MEMORANDUM

TO:         Members of the Authority
FROM:    Melissa Orsen
         Chief Executive Officer
DATE:      May 13, 2016
SUBJECT:   Agenda for Board Meeting of the Authority May 13, 2016

Notice of Public Meeting

Roll Call

Approval of Previous Month’s Minutes

Chief Executive Officer’s Monthly Report to the Board

Incentive Programs

Bond Projects

Loans/Grants/Guarantees

Edison Innovation Fund

Office of Recovery

Real Estate

Board Memorandums

Public Comment

Executive Session

Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
April 12, 2016

MINUTES OF THE MEETING

Members of the Authority present: Al Koepppe, 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; Public Members: Joseph McNamara, Vice Chairman; Fred B. Dumont; Massiel Medina Ferrara, Patrick Delle Cava, First Alternate Public Member; 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: Colleen Kokas representing the Commissioner of the Department of Environmental Protection; and Public Members David Huber and Charles Sarlo.

Absent: Public Members Larry Downes and Philip Alagia.

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

Chairman Koepppe 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 March 10, 2016 regular and Executive session meeting minutes. A motion was made to approve the minutes by Mr. Stoller and seconded by Mr. McNamara, 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.
CHIEF EXECUTIVE OFFICER’S MONTHLY REPORT TO THE BOARD

INCENTIVE PROGRAMS

ITEM: Notice of Adoption – Proposed Rule Amendments, Grow NJ Program
REQUEST: Approve notice of adoption for amendment to the rules regarding Successor-Affiliates/Proximate Buildings/Subleasing
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

Public Infrastructure Tax Credit Program

ITEM: Bayfront Redevelopment, LLC
REQUEST: To approve the application of Bayfront Redevelopment, LLC for a project located in Jersey City, Hudson County for the issuance of tax credits. The recommendation is to provide an award, not to exceed $2,000,000.
MOTION TO APPROVE: Mr. Albanese SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Grow New Jersey Assistance Program

ITEM: Amerinox Processing, Inc.
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Mullen SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: Amerinox Processing, Inc.
REQUEST: To approve the application of Amerinox Processing, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Camden City, NJ. Project location of Camden City, in Camden 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, Transit Oriented Development, Targeted Industry of Manufacturing, Mega/GSGZ Project w/Cap. Inv. In Excess of Min., 2007 Revit. Index>465 in Camden County. The estimated annual award is $795,000 for a 10-year term.
MOTION TO APPROVE: Mr. Delle Cava SECOND: Mr. Imperatore AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

ITEM: BAYADA Home Health Care, Inc.
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
ITEM: BAYADA Home Health Care, Inc.
REQUEST: To approve the application of BAYADA Home Health Care, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Pennsauken Twp., NJ. Project location of Pennsauken in Camden 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 Minimum, Large Number of New/Retained F/T Jobs, Targeted Industry of Health and 2007 Revit. Index>465 in Camden County. The estimated annual award is $1,844,112 for a 10-year term.
MOTION TO APPROVE: Mr. Albanese SECOND: Mr. Imperatore AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

ITEM: Corning Pharmaceutical Glass, LLC
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

ITEM: Corning Pharmaceutical Glass, LLC
REQUEST: To approve the application of Corning Pharmaceutical Glass, LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Vineland City, NJ. Project location of Vineland, in Cumberland 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 Capital Investment in Excess of Minimum (non-Mega), Jobs with Salary in Excess of County Average, Targeted Industry of Manufacturing and 2007 Revit. Index>465 in Cumberland County. The estimated annual award is $832,500 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. Dumont AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: Eastern Propak LLC
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Imperatore AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Eastern Propak LLC
REQUEST: To approve the application of Eastern Propak LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Glassboro Borough, NJ. Project location of Glassboro, in Gloucester 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 2007 Revit. Index>465 in Gloucester County. The estimated annual award is $487,500 for a 10-year term.
MOTION TO APPROVE: Mr. McNamara SECOND: Ms Ferrara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9
ITEM: Mallinckrodt Enterprises LLC  APPL.#42291
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Imperatore  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

ITEM: Mallinckrodt Enterprises LLC  APPL.#42291
REQUEST: To approve the application of Mallinckrodt Enterprises LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Warren Twp., NJ. Project location of Warren Twp., in Somerset County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program’s rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Jobs with Salary in Excess of County Average, Large Number of New/Retained F/T Jobs, and Targeted Industry of Life Sciences. The estimated annual award is $2,042,500 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Albanese  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

