provided, any and all amounts due to PSE&G under this Agreement, shall be netted and set-off against cash security being held by PSE&G.

C. Should PSE&G be in default of any term of this Agreement, Grantee may notify PSE&G of such default in writing. PSE&G shall have thirty (30) days from the date of such notification, or such other additional period of time Grantee may reasonably approve in the event PSE&G is diligently pursuing, in which to cure such default to Grantee's reasonable satisfaction.

18. Fees.

A. License Preparation fee: Grantee will pay to PSE&G the sum of One Thousand Dollars ($1000.00) which covers the preparation of this Agreement.

B. Annual Charge. Grantee shall pay to PSE&G an annual license fee charge of $28.06 per pole. This annual charge shall be reviewed/adjusted every year of this Agreement or any renewal thereof, beginning with the second annual payment by Grantee, by an amount equal to the change in the "Consumer Price Index for the Northeast Region – CUURA101SAO Not Seasonably Adjusted Area: New York-Northern New Jersey- Long Island, NY-NJ-CT-PA Item: Base Period 1982-84 All Items" (CPI) for the previous year. In the event the CPI is converted to a different standard or otherwise revised, said fees shall be adjusted according to the new standard or revision as published by the Bureau of Labor Statistics or its successors.

C. Due Date. The Annual Fees for the first year shall be due within (30) days of the completion of construction. All Annual Fees for subsequent years shall be due within thirty (30) days of Grantee's receipt of an invoice submitted by PSE&G. All other payments hereunder shall be due within ten (10) days of receipt of an invoice.

D. Interest. Any amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full. Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in *The Wall Street Journal* under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

19. Liens and Encumbrances. Grantee shall have no power, authority or right to create and will not permit any mechanics', artisans' or materialmen's lien or other encumbrance chargeable to or through Grantee to be established or remain on PSE&G's facilities or the Facilities; provided, however, that should any lien or encumbrance chargeable to Grantee attach to PSE&G's licensed poles, Grantee shall pay, discharge or remove such lien or encumbrance prior to delinquency or contest the same or the validity thereof in good faith by appropriate proceedings which shall operate to prevent the collection of such lien or encumbrance.

20. Warranties. Except as expressly set forth in this Section 21, PSE&G does not warrant or in any way assure the rights of Grantee to install its Facilities. Grantee is solely responsible for securing any rights that it may require to locate its Facilities in the public streets containing the subject PSE&G poles. Further, Grantee represents that it will have such rights at the time of installation of Grantee's Facilities.

21. Governmental Approvals. Grantee is solely responsible for securing and continuing any and all necessary consents, approvals, franchises, permits or licenses from Federal, State, County or Municipal authorities and from the owners of property, which allow Grantee to install and maintain its Facilities on the licensed poles. At PSE&G's request, Grantee shall submit to PSE&G evidence thereof satisfactory to PSE&G. The act of making any installation in any part of PSE&G's system shall constitute a representation to PSE&G that all such requirements have been satisfied.

22. Assignment. PSE&G may assign this Agreement and all rights and obligations thereunder, to any affiliated company of Public Service Enterprise Group or its successors. Grantee may assign this Agreement upon thirty (30) days prior written notice to PSE&G and upon written approval of such assignment by PSE&G, which approval shall not be unreasonably withheld.

23. Condemnation.

A. In the event any pole becomes the subject of condemnation proceedings, Grantee's rights and interest in the pole and the Facilities shall be severed from PSE&G's interest in the proceedings and any condemnation awards shall be specifically allocated between Grantee's interest, if any, and PSE&G's interest. Grantee shall have the right to independently pursue its rights and protect its license interest in the pole and the Facilities during the course of any such condemnation proceedings.

B. PSE&G shall use reasonable efforts to notify Grantee in writing, within seventy-two (72) hours, of any condemnation action (or threatened action) filed against the pole, the Facilities or any portion thereof, that affects the security camera(s), or any proposed sale in lieu of condemnation, but in no event later than forty-five (45) days after PSE&G has received written notice of such condemnation action.

24. Notices. All notices, requests or other communication (other than those normally required during the construction process) under this Agreement or required by law shall be in writing and shall be hand-delivered, sent by overnight delivery service, or mailed by first-class, registered or certified mail, postage prepaid and return receipt requested or transmitted by facsimile with verified receipt. Any changes in the following listed addresses, telephone or facsimile numbers must be promptly furnished to avoid misdirection.

If to Grantee:

Phone (xxx) xxx-xxx
Fax Number (xxx) xxx-xxx
24 Hour Emergency Line (xxx) xxx-xxx
Invoices sent to.________________________________

If to PSE&G (General Inquiries):

PSE&G Company
80 Park Plaza – T21
Newark, New Jersey 07102
Attention: Infrastructure Access Specialist
Phone: (973) 430-8583
Fax Number: (973) 242-3962

All notices, demands or request regarding credit and posting of cash security or deposit transfers shall be in writing and shall be personally delivered or sent by overnight express mail, courier service or facsimile transmission (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

If to PSE&G (Cash Security or Deposit Transfers Inquiries):

Robert Krauss
Manager-Financial Risk Management
80 Park Plaza, T-18
Newark, NJ 07102

Telephone: 973-430-7203
Fax: 973-624-2891

25. Obligations of Grantee. Grantee shall be solely responsible for the operation, maintenance and repair of the Grantee's Facilities, so as to assure continuing conformity with the specifications, including, without limitation, continual monitoring of the Grantee's network, fault location, and maintenance and replacement equipment as required.

26. Legal Forum. This Agreement shall be interpreted, construed and enforced in accordance with the internal laws of the State of New Jersey without giving effect to its principles of conflicts of law. Any disputes regarding this Agreement shall be litigated in a court in the State of New Jersey.

27. Force Majeure. In the event that either Party is rendered unable, wholly or in part, by an event of *Force Majeure*, to perform any obligation it has hereunder, other than to make payment when due, it is agreed that on giving notice and full particulars of the event of *Force Majeure* to the other Party, as soon thereafter as practicable, the obligations of the affected Party, so far as they are affected by such event of *Force Majeure*, shall be suspended during the continuance of any inability or incapacity so caused, but for no longer period.

The affected Party shall use good faith efforts to remedy a cause of such inability or incapacity to perform with all reasonable dispatch. A *Force Majeure* event shall not be used to delay payment. The requirement herein that any event of *Force Majeure* be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts or other similar disturbances by acceding to the demands when such course of action is, in the opinion of the affected Party, inadvisable. A *Force Majeure* event shall include, but is not limited to: fire, flood, the elements, explosions, acts of God, war, accidents, bargaining unit-related labor disputes, strikes, unavoidable shortages of equipment or suppliers, unavailability of transportation or other cause beyond the reasonable control of the party delayed or prevented from performing. *Force Majeure* shall not be based on (i) the loss of Grantee's markets or licenses, (ii) Grantee's inability to economically use its Facilities, or (iii) other economic hardship.

28. Cash Security Requirement.

A. Grantee shall post cash security in the form of cash to PSE&G prior to its Facilities being installed on the System Route. The cash security shall be the equivalent of (1) the Annual Fee, (2) the cost of removal of the Facilities and (3) the cost of disposal. The cash security will be held by PSEG as cash security for the term of the Agreement and will earn interest at the rated Federal Funds effective rate.

B. If at any time during the term of this Agreement (notwithstanding whether a Default has occurred), the Annual Fees, cost of removal of the Facilities or Disposal of the Facilities exceeds the Grantee's cash security held, then PSE&G on any Business Day, may request the Grantee provide cash in an amount equal to the amount to cover such deficient amount. Grantee shall post such additional cash security within

15 days from receipt of such written notice. In the event that the Grantee fails to provide cash security when due, then such failure shall be deemed a Default under Section 18.

C. The cash security posted will be returned to Grantee when the term of this Agreement has expired and all monies owed PSE&G have been paid. PSE&G will return the surplus cash security within 15 days from receipt of written notice.

D. To secure its obligations under this Agreement and to the extent that the Grantee delivered cash security hereunder, the Grantee hereby grants to PSE&G a present and continuing interest in, and lien on (with rights of set-off against), and assignment of, all cash collateral resulting there from, whether now or hereafter held by, on behalf of, or for the benefit of PSE&G, and Grantee and PSE&G agree to take such action as reasonably required to perfect PSE&G's first priority security interest in, and lien on, such collateral. Upon or any time after the occurrence and during the continuation of a Default, PSE&G may do any one or more of the following: (i) exercise any of the rights and remedies of PSE&G with respect to all cash security posted, including any such rights and remedies under law then effect; (ii) exercise its right of set-off; and (iii) liquidate all cash security held by or for the benefit of PSE&G free from any claim. PSE&G shall apply the proceeds of the cash security/collateral realized upon the exercise of such rights or remedies to reduce the Grantee's obligation under the Agreement, subject to the PSE&G's obligation to return if any surplus proceeds remaining after such obligations are satisfied.

29. Scope of Agreement and Amendments.

A. Grantee and PSE&G acknowledge that the terms of this Agreement are specific to the project encompassed by the System Route shown on **Exhibit A** and that such terms are not necessarily applicable to any future Grantee project. However, prospective and related future runs at PSE&G's option shall be considered on a site-by-site basis and if such future run is agreed to PSE&G may, in its sole discretion, incorporate the run as an additional **Exhibit A** to be incorporated within this Agreement. While PSE&G may elect to utilize this Agreement for multiple System Routes, PSE&G is under no obligation to do so.

B. This Agreement shall be revised, supplemented or amended only by the parties' mutual consent in writing, signed by the parties hereto, and such amendment shall become a part hereof.