ITEM: Mamacita, Inc.  APPL.#42007
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont  SECOND: Mr. Delle Cava  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

ITEM: Mamacita, Inc.  APPL.#42007
REQUEST: To approve the application of Mamacita, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Vineland City, NJ. Project location of Vineland, in Cumberland 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 Capital Investment in Excess of Minimum (non-Mega), Targeted Industry of Manufacturing, 2007 Revit. Index>465 in Cumberland County and On Site Solar Generation of ½ of Project’s Elec. Needs. The estimated annual award is $288,750 for a 10-year term.
MOTION TO APPROVE: Mr. Delle Cava  SECOND: Mr. Stoller  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: Mane USA, Inc.  APPL.#42299
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Delle Cava  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14
ITEM: Mane USA, Inc.                             APPL.#42299
REQUEST: To approve the application of Mane USA, Inc., for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Morris Plains, NJ. Project location of Morris Plains in Morris County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program’s rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Targeted Industry of Manufacturing, Transit Oriented Development, and Capital Investment in Excess of Minimum, non-Mega. The estimated annual award is $760,500 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller                SECOND: Mr. Simon AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Ogilvy CommonHealth Worldwide LLC       APPL.#42321
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Albanese                SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

ITEM: Ogilvy CommonHealth Worldwide LLC       APPL.#42321
REQUEST: To approve the application of Ogilvy CommonHealth Worldwide LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Parsippany-Troy Hills, NJ. Project location of Parsippany-Troy Hills, in Morris County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program’s rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Jobs with Salary in Excess of County Average and Large Number of New/Retained F/T Jobs. The estimated annual award is $1,134,000 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller                SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

ITEM: Quality Packaging Specialists International, LLC   APPL.#41641
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont                SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

ITEM: Quality Packaging Specialists International, LLC   APPL.#41641
REQUEST: To approve the application of Quality Packaging Specialists International, LLC, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Florence Twp., NJ. Project location of Florence, in Burlington 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 and Large Number of New/Retained F/T Jobs. The estimated annual award is $2,287,500 for a 10-year term.
MOTION TO APPROVE: Mr. Delle Cava                SECOND: Mr. Albanese AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19
ITEM: Sharp Electronics Corporation
REQUEST: To approve the recommendation not to disqualify.
MOTION TO APPROVE: Mr. Delle Cava SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

ITEM: Sharp Electronics Corporation
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Delle Cava SECOND: Mr. Stoller AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

ITEM: Sharp Electronics Corporation
REQUEST: To approve the application of Sharp Electronics Corporation, for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Montvale Borough, NJ. Project location of Montvale Borough, in Bergen County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program’s rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Jobs with Salary in Excess of County Average and Large Number of New/Retained F/T Jobs. The estimated annual award is $692,000 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

Grow New Jersey Assistance Program Modifications

ITEM: Automatic Switch Company and Affiliates
REQUEST: To approve the modification request for successor entities.
MOTION TO APPROVE: Mr. Albanese SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

BOND PROJECTS

Amended Bond Resolutions

ITEM: Family Intervention Services, Inc.
REQUEST: To amend the Bond’s interest rate from a floating LIBOR based rate to a fixed rate.
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: Kontos Foods, Inc.
REQUEST: To authorize a $2,308,569 allocation to Kontos Foods, Inc. from the Authority’s 2016 volume cap for the remainder of the proceeds of the 2011 Series D Bond.
MOTION TO APPROVE: Ms. Ferrara SECOND: Mr. Stoller AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25
Combination Preliminary and Bond Resolutions

ITEM: Doane Academy  APPL.#42357
LOCATION: Burlington Township, Burlington County
PROCEEDS FOR: Refinancing
FINANCING: $7,000,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Albanese  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Preliminary Bond Resolutions

ITEM: Hi-Seas LLC  APPL.#42394
LOCATION: Manalapan Township, Monmouth County
PROCEEDS FOR: Acquisition/Renovation of existing building
FINANCING: $5,840,000
MOTION TO APPROVE: Mr. McNamara  SECOND: Mr. Stoller  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27

ITEM: Yeshiva Tifereth Torah, Inc.  APPL.#42393
LOCATION: Lakewood Twp., Ocean County
PROCEEDS FOR: Refinancing
FINANCING: $6,100,000
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Delle Cava  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 28

LOANS/GRANTS/GUARANTEES

Premier Lender Program - Modification

ITEM: Britton Realty of Lawrenceville, LLC
REQUEST: Partial release of collateral in exchange for pay down of loan.
MOTION TO APPROVE: Mr. Delle Cava  SECOND: Mr. McNamara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 29