30. Timely Completion of Installation. Grantee shall have a time period of six (6) months from the date of execution of this Agreement to complete the installation of its Facilities in the licensed poles. This time period may be extended for up to another six (6) months at the sole discretion of PSE&G. If Grantee fails to complete installation of its Facilities in the licensed poles within the time allotted, or any extension thereof, under the terms of this Section, then this Agreement shall automatically terminate, and PSE&G shall have no further obligation to Grantee

hereunder. However, Grantee shall remain liable for the payment of all fees, removal, disposal and other fees that may be due or payable up to the date that this Agreement terminates under the terms of this Section.

31. Entire Agreement. This Agreement and all Exhibits hereto constitute the entire agreement of the Parties insofar as the subject matter hereof and shall supersede any prior or contemporaneous agreements or negotiations, whether written or oral, between the Parties, regarding the specific license referenced herein.

32. Third Party Rights. Nothing in this Agreement is intended to create any rights in any third parties.

33. Waiver. If either Party fails to enforce its rights in the event of a breach of any provision of this Agreement, such failure shall not be construed as a continuing waiver of other breaches of the same or other provisions.

34. Severability. If any term or provision of this Agreement shall be determined by a regulatory agency with proper jurisdiction or a court of competent jurisdiction to be invalid, the remaining terms and provisions hereof shall remain in effect only to the extent that the Parties agree that such modification will not result in a material change in the Agreement. Should the Parties be unable to agree, this Agreement and every licensed attachment shall terminate three (3) months thereafter.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DISTRIBUTION POLE ATTACHMENT LICENSE FOR SURVEILLANCE CAMERAS
GRANTED TO

IN WITNESS WHEREOF, PSE&G has caused its corporate seal to be hereto affixed and these presents to be signed, and Grantee has caused its corporate seal to be hereto affixed and these presents to be signed by its proper officers, all as of the day and year first above written.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

By: ______________________________

Name: David S. Blew
Title: Manager – Outside Plant

Attest:

By: ______________________________

Name:
Title: Corporate Secretary

(Corporate Seal)

GRANTEE

By: ______________________________

Name: ______________________________
Title: ______________________________

Attest:

By: ______________________________

Name: ______________________________
Title: ______________________________

(Corporate Seal)

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DISTRIBUTION POLE ATTACHMENT LICENSE FOR SURVEILLANCE CAMERAS
GRANTED TO

ATTACHMENT 1

LISTING OF COUNTIES AND TOWNS

Central Division

Berkeley Heights	Garwood	Montgomery	Somerville
Bound Brook	Greenbrook	Mountainside	So. Bound Brook
Branchburg	Highland Park	New Bruns. Twp.	South Brunswick
Bridgewater	Hillsborough	North Brunswick	South Plainfield
Carteret	Hillside	North Plainfield	South River
Clark	Kenilworth	Perth Amboy	Springfield
Cranford	Linden	Piscataway	Union
Dunellen	Manville	Plainfield	Warren
East Brunswick	Metuchen	Rahway	Watchung
Edison	Middlesex	Raritan	Westfield
Elizabeth	Millstone	Roselle	Winfield
Fanwood	Milltown	Roselle Park	Woodbridge
Franklin	Monreo	Scotch Plains	

Southern Division

Allentown	East Windsor	Magnolia	Princeton Twp.
Audubon	Edgewater Park	Mansfield	Rocky Hill
Audubon Park	Evesham	Monroe	Riverside
Barrington	Ewing	Maple Shade	Riverton
Bellmawr	Fieldsborough	Medford Lakes	Runnemede
Beverly	Franklin	Medford Twp.	South Brun. Twp.
Bordentown City	Florence	Merchantville	Somerdale
Bordentown Twp.	Gloucester City	Moorestown	Southhampton
Brooklawn	Glouceser Twp.	Mount Ephraim	Springfield
Burlington City	Haddon Twp.	Mount Holly	Travistock
Burlington Twp.	Haddonfield	Mount Laurel	Trenton
Camden	Haddon Heights	Montgomery	Upper Freehold
Cherry Hill	Hainesport	National Park	Voorhees
Chesterfield	Hamilton	New Hanover	Washington
Cinnaminson	Hillsborough	North Hanover	Westampton
Collingswood	Hi-Nella Borough	Oaklyn	West Deptford
Cranbury	Hopewell Borough	Palmyra	Westville
Delanco	Hopewell Twp.	Pemberton	West Windsor
Delran	Lawnside	Pennington	Willingboro
Deptford	Lawrence	Pennsauken	Winslow
East Amwell	Lower Alloways Creek	Plainsboro	Woodbury
Eastampton	Lumberton	Princeton	Woodbury Heights
		Princeton Borough	Woodlynne

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DISTRIBUTION POLE ATTACHMENT LICENSE FOR SURVEILLANCE CAMERAS
GRANTED TO

LISTING OF COUNTIES AND TOWNS

Metro Division

Belleville	Fair Lawn	Millburn	Prospect Park
Bloomfield	Garfield	Montclair	Roseland
Caldwell	GlenRidge	Newark	Saddlebrook
Cedar Grove	Haledon	North Caldwell	South Orange
Clifton	Hawthorne	North Haledon	Totowa
East Orange	Irvington	Nutley	Union
Elmwook Park	Lincoln Park	Oakland	Verona
Essex Fells	Little Falls	Orange	Wallington
Elizabeth	Livingston	Passaic	Wayne
Fairfield	Maplewood	Paterson	West Caldwell
			West Orange

Palisades Division

Bayonne	Guttenberg	Moonachie	Saddle Brook
Bergenfield	Hackensack	New Milford	Saddle River
Bogota	Harrison	North Arlington	Secaucus
Carlstadt	Hasbrouck Heights	North Bergen	South Hackensack
Cliffside Park	Haworth	Old Tappan	Teaneck
Cresskill	Hillsdale	Oradell	Tenafly
Dumont	Hoboken	Palisades Park	Teterboro
East Newark	Hohokus	Paramus	Union City
East Rutherford	Jersey City	Park Ridge	Waldwick
Edgewater	Kearny	Ridgefield	Washington Twp.
Emerson	Leonia	Ridgefield Park	Weehawken
Englewood	Little Ferry	Ridgewood	West New York
Englewood Cliffs	Lodi	River Edge	Westwood
Fairview	Lyndhurst	River Vale	Woodcliff Lake
Fort Lee	Maywood	Rochelle Park	Wood Ridge
Glen Rock	Midland Park	Rutherford	Wyckoff

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
DISTRIBUTION POLE ATTACHMENT LICENSE FOR SURVEILLANCE CAMERAS
GRANTED TO

EXHIBIT A
APPLICATION FOR SURVELLANCE CAMERA ATTACHMENT

In accordance with the terms of the Surveillance Camera License Agreement dated __________, granted by PSE&G to _________________, application is hereby made for Grantee to make attachments to the following poles.

Municipality :____

Pole Number	Street Address	Comments, Cross St., Adj. Poles, etc.

Total Poles Added to License ______

APPLICANT:
By:
Title:

License is granted to __________________, on this ____day of ______, _____ to attach to the poles specified in this application and subject to the terms and conditions of the Surveillance Camera License Agreement granted on __________________ and subject to the following conditions:

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

By:
Title:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

RE: Camden Waterfront Development and Option Agreement, dated October 19, 2004, as amended on November 18, 2013, July 31, 2015, October 15, 2015 ("D&O Agreement") Amended Letter Agreement Authorizing the Sale of Steiner + Associates' Interest in Camden Town Center, L.L.C., Restated and Amended Third Amendment to the D&O Agreement, the Restated Fourth Amended to the D&O Agreement, and the First Amendment to the Declaration of Easements, Covenants, and Restrictions.

DATE: June 14, 2016

Summary

I request that the Members approve the following:

- The Amended Letter Agreement, which permits the purchase of 100% of the equity of Camden Town Center, L.L.C. by Liberty Property Trust (LPT) to occur on or before October 7, 2016

- The Restated and Amended Third Amendment to the D&O Agreement which provides CTC with an additional 3 months to fulfill the $25 million minimum threshold expenditure previously due on February 18, 2017, in the event that the sale of the equity interest to LPT does not occur

- The Restated Fourth Amendment to the D&O Agreement (Fourth Amendment) which adds new terms, amends existing terms, revises the requirement of the review package when exercising the option to purchase "Pre-construction Subparcels," provides the Authority and City of Camden Redevelopment Authority (CCRA) the option to repurchase "Pre-construction Subparcels" under certain conditions, and other items

- The First Amendment to the Declaration of Easements, Covenants, and Restrictions (DECR) which will remove Camden Square (no longer controlled by the D&O Agreement due to the First Amendment to the D&O Agreement), and Parcels 1 and 2 of D&O Agreement as property governed by the DECR

Background

A. Approved Letter Agreement and Proposed Amendment to the Letter Agreements

1. November 16, 2015 Letter Agreement

In October 2015, the Members approved the November 16, 2015 Letter Agreement, which provides the following:

- The Authority will approve LPT's acquisition of 100% of the equity interest in CTC
- At the acquisition closing, the Authority and CTC will execute the Fourth Amendment to the D&O Agreement
- The Authority will cooperate with LPT to:
    - Reach agreements with the Delaware River Port Authority (DRPA) and the CCRA to obtain approval of the D&O Amendment, to terminate the easements in favor of DRPA for the construction of the Tram, Tram Landing Site, and Tram Parking Facility that run across the development site
    - Reach agreement with the CCRA regarding the agreement required by Section 3 of the D&O Amendment
    - Work with Cooper's Square Urban Renewal Venture, LLC to identify acceptable parking alternatives for the Ferry Terminal building
    - Establish use restrictions, architectural controls and architectural review process for the development parcel
- LPT will work to complete the amendment to the Master Plan which will include a time table for development
- LPT's sole remedy shall be a termination of its Entity Interest Acquisition Agreement and the parties agree that there will be no liability for damages under the letter against the Authority and LPT shall have no remedy against the NJEDA at law or equity
- The Authority agrees that for a period of up to one year, the Authority will not revoke its approval of LPT acquiring the equity interest in CTC and the Authority will not change its agreement to enter into the Third Amendment to the D&O Agreement.
- With regard to these provisions, the parties have agreed to be governed by the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. for Sections 7 through 10 of the Letter Agreement

The current deadlines under the Letter Agreement are outlined in the following chart:

November 16, 2015 Letter Agreement Deadlines		
Milestone	**Start**	**End**
Execution of LPT/CTC Purchase & Sale Agreement	8/16/2015	8/16/2015
LPT 6 Month Due Diligence (DD)	8/16/2015	2/15/2016
LPT 3 Month Due Diligence Extension	2/16/2016	5/15/2016
LPT 3 Month Closing	5/16/2016	8/15/2016
LPT 1 Month Closing Extension	8/16/2016	9/15/2016

During the first quarter of this calendar year the following has been accomplished:

- The City of Camden passed an ordinance to vacate Marina Drive, a "paper street" which is currently the eastern border of Parcel 1
- LPT obtained initial subdivision approval from the City of Camden for the D&O parcels
- The CCRA and the Members approved the revised Master Plan for the D&O development parcels
- The DRPA approved the sale of the Tram Site and the release of the Tram Easement on the D&O development parcels
- The CCRA has agreed on the terms of the required agreements under Section 3 of the D&O Agreement

2. *Amended Letter Agreement*

To finalize the Department of Environmental Protection's waterfront development permits, LPT has requested an extension of the closing period until October 7, 2016. Staff believes that the request is reasonable because it adds 22 days to the existing closing period.

The Amended Letter Agreement is attached to this memo as Exhibit A.

B. *Approved Third Amendment and Proposed Restated and Amended Third Amendment to the D&O Agreement*

1. *November 9, 2015 Third Amendment*

Under the November 9, 2015 Third Amendment, if LPT does not purchase CTC's equity interest, Steiner will have until February 14, 2017 to complete the $25 million milestone, or within six (6) months after LPT provides notice that it will not purchase 100% of CTC's equity interest, whichever is earlier.

2. *Proposed Restated and Amended Third Amendment to the D&O Agreement*

Because LPT has requested an extension to the closing to no later than October 7, 2016, to purchase CTC's equity interest, Steiner is requesting that its obligation to meet the $25 million milestone be extended as follows:

- Fifteen (15) months (February 15, 2016 through May 14, 2017) after the end of LPT's due diligence period
- Six (6) months after LPT gives written notification that it no longer intends to acquire the existing membership interest in CTC

Staff believes that the requested extension, due to the delay in LPT's purchase of CTC's equity interest, is reasonable.

The Amended and Restated Third Amendment is attached to this memo as Exhibit B.

C. *Approved Fourth Amendment and Proposed Restated Fourth Amendment to the D&O Agreement*

1. *Approved Fourth Amendment to the D&O Agreement*

The approved Fourth Amendment to the D&O Agreement includes the following revisions to Section 12 of the D&O Agreement:

Item	Requirement	Revised Estimated Due Date	Notes
$36 million	Pay or incur $36 million between July 1, 2015 and 12 calendar months after the date of the Fourth Amendment (revised subtotal of milestone spending: $56 million)	12 calendar months after the date of the Fourth Amendment	The amendment increases the milestone from $25 to $35 million. The period will be extended from November 31, 2015 to 12 calendar months after the date of the Fourth Amendment.
$36 million	Pay $36 million (as opposed to incur) within 24 calendar months after the date of the Fourth Amendment (revised subtotal of milestone spending: $56 million)	24 calendar months after the date of the Fourth Amendment	This section is new and requires $36 million be paid within 24 calendar months after the date of the Fourth Amendment.
$40 million	Pay or incur $40 million within 24 months after the date of the Fourth Amendment (subtotal of milestone spending: $76 million)	24 calendar months after the date of the Fourth Amendment	This section is new and requires $40 million be paid or incurred within 24 calendar months after the date of the Fourth Amendment.
$40 million	Pay (as opposed to incur) $40 million within 36 months after the date of the Fourth Amendment (subtotal of milestone spending: $76 million)	36 calendar months after the date of the Fourth Amendment	This section is new and requires $40 million be paid within 36 calendar months after the date of the Fourth Amendment.

Item	Requirement	Revised Estimated Due Date	Notes
$74 million	Pay or incur $74 million within 42 calendar months after the date of the Fourth Amendment (revised subtotal of milestone: $150 million)	42 calendar moths after the date of the Fourth Amendment	This amendment decreases the milestone from $75 to $74 million. The period will be extended to 42 calendar months after the date of the Fourth Amendment.
$74 million	Pay (as opposed to incur) $74 million within 54 calendar months after the date of the Fourth Amendment (revised subtotal of milestone: $150 million)	54 calendar months after the date of the Fourth Amendment	This section is new and requires $74 million be paid within 54 calendar months after the date of the Fourth Amendment.

In addition, the approved Fourth Amendment includes the following revisions:

- *State Projects*. Subject State approval, the right for the State to develop projects on the D&O parcels will be deleted.

- *Permitted Assignee*. The definition of "Permitted Assignee" that may develop projects will be revised to remove references to Mall Camden Investments, LLC, and permit LPT or its affiliate to develop a project. It also permits an unaffiliated hotel or residential developer, approved by the Authority in its sole discretion, to develop projects.

- *Due Diligence*. This revision will permit LPT to perform due diligence at any time under an access agreement to be executed by the parties.

- *Tram Site*. Subject to a written agreement with the DRPA, the DRPA development projects will no longer include the Tram Landing Site or Tram Parking Facility.

- *Interim Milestones*. The interim milestones will be removed and replaced with a semi-annual reporting requirement.

- *Future Easements for DRPA Projects*. The Authority will agree to no longer grant the DRPA or any other person any additional easements in connection with the DRPA Development Projects.

- *Default Sections*. The pertinent default sections will be revised to include LPT.

- *Ferry Terminal Parking*. The Authority will agree to cooperate with CTC to find alternative parking for the Ferry Terminal Building tenants

- *Landlord Improvements Under Signed Leases*. Any fully signed lease that includes landlord paid improvements will count as an amount incurred for the minimum threshold expenditures.

- *Options on Parcel 2.* Subject to receiving the CCRA's approval, if CTC cancels an option on Parcel 2, it may again exercise that option at a later time.

2. *Proposed Restated Fourth Amendment to the D& O Agreement*

The parties have proposed the following revisions to the Fourth Amendment to the D&O Agreement:

- The definition of "Permitted Assignees" will now include a subsidiary or Affiliate of CTC, a Residential Developer or a Hotel Developer in connection with a Parcel or Subparcel

- The definition of a "Hotel Developer" will now include an entity controlled by Louis Cicalese, LLC, subject to the Authority's approval of Louis Cicalese, LLC

- The definition of "Residential Developer" will be revised to include and "entity in which Dranoff retains control of the development of the residential Subproject and retains at least a twenty-five [sic] (25%) ownership interest (direct or indirect) in such entity"

- A new term, "Condominium," will be defined as the "Camden Waterfront Condominium, the commercial condominium to be established by CTC upon its acquisition of the Property"

- A new term, "Pre-construction Subparcels," will mean "each Unit as Limited Common Element of the Condominium created within the area shown on the Master Plan . . . located between:

    - "Riverside Drive and proposed Caruso Place" and between "Cooper Street and Penn Street, excluding areas designed P2 on the Master Plan"

    - "[B]etween Penn Street and Pearl Street and between the proposed Water Street and eastern boundary of Tract 1"

    - "Riverside Drive and Delaware Avenue and between Cooper Street and Penn Street," this parcel only is also known as the "Delaware Avenue Preconstruction Parcels"

- A new term, "Construction-ready Subparcels," will mean "all of the Property that does not qualify as a Pre-Construction Subparcels"

- A new Section 8(d) provides that CTC may acquire one of more Pre-Construction Subparcels by previously acquiring or contemporaneously acquiring ALL of the Construction-ready Subparcels and complying with the following:

    - CTC must explain why the Pre-Construction Subparcel(s) is needed to facilitate the development of the Construction-ready Subparcels

    - CTC must provide the environmental reports required under Section 8(a)(i)

- CTC must provide the balance of the Section 8(a) review package documents no later than when application is made for construction permit on a Pre-Construction Subparcel

- CTC must calculate the purchase price based on the development contemplated in the approved Master Plan

- If the actual development on the Pre-Construction Subparcel would have yielded a greater purchase price, CTC must pay the difference to the Authority, but the Authority will not be required to refund any of the purchase price received for the Pre-Construction Subparcels

- Any Pre-Construction Subparcels on which construction is not imminent will be subject to an option, which shall be recorded and "run with the land," allowing the Authority or the CCRA to repurchase the Pre-Construction Subparcels if the project has not commenced by the construction start date

- The repurchase option will automatically terminate against any Pre-Construction Subparcel on which construction has commenced in accordance with the Master Plan with the parties promptly executing and recording a document confirming the termination

- When exercising the option to repurchase a Pre-Construction Subparcel, the Authority or the CCRA shall pay the purchase price paid by CTC without reduction for an environmental credit as permitted under Section 6(e), provided CTC provides proof of paying such environmental costs

- Any Pre-Construction Subparcel repurchased by the Authority and/or the CCRA may be subject to the condominium documents filed against the Pre-Construction Subparcel

- The construction start date for the Delaware Avenue Preconstruction Subparcels will be August 1, 2019

- The balance of the Pre-Construction Subparcels will have a construction start date commencing no later than nine (9) years after CTC acquires title to the Pre-Construction Subparcels

- The Restated Fourth Amendment will permit CTC to subject the D&O Agreement parcels to the Condominium, and to convey Condominium Units to an end user or Permitted Assignee

- The Restated Fourth Amendment will permit, upon the City of Camden recording the vacation ordinance for Marina Drive and the Camden County Improvement Authority providing a quit claim deed to the Authority for its portion of Marina Drive, the D&O Agreement to include the vacated Marina Drive as part of Parcel 1 of the D&O Agreement, which the Authority can then convey to CTC under the D&O Agreement

Staff recommends these revisions to permit CTC, upon execution of the Restated Fourth Amendment, to proceed with the proposed development in a fashion consistent with the Master Plan the Members approved in March of this year.

In addition, staff has reviewed information regarding Louise Cicalese, LLC, and finds that the firm is an acceptable "Hotel Developer" under the D&O Agreement.

The Restated Fourth Amendment to the D&O Agreement will be executed upon LPT's purchase of CTC's equity interest. The Restated Fourth Amendment is attached to this memo as Exhibit C.

D. Proposed First Amendment to the DECR

In September 2003, the Members approved the DECR on the D&O Agreement parcels to "coordinate development by . . . various entities in a harmonious and compatible manner. . . . As the declarant of the Declaration the Authority will . . . resolve disagreements that might arise between the developers [of the IMAX, the aquarium expansion, and parcels under the D&O Agreement] while the Authority continues to own" the parcels.

The First Amendment to the DECR will remove Camden Square and the D&O Agreement parcels from the DECR. The First Amendment to the DECR is attached to this memo as Exhibit D. Staff recommends the amendment because:

- the rights to the develop the IMAX has been terminated
- Steiner completed the aquarium expansion
- "Camden Square" (Parcel 3) was removed from the D&O Agreement in the First Amendment to the D&O Agreement
- the existing DECR is not compatible with the approved March 2016 Master Plan and hinders future development on Camden Square and the D&O Agreement parcels

The First Amendment to the DECR will be executed and filed only upon the execution of the Restated Fourth Amendment to the D&O Agreement.

Recommendation

I ask that the Members approve, subject to the conditions included in this memo, the following:

- The Amended Letter Agreement
- The Restated and Amended Third Amendment to the D&O Agreement
- The Restated Fourth Amendment to the D&O Agreement
- The First Amendment to the Declaration of Easements, Covenants and Restrictions

The final documents may be subject to revisions, although the basic terms and conditions will remain consistent with those in Exhibits A through D. The final terms of the Agreement will be subject to the approval of the President and Chief Operating Officer, and the Attorney General's Office.

VMH

Timothy J. Lizura
President and Chief Operating Officer

Prepared by: Juan Burgos
Attachments: Exhibits A through D

EXHIBIT A: AMENDED LETTER AGREEMENT

[Print on Liberty letterhead]

June ___, 2016

New Jersey Economic Development Authority ("**NJEDA**")
36 West State Street
Trenton, NJ 08625
Attention: Timothy Lizura

Re: Camden Waterfront

Dear Mr. Lizura:

As you know, we have executed an agreement dated August 19, 2015 whereby Liberty Property Trust or an affiliated entity controlled by Liberty Property Trust (together, "**Liberty**") would acquire all of the existing equity interests in Camden Town Center, LLC, a New Jersey limited liability company (the "**Company**"). Such agreement is referred to in this letter as the "**Agreement of Sale and Purchase**".

The NJEDA and the Company are parties to a certain Development and Option Agreement dated October 19, 2004, as amended by an amendment thereto dated November 18, 2013, Second Amendment dated July 31, 2015, Third Amendment dated November 9, 2015, and Restated Third Amendment dated June ____, 2016 (as amended, the "**D&O Agreement**").

Prior to completing closing on the acquisition of the equity interests in the Company, Liberty has and will continue to incur significant expenditures in the performance of its due diligence activities, and has also incurred significant expenses to prepare and obtain approval of an amended Master Plan for the Development Site under the D&O Agreement. To induce Liberty to continue its due diligence activities and to complete closing under the Agreement of Sale and Purchase, we request that NJEDA provide certain assurances.

1. Liberty and the NJEDA approve the restated fourth amendment to the D&O Agreement in the form attached as <u>Schedule A</u> to this letter, as such form may be modified with the mutual approval of Liberty and NJEDA (the "**Fourth D&O Amendment**"). The form of Fourth D&O Amendment attached as <u>Schedule A</u> supersedes our agreement with respect to an earlier version of the form of Fourth D&O Amendment contained in the letter agreement between us dated November 16, 2015. Except as expressly modified by this letter, our letter agreement dated November 16, 2015 remains in full force and effect.

2. NJEDA and Liberty shall work cooperatively to obtain the final approval of the City of Camden Redevelopment Authority ("**CCRA**") to the Fourth D&O Amendment and, as

necessary, to amend the existing Redevelopment Agreement dated October 24, 2005 between the NJEDA and CCRA to conform to the Fourth D&O Amendment.

3. NJEDA and Liberty shall work cooperatively to obtain DRPA's final approval of the amendments to the D&O Agreement contained in Sections 5(a) and 5(b) of the Fourth D&O Amendment.

4. NJEDA shall pursue the approvals of all necessary agencies and instrumentalities of the State of New Jersey to the amendment to the D&O Agreement contained in Section 11 of the Fourth D&O Amendment.

5. NJEDA shall execute an amendment to that certain Declaration of Easements, Covenants and Restrictions dated October 28, 2003 by the NJEDA and the City of Camden Redevelopment Authority and recorded in OR Book 7231 P. 1408 as File Number 2003094974 (the "**Declaration**") to provide that the Parcels (as such terms are defined in the D&O Agreement) are no longer subject to the Declaration. Such amendment shall be in the form of <u>Schedule B</u> to this letter, or such form as may be modified with the mutual approval of Liberty and NJEDA, and is referred to in this letter as the "**Declaration Amendment**". NJEDA shall cooperate with Liberty in Liberty's efforts to reach agreement with the CCRA to also execute the Declaration Amendment. NJEDA shall also work cooperatively with Liberty to obtain the consent to the Declaration Amendment from The State of New Jersey, Department of Treasury and from Camden Aquarium L.L.C.

6. The currently scheduled date for closing under the Agreement of Sale and Purchase is September 15, 2016. Liberty has the right, exercisable at any time on or prior to September 15, 2016, to extend the closing date under the Agreement of Sale and Purchase to October 7, 2016. Liberty shall keep the NJEDA informed of any extension of the scheduled Closing Date under the Agreement of Sale and Purchase.

The parties agree to be governed by the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. for Sections 1 through 6 of this letter.

[*This space intentionally left blank – signature page follows*]

Kindly execute a counterpart of this letter to confirm your agreement with its terms.

Very truly yours,

LIBERTY PROPERTY TRUST

By:________________________________
Name:
Title:

ACKNOWLEDGED AND AGREED:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By:________________________________
Name:
Title:

SCHEDULE A

FORM OF FOURTH D&O AMENDMENT

EXHIBIT B: **AMENDED AND RESTATED THIRD AMENDMENT TO THE DEVELOPMENT & OPTION AGREEMENT**

AMENDED AND RESTATED THIRD AMENDMENT TO DEVELOPMENT AND OPTION AGREEMENT

THIS AMENDED AND RESTATED THIRD AMENDMENT TO DEVELOPMENT AND OPTION AGREEMENT (the "**Third Amendment**") dated June __, 2016, effective as of November 9, 2015, is entered into by and between CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company ("**CTC**") and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey ("**NJEDA**").

WHEREAS, the Parties hereto previously entered into that certain Development and Option Agreement dated as of October 19, 2004, as amended by that certain Amendment to Development and Option Agreement dated as of November 18, 2013 and that certain Second Amendment to Development and Option Agreement dated July 29, 2015 (as so amended, collectively, the "**Original Agreement**");

WHEREAS, in connection with an agreement to accelerate the development of the Camden Waterfront from $100 million being incurred or spent within five years hereof (as set forth in the Original Agreement) to $150 million being incurred or spent within three and one half years after closing under the Liberty PSA (as defined below), NJEDA has approved Liberty Property Trust or an affiliate entity controlled by Liberty Property Trust (together "**Liberty**") acquiring all of the existing membership interests in CTC, thereby indirectly acquiring ownership of CTC's real and personal property assets, as well as certain liabilities of CTC (collectively, the "**CTC Membership Interests**");

WHEREAS, pursuant to a certain Agreement of Sale and Purchase dated August 19, 2015 (the "**Liberty PSA**"), Liberty has agreed to acquire the CTC Membership Interests subject to and contingent upon the terms and conditions of the Liberty PSA;

WHEREAS, pursuant to Section 12(b)(iii) of the Original Agreement, it is NJEDA's position that CTC must cause an additional $25,000,000 of Milestone Threshold Expenditure (for an interim total of $45,000,000) to be actually paid or incurred by November 30, 2015;

WHEREAS, CTC has requested and NJEDA has agreed to extend the November 30, 2015 date set forth in Section 12(b)(iii) in order to allow Liberty an opportunity to acquire the CTC Membership Interests or , in the alternative, to allow CTC an opportunity to meet the next Milestone Threshold Expenditure date in the event that Liberty decides not to complete the acquisition of the CTC Membership Interests;

WHEREAS, NJEDA and Liberty have agreed upon the terms of a Restated Fourth Amendment to Development and Option Agreement which will become effective if and when Liberty completes its acquisition of the CTC Membership Interests pursuant to the Liberty PSA;

WHEREAS, the Parties desire to amend certain portions of the Agreement in compliance with Section 28 of the Original Agreement.

NOW, THEREFORE, subject and in consideration of the premises, the mutual covenants and agreements herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. The recital clauses set forth above are hereby deemed to be a part of this Third Amendment as though set forth verbatim at length herein.

2. Defined Terms.

(a) "**Agreement**" shall refer to the Original Agreement, as amended by this Third Amendment.

(b) Defined terms used but not otherwise defined in this Third Amendment shall have the meanings ascribed to such terms in the Original Agreement.

3. Amendment to Section 12 of the Original Agreement.

(a) Section 12(b)(iii) of the Original Agreement is amended and restated as follows:

> "(iii) An additional Twenty-Five Million Dollars ($25,000,000) no later than the earlier of (x) six (6) months after the end of the period commencing on the date of the execution of the Liberty PSA and ending fifteen (15) months thereafter or (y) six (6) months after Liberty gives written notification that it no longer intends to acquire the CTC Membership Interests and the Liberty PSA is terminated.

4. Miscellaneous.

(a) The provisions of Section 28 of the Original Agreement shall apply to this Third Amendment *mutatis mutandis*.

(b) This Third Amendment may be executed in any number of counterparts (and by facsimile or electronic mail signature pages), each of which shall be deemed to be an original, but all of which shall constitute the same agreement. When counterparts have been executed by and delivered to all parties hereto or their counsel, they shall have the same effect as if the signatures were all on the same copy hereof.

5. Effectiveness. Where the terms of this Third Amendment are inconsistent with the terms of the Original Agreement, the terms of this Third Amendment shall control. Except as expressly amended by this Third Amendment, the terms of the Original Agreement remain in full force and effect and are unmodified. This Amended and Restated Third Amendment amended and restates the Third Amendment dated November 9, 2015.

IN WITNESS WHEREOF, the Parties have caused this Third Amendment to be duly executed on their own behalf by their respective officers thereunto duly authorized, all as of the date first above written.

CAMDEN TOWN CENTER, LLC

By:____________________________________
Name:
Title:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By:____________________________________
Name:
Title:

EXHIBIT C: **RESTATED FOURTH AMENDMENT TO THE DEVELOPMENT & OPTION AGREEMENT**

RESTATED FOURTH AMENDMENT TO
DEVELOPMENT AND OPTION AGREEMENT

THIS RESTATED FOURTH AMENDMENT TO DEVELOPMENT AND OPTION AGREEMENT (the "**Fourth Amendment**") dated as of [*insert date of closing on acquisition of equity interests in CTC*] ___________, 2016, is entered into by and between CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company ("**CTC**") and THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey ("**NJEDA**").

WHEREAS, the Parties hereto previously entered into that certain Development and Option Agreement entered into as of October 19, 2004, as amended by that certain Amendment to Development and Option Agreement dated as of November 18, 2013, that certain Second Amendment to Development and Option Agreement dated as of July 31, 2015, and that certain Third Amendment to Development and Option Agreement dated as of November 9, 2015 as amended and restated on June____, 2016 (as so amended, the "**Original Agreement**");

WHEREAS, the NJEDA has approved an Amended Master Plan (the "**Master Plan**") and time line associated therewith that contemplates the accelerated development of the Camden Waterfront, with $76 million to be spent within three years hereof and $150 million to be committed to be spent within three and one half years hereof.

WHEREAS, the Parties desire to amend certain portions of the Agreement (as defined below) in compliance with Section 28 of the Original Agreement in order to accelerate the development of the Camden Waterfront and to clarify certain terms, including, but not limited to, an explanation of the use of Pre-construction Subparcels that is consistent with past practice.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. <u>Defined Terms</u>.

(a) "**Agreement**" shall refer to the Original Agreement, as amended by this Fourth Amendment.

(b) **"Condominium"** shall refer to the Camden Waterfront Condominium, the commercial condominium to be established by CTC upon its acquisition of the Property.

(c) **"Construction-ready Subparcels"** shall refer to all of the Property that does not qualify as Pre-construction Subparcels as defined below.

(d) **"Pre-construction Subparcels"** shall refer to each Unit and Limited Common Element of the Condominium created within the area shown on the Master Plan: (i) located between Riverside Drive and proposed Caruso Place and between Cooper Street and Penn Street (exclusive of the area designated P2 on the Master Plan); and (ii) located between Penn Street and Pearl Street and between proposed Water Street and the eastern boundary of

Tract 1; and (iii) located between Riverside Drive and Delaware Avenue and between Cooper Street and Penn Street (the Pre-construction Subparcels identified in this clause (iii) are sometimes referred to as the "Delaware Avenue Pre-construction Parcels").

(e) Defined terms used but not otherwise defined in this Fourth Amendment shall have the meanings ascribed to such terms in the Original Agreement.

2. Amendments to Section 2 of the Original Agreement.

(a) The definition of Permitted Assignee contained in Section 2(vv) of the Original Agreement is deleted and the following is substituted in its place:

> "Permitted Assignee" shall mean (i) an end-user of a Subproject on a particular Parcel or Subparcel, provided that the end-user shall construct (or have constructed) its own building and other improvements as and for the Subproject and shall own the tract of land upon which they are to be constructed; (ii) a developer for, or designee of, the end-user, provided that there is a long-term relationship between them, i.e., at least fifteen (15) years; (iii) a single purpose entity, which is an Affiliate or subsidiary of any of (1) CTC or (2) Liberty Property Trust ("**LPT**"), and whose sole asset is (or shall be upon Closing) the Parcel/Subparcel and Subproject in question; *provided that* CTC or LPT retains control of the development of the Subproject and retains at least a twenty-five percent (25%) ownership interest (direct or indirect) in such entity, and which single purpose entity may include, without limitation, a "limited dividend entity", as defined in, and pursuant to, the Long Term Tax Exemption Law, N.J.S. A. 40A:20-1 et. seq., whose members are comprised of CTC or LPT and/or any Affiliate or subsidiary thereof; *provided further that*, for any Subproject that will be a residential development a Residential Developer may retain control of the development of such Subproject, and for a Subproject that will be a hotel development a Hotel Developer may retain control of the development of such Subproject; (iv) Dranoff or a Residential Developer, in connection with any residential use of a Parcel or Subparcel; or (v) Hotel Developer, in connection with any hotel use of a Parcel or Subparcel.

(b) For purposes of the Agreement, the following defined terms shall have the following meanings:

"**Affiliate**" shall mean any Person that controls, is controlled by, or is under common control with any other Person.

"**Hotel Developer**" shall mean an entity controlled by Louis Cicalese, LLC or other entity approved by NJEDA in its sole discretion based on a review of the entity's experience, capacity and reputation which specializes in hotel development and whose principals have not less than ten (10) years of experience in the development of hotels. "**Residential Developer**" shall mean an entity in which Dranoff retains control of the development of the residential Subproject and retains at least a twenty-five (25%) ownership interest (direct or indirect) in such entity, or other entity approved by NJEDA in its sole discretion based on a review of the entity's experience, capacity and reputation which specializes in residential development and whose principals have not less than (10) years of experience in the development of residential projects in the State of New Jersey.

3. Amendment to Section 5 of the Original Agreement. Section 5(d)(iv) of the Original Agreement is amended by deleting the third sentence of such Section and replacing it with the following:

> If CTC elects to cancel the exercise of the Option pursuant to clause (1) above, then neither party shall have any further liability to the other with respect to the exercise of the option in question and the imposition by CCRA of such requirements and conditions; provided, as contemplated by Section 5(c), CTC may again exercise an Option for said Parcel or Subparcel in the future. [*Note – this is subject to final approval from the CCRA*]

4. Amendment to Section 8 of Original Agreement.

(a) Section 8(c) of the Original Agreement is amended and restated in its entirety as follows:

> (c) CTC shall have the right, exercisable at any time, to inspect, investigate, test, survey, and conduct due diligence with respect to any Parcel or part thereof (but not to perform any construction thereon) pursuant to a mutually acceptable access agreement to be executed by the Parties. [*Note – this is subject to final approval from the CCRA*]

(b) [*NOTE – this is subject to final approval by* CCRA] The following is added as Section 8(d) to the Original Agreement:

> (d) To facilitate the efficient development of the Property in conformance with the Master Plan, provided CTC has previously acquired or is then acquiring all of the Construction-ready Subparcels and intends to promptly commence construction thereon in conformance with the Master Plan of one (1) or more Subprojects, CTC may also acquire one or more Pre-construction Subparcels for which development of a specific Subproject is not then imminent. In such case, the Review Package for Pre-construction Subparcels for which development of a specific Subproject is not then imminent need consist only of: (i) an explanation of how or why the Pre-construction Subparcel(s) is

needed to facilitate efficient development of Construction-ready Subparcel(s) previously acquired or then being acquired; and (ii) the Environmental Reports and other information required under clause (i) of Section 8(a) of the Original Agreement. At such time as all of the other components of a Review Package required under Section 8(a) are available for a Pre-construction Subparcel (but not later than when an application for a construction permit for a Pre-construction Subparcel is submitted to the City), CTC shall provide same to NJEDA. The Purchase Price payable for any Pre-construction Subparcel for which development of a specific Subproject is not then imminent shall be calculated on the basis of the development contemplated for such Pre-construction Subparcel by the Master Plan. In all events, development of all Pre-construction Subparcels shall be in conformance with the Master Plan. If the actual Subproject to be developed on such a Pre-construction Subparcel would have resulted in payment of a Purchase Price pursuant to the terms of this Agreement that is greater than the Purchase Price paid for such Pre-construction Subparcel, the difference shall be paid to NJEDA when construction permits for core and shell of the actual Subproject are issued. In no event shall any such change require NJEDA to refund any portion of the Purchase Price paid for a Pre-construction Subparcel. Any Pre-construction Subparcel for which development of a specific Subproject is not then imminent shall be conveyed subject to an option allowing NJEDA or CCRA, as applicable, to repurchase the Pre-construction Subparcel in the event that construction of a Subproject in accordance with the Master Plan has not been commenced by the applicable construction start date. For Delaware Avenue Pre-construction Subparcels, the applicable construction start date shall be August 1, 2019, the last day of the Option Term. For all other Pre-construction Subparcels, the applicable construction start date shall be the date which is nine (9) years after CTC acquires title to such Pre-construction Subparcel. The purchase price payable under such option shall be an amount equal to the purchase price paid by CTC, calculated without reduction for environmental cost credits pursuant to Section 6(e) of the Original Agreement to the extent that CTC provides reasonable, written confirmation to NJEDA, on a Subparcel by Subparcel basis, that such costs were actually incurred and paid. At Closing CTC shall provide the purchaser with copies of all due diligence and environmental remediation reports and design instruments for such Pre-construction Subparcel. The Pre-construction Subparcel to be repurchased may be re-conveyed subject to condominium documents filed against such property by CTC. The repurchase option of the grantor shall be a covenant that runs with the land and recorded as an encumbrance against title. Upon the commencement of construction on a Pre-construction Subparcel in conformance with the Master Plan, the purchase option for such Pre-construction Subparcel shall automatically terminate and the parties will promptly execute and record an instrument confirming such termination.

5. Amendment to Section 10 of the Original Agreement.

(a) The DRPA Development Projects shall no longer include the Tram Landing Site or Tram Parking Facility. [*Note – this is subject to final approval from DRPA*]

(b) Notwithstanding anything contained in Section 10(d) of the Original Agreement, from and after the date of this Fourth Amendment, NJEDA shall no longer have any right to grant to DRPA or any other Person any additional easements in connection with any DRPA Development Project. [*Note – this is subject to final approval from DRPA*]

(c) Notwithstanding anything contained in Section 10(e) of the Original Agreement, a movie theater may be operated on any portion of the Development Site. NJEDA acknowledges that the exclusivity rights granted to the operator of the IMAX Theater Project under Section 10(e) of the Original Agreement have terminated.

(d) NJEDA acknowledges and agrees that the identification tower and sign referenced in Section 10(f) of the Original Agreement shall not be located on any portion of the Development Site.

6. Amendment to Section 11 of the Original Agreement. [*NOTE – this is subject to the appropriate approvals by the* State] Section 11 of the Original Agreement, State Developments, is removed entirely from the Original Agreement and shall no longer have any force or affect. Any and all references in the Agreement to "State Developments" and "State Developers" are also removed from the Agreement.

7. Amendment to Section 12 of the Original Agreement.

(a) Amounts payable for improvements by an end-user for any Subproject, or by a landlord or a tenant under any fully signed lease for any Subproject, notwithstanding the existence of contingencies to the obligations of the end-user or of either the landlord or the tenant under such lease, shall be deemed "incurred" for purposes of the definition of Minimum Threshold Expenditure. Subject to the express limitations contained in the provisos of Section 12(a) of the Original Agreement, amounts actually paid or incurred on account of any expense described in Section 12(a) of the Original Agreement by CTC or LPT, or an Affiliate of CTC or of LPT, shall also constitute Minimum Threshold Expenditures.

(b) Sections 12(b)(i) – (iv) are amended and restated as follows:

(i) Thirty-Six Million Dollars ($36,000,000) of Minimum Threshold Expenditures actually paid or incurred between July 1, 2015 and the date which is twelve (12) calendar months after the date of this Fourth Amendment;

(ii) Thirty-Six Million Dollars ($36,000,000) of Minimum Threshold Expenditures actually paid (as opposed to merely incurred) within twenty-four (24) calendar months after the date of this Fourth Amendment;

(iii) Forty Million Dollars ($40,000,000) of Minimum Threshold Expenditures actually paid or incurred, in addition to the $36,000,000 of Minimum Threshold Expenditures required by clauses (i) and (ii) above, within twenty-four (24) calendar months after the date of this Fourth Amendment, for an aggregate interim total of Minimum Threshold Expenditures actually paid or incurred by such date of Seventy-Six Million Dollars ($76,000,000);

(iv) Forty Million Dollars ($40,000,000) of Minimum Threshold Expenditures actually paid (as opposed to merely incurred), in addition to the $36,000,000 of Minimum Threshold Expenditures actually paid required by clause (ii) above, within thirty-six (36) calendar months after the date of this Fourth Amendment, for an aggregate interim total of Minimum Threshold Expenditures actually paid (as opposed to merely incurred) by such date of Seventy-Six Million Dollars ($76,000,000);

(v) Seventy-Four Million Dollars ($74,000,000) of Minimum Threshold Expenditures actually paid or incurred, in addition to the $76,000,000 of Minimum Threshold Expenditures required by clauses (i) through and (iv) above, within forty-two (42) calendar months after the date of this Fourth Amendment, for an aggregate interim total of Minimum Threshold Expenditures actually paid or incurred by such date of One Hundred Fifty Million Dollars ($150,000,000); and

(vi) Seventy-Four Million Dollars ($74,000,000) of Minimum Threshold Expenditures actually paid (as opposed to merely incurred), in addition to the Seventy-Six Million Dollars ($76,000,000) of Minimum Threshold Expenditures actually paid required by clauses (ii) and (iv) above, within fifty-four (54) calendar months after the date of this Fourth Amendment, for an aggregate total of Minimum Threshold Expenditures actually paid (as opposed to merely incurred) by such date of One Hundred Fifty Million Dollars ($150,000,000).

(c) Section 12(d) of the Original Agreement is amended and restated as follows:

(d) The amount of the Minimum Threshold Expenditures set forth in Section 12(b) above may be carried forward and used and applied by CTC in the future in the event that the amount of the Minimum Threshold Expenditures actually made for the particular time period exceeds the required minimum amount for each level. For example, because the first level of Minimum Threshold Expenditures is Thirty-Six Million Dollars ($36,000,000.00) paid or incurred and the second level of Minimum Threshold Expenditures is Thirty-Six Million Dollars actually expended, if CTC has $50,000,000 of Minimum Threshold Expenditures, of which $10,000,000 has actually been expended, on or before the first anniversary of the date of this Fourth Amendment, the Ten Million Dollars ($10,000,000.00) actually expended may be credited towards the Thirty-Six Million Dollars ($36,000,000.00) requirement of the second level, and the additional Four Million Dollars ($4,000,000) of Minimum Threshold Expenditures incurred but not expended may be credited toward the $40,000,000 requirement of the third level, and so on.

8. Amendment to Section 13 of the Original Agreement. Section 13 of the Original Agreement, Interim Benchmarks, is removed entirely from the Original Agreement and shall no longer have any force or effect.

9. Amendment to Section 17 of the Original Agreement.

(a) Sections 17(c)(iii) and (iv) are removed entirely from the Original Agreement and shall no longer have any force or effect.

(b) All references to "Steiner" contained in Section 17(c) are removed from Section 17(c) of the Original Agreement and shall no longer have any force or effect.

(c) Sections 17(c)(x), (xi) and (xii) are amended and restated as follows:

(x) The determination by NJEDA, in its sole and absolute discretion, either that the financial condition of CTC and or LPT is unsound or that CTC is in material default of any contract or agreement with NJEDA or any contract or agreement with a third party related to a Subproject, and the failure by CTC to cure such financial condition or material breach to NJEDA's satisfaction, in its sole and absolute discretion, within ninety (90) days after Notice from NJEDA; or

(xi) The failure by CTC to provide on a quarterly basis (i.e. on or before March 31, June 30, September 30 and December 31 of each year during the Option Term certificates from each of CTC and LPT in form and substance reasonably acceptable to NJEDA, and duly executed by the managing member of CTC and an officer of LPT, as applicable, certifying as to the financial condition of CTC and LPT and whether CTC or LPT, as applicable, is in material breach of any contract or agreement with NJEDA or any contract or agreement with a third party related to a Subproject, together with any documentation reasonably requested by NJEDA in connection therewith, and such failure is not cured within thirty (30) days after Notice from NJEDA of such failure, provided, however, that CTC and LPT shall only be required to provide financial statements on an annual, not quarterly, basis; or

(xii) The transfer, sale, conveyance or assignment of any membership interest in CTC, unless NJEDA has first been notified

> of such proposed transfer, sale, conveyance or assignment and consented thereto in writing, which consent may be granted or withheld in the sole and absolute discretion of NJEDA; provided, however, but subject to Section 43 of the Agreement, that the holder(s) of any membership interest in CTC may make transfers of such equity interests among themselves without the consent of NJEDA, and members or shareholders of any holder of any membership interest in CTC may make transfers of their respective equity interests in such holders without the consent of NJEDA, as long as in each such event (A) such transfer will not conflict with, or result in the breach of, any term, condition or provision of any agreement, deed, contract, undertaking, mortgage, indenture, writ, order, decree, restriction, legal obligation, or instrument to which CTC or such holder is a party or by which CTC or such holder or any of its or their assets is or may be bound or affected; (B) such transfer will not constitute a default (or an event which, with the giving of notice, the passage of time, or otherwise, would constitute a default) thereunder; and (C) such transfer will not cause or result in a Change in Control (as defined below) of CTC. As used herein, "Change of Control" shall be deemed to have occurred if Liberty Property Trust becomes the holder, directly or indirectly, of less than fifty-one percent (51%) of the equity interests of CTC, other than by reason of (i) a merger or consolidation of Liberty Property Trust or Liberty Property Limited Partnership with any other party or (ii) a sale of all or substantially all of (A) the stock of Liberty Property Trust or (B) the partnership interests or assets of Liberty Property Limited Partnership. The Parties acknowledge that Liberty Property Trust is a publicly traded company and no issuance or transfer of any stock of Liberty Property Trust or partnership interests in Liberty Property Limited Partnership shall constitute a Change of Control.

10. Amendment to Section 18 of the Original Agreement. The following is added at the end of the first sentence to Section 18(j) of the Original Agreement:

> "; provided, however, said obligation shall be limited to any claims, demands, liabilities, losses, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees) that arise within three (3) years after completion of development and construction (as evidenced by the issuance of temporary or permanent certificates of occupancy by the City of Camden) for the improvements erected on such Parcel or Subparcel."

11. Amendment to Section 19 of the Original Agreement. The following is added to Section 19 of the Original Agreement:

To implement the Master Plan, CTC intends to acquire title to all or part of the Property and subject the Property to a condominium regime to be known as the Camden Waterfront Condominium, thereby enabling CTC to assure harmonious design and operation of the development contemplated by the Master Plan. Thereafter, CTC intends to convey condominium units to end users or other entities that are described in the definition of "*Permitted Assignee*" contained in the Agreement, even though a formal assignment to any such entity of CTC's development rights under the Agreement may not be effectuated. The NJDEA consents to CTC subjecting all portions of the Property which CTC acquires to the Camden Waterfront Condominium, and thereafter transferring units in the Camden Waterfront Condominium to end-users or other entities that are described in the definition of *Permitted Assignee* prior to the time a Subproject for such condominium unit is completed.

12. Amendment to Section 20 of the Original Agreement. From and after the date of this Fourth Amendment, the addresses for Notice to CTC shall be as follows (or to such other address as CTC may hereafter designate by Notice pursuant to Section 20):

Camden Town Center, LLC
c/o Liberty Property Trust
1628 John F. Kennedy Boulevard, Suite 1100
Philadelphia, PA 19103
Attention: John S. Gattuso, Senior Vice President and Regional Director
Facsimile: (215) 568-1999

With a copy for informational purposes only to:

Liberty Property Trust
500 Chesterfield Parkway
Malvern, PA 19355
Attention: General Counsel
Facsimile: (610) 644-2175

And

Cozen O'Connor
One Liberty Place
1650 Market Street, Suite 2800
Attention: James R. Williams
Philadelphia, PA 19103
Facsimile: (215) 201-2224

13. Estoppel Certifications.

(a) Each Party certifies to the other that no defaults by the other Party under the Agreement exist, or all such defaults are irrevocably waived.

(b) NJEDA certifies to CTC that, not later than the date of closing on the acquisition of all or part of land located in Block 80, Lot 2.01, City of Camden Tax Maps, following the exercise by the CTC of an Option under the Agreement to purchase or ground lease such land, all parking rights granted by NJEDA to the City of Camden Parking Authority or any other Person which encumber the land to be acquired in connection with the exercise of such Option, shall terminate.

(c) NJEDA certifies to CTC that (i) the Purchase Price payable under the Agreement for parcels which are owned in fee by the Company (the "**Fee Parcels**") has been paid in full, and shall not be subject to adjustment by reason of any future development or use of the Fee Parcels; and (ii) the actual cost of any environmental remediation of the Fee Parcels will constitute Minimum Threshold Expenditures to the extent such remediation costs exceed the Purchase Price paid under this Agreement for the Fee Parcels.

(d) Each Party acknowledges that the foregoing certifications are a material inducement to the agreement of the other Party to execute and deliver this Fourth Amendment.

14. Miscellaneous.

(a) The provisions of Section 28 of the Original Agreement shall apply to this Fourth Amendment *mutatis mutandis*.

(b) This Fourth Amendment may be executed in any number of counterparts (and by facsimile or electronic mail signature pages), each of which shall be deemed to be an original, but all of which shall constitute the same agreement. When counterparts have been executed by and delivered to all parties hereto or their counsel, they shall have the same effect as if the signatures were all on the same copy hereof.

15. Reports. CTC shall submit semi-annual reports, beginning 6 months after the date of this Fourth Amendment, detailing its progress, including a description and location of each Subproject, the estimated amount of expenditures to date, a description of its due diligence, and to the extent available, plans and specification for each Subproject.

16. Effectiveness. Where the terms of this Fourth Amendment are inconsistent with the terms of the Original Agreement, the terms of this Fourth Amendment shall control. Except as expressly amended by this Fourth Amendment, the terms of the Original Agreement remain in full force and effect and are unmodified.

17. Vacation of Marina Drive. The paper street known as Marina Drive between Penn Street on the south and Pearl Street on the north in the City of Camden is in the process of being vacated. Upon NJEDA receiving a fully executed quitclaim deed to NJEDA by the Camden County Improvement Authority (the "**CCIA**") conveying all interests of the CCIA in and to the portion of such paper street so vacated that automatically vested in CCIA, the parties acknowledge that all of the real property that had formerly been part of such portion of Marina Drive and which will then be held by NJEDA shall constitute part of the Property which is subject to the Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have caused this Restated Fourth Amendment to be duly executed on their own behalf by their respective officers thereunto duly authorized, all as of the date first above written.

CAMDEN TOWN CENTER, LLC

By:________________________________
Name:______________________________
Title:_______________________________

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By:________________________________
Name:______________________________
Title:_______________________________

EXHIBIT D: **FIRST AMENDMENT TO DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS**

When recorded return to:

____
____
____
Attention:____________________

FIRST AMENDMENT TO DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS

THIS FIRST AMENDMENT TO DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS (this "Amendment") dated as of ________, 2016 and intended to be effective as of ___________, 2016, by and among **THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**, an instrumentality of the State of New Jersey ("NJEDA") and **THE CITY OF CAMDEN REDEVELOPMENT AGENCY**, a public body corporate and politic ("CCRA"; and collectively with NJEDA, the "Declarant"), and the other parties which have executed Joinders to this Amendment (collectively, the "Joinder Parties").

RECITALS

A. Declarant entered into that certain Declaration of Easements, Covenants and Restrictions dated October 28, 2003 and recorded in the Camden County Clerk's Office in OR Book 7231 at Page 1408 (the "Original Declaration") which imposed certain declarations, easements, covenants, conditions and restrictions upon the "Entire Parcel" (as defined in the Original Declaration).

B. Camden Town Center, LLC ("**CTC**") is undertaking the mixed-use development of land along the Camden Waterfront that includes land encumbered by the Original Declaration. To assure harmonious, integrated development and future operation of the development contemplated by CTC, the parties hereto wish to amend the Original Declaration to provide that certain property encumbered by the Original Declaration and more particularly described on Exhibit A attached hereto and incorporated herein (the "Removed Property") is removed from the application of the Original Declaration. The Removed Property described on Exhibit A may include real property that is not subject to the Original Declaration, but such property is included to assure that all property within the Removed Property which CTC may acquire and develop shall not be encumbered by the Original Declaration.

C. NJEDA, CCRA, and the Joinder Parties, other than Camden Aquarium L.L.C. ("Aquarium Tenant"), constitute all of the Owners of the Entire Parcel immediately prior to this Amendment. NJEDA and CCRA also execute this Amendment in their capacity as the Declarant under the Original Declaration. Aquarium Tenant executes its Joinder to this Amendment in its capacity as the tenant under the Aquarium Lease (as defined in the Original Declaration).

D. All capitalized terms not otherwise defined herein shall have the meaning given to them in the Original Declaration.

NOW THEREFORE, in consideration One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound hereby, the parties hereto acknowledge and agree as follow:

1. **Removal of Removed Property**. The Removed Property is hereby released from, and shall no longer be subject in any way, to the Original Declaration. The definition of "Entire Parcel", as used in the Original Declaration, shall be deemed modified to exclude the Removed Property.

2. **Deletion of DRPA Garage and DRPA Tram**. The parties acknowledge that the DRPA no longer intends to construct an aerial tram to serve the Camden and Philadelphia waterfronts. All references in the Original Declaration to the DRPA, the DRPA Garage or the DRPA Tram are hereby deleted.

3. **Deletion of IMAX**. The parties acknowledge that the IMAX Developer no longer holds rights to develop a large format, three dimensional IMAX theater on Parcel C. All references in the Original Declaration to the IMAX Developer or IMAX are hereby deleted.

4. **Deletion of Use; Related Party Agreements**. Section 10 of the Original Declaration is hereby deleted.

5. **Ratification**. Except as expressly provided in this Amendment, the Original Declaration remains in full force and effect and is unmodified.

6. **Miscellaneous**.

(a) The Recitals are hereby incorporated in their entirety into this Amendment.

(b) This Amendment constitutes the entire agreement and understanding between the parties hereto and supersedes all prior or contemporary understandings, representations, statements and agreements, whether oral or written, regarding the subject matter contained herein.

(c) This Amendment may be executed in counterparts each of which shall be deemed to be an original and all of which, when taken together, shall constitute a single agreement.

(d) This Amendment shall be governed by and construed under the laws of the State of New Jersey.

(e) This Amendment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

(f) This Amendment shall be recorded in the office of the County Clerk of Camden County, New Jersey.

[Signatures begin on next page]

IN WITNESS WHEREOF, the undersigned parties have caused this First Amendment to Declaration of Easements, Covenants and Restrictions to be executed as of the day and year first above written.

THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey

By: ______________________________
Name:
Title:

STATE OF __________________________ :
: ss.
COUNTY OF _________________________

I CERTIFY that on ________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as ________________ of The New Jersey Economic Development Authority, an instrumentality of the State of New Jersey.

____
Notary Public

My Commission Expires:

[Signature Page to First Amendment to Declaration of Easements, Covenants and Restrictions]

[Signatures continued from previous page]

THE CITY OF CAMDEN REDEVELOPMENT AGENCY, a public body corporate and politic

By: ______________________________
Name:
Title:

STATE OF _________________________ :
: ss.
COUNTY OF ________________________

I CERTIFY that on ________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as ________________ of The City of Camden Redevelopment Agency, a public body corporate and politic.

____
Notary Public

My Commission Expires:

JOINDER

The undersigned executes this Joinder to First Amendment to Declaration of Easements, Covenants and Restrictions to evidence its approval of and agreement with the terms thereof.

CAMDEN TOWN CENTER, LLC, a New Jersey limited liability company

By: ______________________________
Name:
Title:

STATE OF __________________________ :
: ss.
COUNTY OF _________________________

I CERTIFY that on ________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as ________________ of Camden Town Center, LLC, a New Jersey limited liability company.

____
Notary Public

My Commission Expires:

JOINDER

The undersigned executes this Joinder to First Amendment to Declaration of Easements, Covenants and Restrictions to evidence its approval of and agreement with the terms thereof.

FTB EQUITIES URBAN RENEWAL LLC, a New Jersey limited liability company

By: ___________________________________,
its Managing Member

By: ______________________________
Name:
Title:

STATE OF __________________________ :
: ss.
COUNTY OF _________________________

I CERTIFY that on _________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as ________________ of ____________________________, the managing member of FTB Equities Urban Renewal LLC, a New Jersey limited liability company.

____
Notary Public

My Commission Expires:

JOINDER

The undersigned executes this Joinder to First Amendment to Declaration of Easements, Covenants and Restrictions to evidence its approval of and agreement with the terms thereof.

COUNTY OF CAMDEN, a municipal corporation under the laws of the State of New Jersey

By: ______________________________
Name:
Title:

STATE OF ___________________________ :
: ss.
COUNTY OF _________________________

I CERTIFY that on _________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as ________________ of the County of Camden, a municipal corporation under the laws of the State of New Jersey.

____
Notary Public

My Commission Expires:

JOINDER

The undersigned executes this Joinder to First Amendment to Declaration of Easements, Covenants and Restrictions to evidence its approval of and agreement with the terms thereof.

THE STATE OF NEW JERSEY, DEPARTMENT OF THE TREASURY

By: ______________________________
Name:
Title:

STATE OF __________________________ :
: ss.
COUNTY OF _________________________

I CERTIFY that on _________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as _________________ of The State of New Jersey, Department of the Treasury.

____
Notary Public

My Commission Expires:

JOINDER

The undersigned executes this Joinder to First Amendment to Declaration of Easements, Covenants and Restrictions to evidence its approval of and agreement with the terms thereof.

CAMDEN AQUARIUM L.L.C, a New Jersey limited liability company

By: ______________________________
Name:
Title:

STATE OF __________________________ :
: ss.
COUNTY OF _________________________

I CERTIFY that on _________________, 2016, ________________ personally came before me and acknowledged under oath, to my satisfaction, that this person:

(a) is named in and personally signed this instrument; and

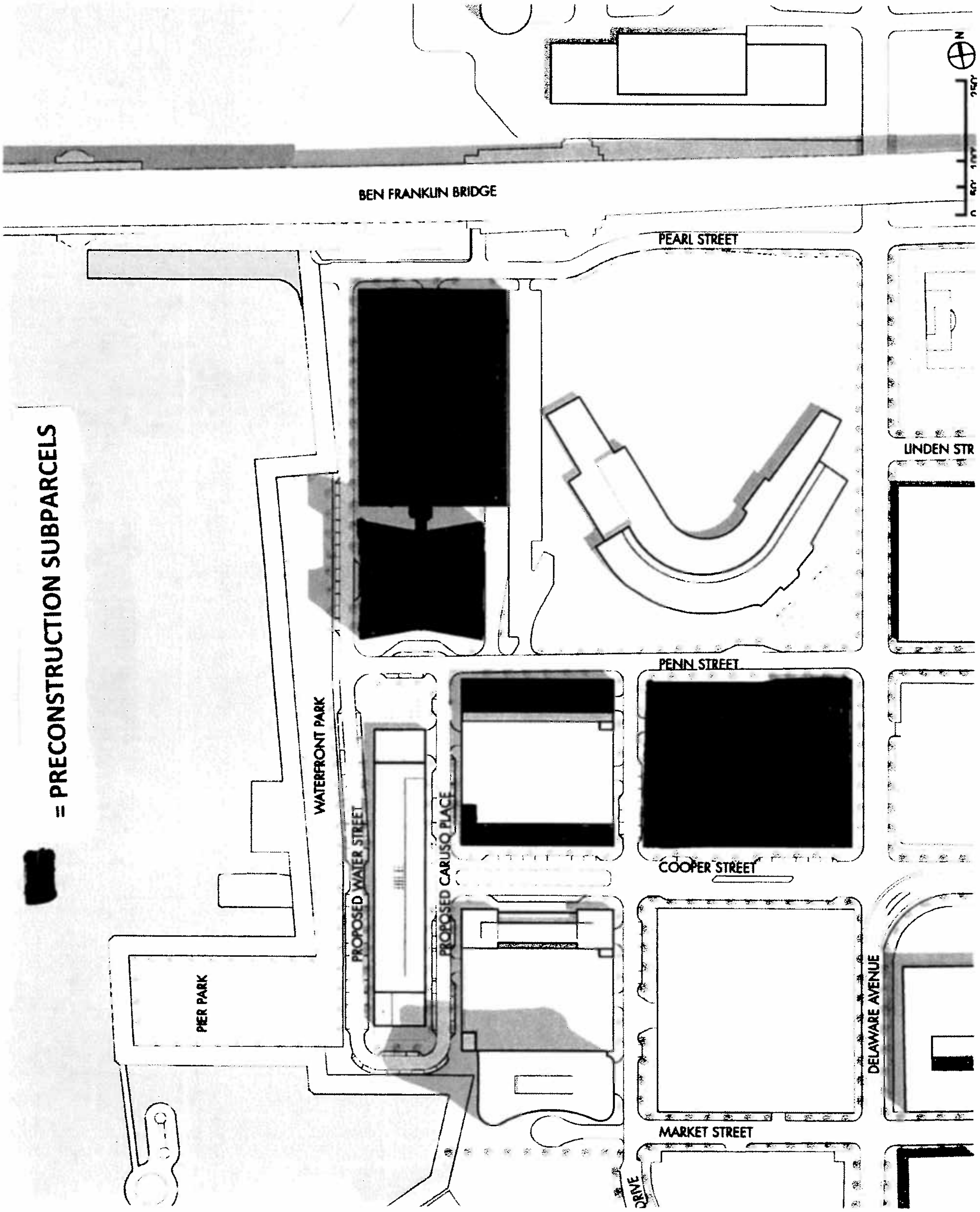
(b) signed, sealed and delivered this instrument as his/her act and deed in his/her capacity as ________________ of Camden Aquarium L.L.C, a New Jersey limited liability company.

____
Notary Public

My Commission Expires:

Exhibit A

Description of Removed Property



= PRECONSTRUCTION SUBPARCELS
BEN FRANKLIN BRIDGE
PEARL STREET
LINDEN STR
PENN STREET
WATERFRONT PARK
PROPOSED WATER STREET
PROPOSED CARUSO PLACE
COOPER STREET
PIER PARK
DELAWARE AVENUE
MARKET STREET
DRIVE

BOARD MEMORANDUMS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and COO

DATE: June 14, 2016

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

The following projects were approved under Delegated Authority in May 2016:

Premier Lender Program:

1) Global Furniture USA, Inc. (P42582), located in East Brunswick Township, Middlesex County, is an importer and distributor of home furnishings in the United States. Their products can be found in such retailers as Walmart, Raymour & Flanigan and Best Buy. Provident Bank approved a $1,000,000 line of credit with a one-year, 50% guarantee of principal outstanding, not to exceed $500,000. Proceeds will be used for working capital. The Company currently has 50 employees

New Jersey Advantage Program:

1) Garden State Consumer Credit Counseling, Inc. d/b/a Navicore Solutions (P42514), located in Manalapan Township, Monmouth County, was established in 1991as a 501(c)(3) Credit Counseling/Debt Management organization. The Company provides financial education, budget counseling, credit counseling & debt management, housing counseling, bankruptcy education, and student loan counseling services. TD Bank approved a $1,500,000 line of credit contingent upon a one year, 33.33% Authority subordinate guarantee of principal outstanding, not to exceed $500,000. Proceeds of this loan will be used for working capital. Currently, the Company has 105 employees and plans to create 13 employees within the next two years.

Stronger NJ Business Loan Program:

1) Michael H. Strunk d/b/a Michael H. Strunk Architect LLC (P39510 & P40083), located in Beach Haven Borough, Ocean County, was founded in 2004 as an individually held architecture firm based in Brant Beach, NJ. The Company offers a wide variety of architectural services including custom homes, remodeling, real estate, Superstorm Sandy repair, and commercial work. The Company was approved for a $200,083 working capital loan and a $50,000 forgivable loan to reimburse working capital expenses incurred after Superstorm Sandy such as payroll reimbursement, mortgage and other working capital expenses. Currently, the Company has four employees and plans to create three new positions over the next two years.

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