Petroleum Underground Storage Tank Program

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Albanese  SECOND: Ms. Kokas  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 30
PROJECT: Anthony DiPalma
LOCATION: New Milford Borough, Bergen County
PROCEEDS FOR: Remediation
FINANCING: $66,671

PROJECT: Emmanuel Auto Service.
LOCATION: Teaneck Township, Bergen County
PROCEEDS FOR: Remediation
FINANCING: $101,642

PROJECT: Robert Buchman
LOCATION: Freehold Township, Monmouth County
PROCEEDS FOR: Upgrade/Closure/Remediation
FINANCING: $141,826

PROJECT: Charles Moore
LOCATION: Metuchen Borough, Middlesex County
PROCEEDS FOR: Upgrade/Closure/Remediation
FINANCING: $107,897

Hazardous Discharge Site Remediation Fund Program

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Stoller SECOND: Ms. Kokas AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 31

PROJECT: Andrew G. Tirpok, Jr.
LOCATION: Flemington Borough, Hunterdon County
PROCEEDS FOR: Remediation
FINANCING: $300,991

PROJECT: DiMarcar, LLC
LOCATION: Atlantic City, Atlantic County
PROCEEDS FOR: Remedial Action
FINANCING: $113,512

PROJECT: Mercer County Improvement Authority
LOCATION: Trenton City, Mercer County
PROCEEDS FOR: Remediation Investigation
FINANCING: $137,793
EDISON INNOVATION FUND

Edison Venture Capital Growth Funds

ITEM: Admera Health LLC
REQUEST: Approval of $1,000,000 loan from Edison VC Growth Fund.
MOTION TO APPROVE: Mr. Stoller  SECOND: Ms. Ferrara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 32

OFFICE OF RECOVERY

Energy Resilience Bank

ITEM: Energy Resilience Bank – ERB Program Guide Revisions
REQUEST: Review and approve changes to sections of the ERB Program Guide for
Financing, Water and Wastewater Treatment Facilities and Hospitals-Healthcare
Facilities.
MOTION TO APPROVE: Mr. Delle Cava  SECOND: Ms. Ferrara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 33

ITEM: St. Peter’s University Hospital CHP Project Funding
REQUEST: Approve the actions required to advance the project to the next stage of the
review process.
MOTION TO APPROVE: Mr. McNamara  SECOND: Mr. Delle Cava  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 34

ITEM: Retail Fuel Station – Energy Resilience Program “RFS”
REQUEST: Provide staff delegated authority to approve extensions and modifications.
MOTION TO APPROVE: Mr. Albanese  SECOND: Mr. Stoller  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 35

Stronger NJ Business Loan Program Appeals

ITEM: Liberty Harbor Coffee, Inc.
REQUEST: To approve the Hearing Officer’s recommendation to uphold the declination
of the Stronger NJ Business Loan application for Liberty Harbor Coffee, Inc.
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Mullen  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 36

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Delegated Authority Approvals for 1st Quarter 2016

FOR INFORMATION ONLY: Incentives Modifications

FOR INFORMATION ONLY: Retail Fuel Station – Energy Resiliency Program

FOR INFORMATION ONLY: Projects Approved Under Delegated Authority
Premier Lender Program:  
40 Gordon Drive LLC (P42341)  
Domisa, LLC (P41393)  
Foglia Industrial Properties LLC (P42279)

Stronger NJ Business Loan Program:  
Larje, Inc. (P42131)  
New Brighton Associates, Inc. (P41371)

New Jersey Business Growth Fund – Modification:  
Bartnik Properties LLC and Clifton-Wallington Medical Group PA  
(P42104)

FOR INFORMATION ONLY: Real Estate Division Delegated Authority for Leases, CCIT Grants, and Right of Entry/Licenses for First Quarter 2016.

FOR INFORMATION ONLY: Summary of projects approved under Delegated Authority in first Quarter 2016 for the Petroleum Underground Storage Tank Program.

FOR INFORMATION ONLY: Summary of projects approved under Delegated Authority in first Quarter 2016 for the Hazardous Discharge Site Remediation Fund.

REAL ESTATE

ITEM: Access Agreement between Comcast Cable Communications Management, LLC and the Authority Aquarium Parking Lots 7 and 8
REQUEST: To consent to the Authority entering into an Access Agreement with Comcast Cable Communications Management, LLC a service provider to the Parking Authority of the City of Camden.
MOTION TO APPROVE: Mr. Delle Cava  SECOND: Ms. Ferrara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 37

PUBLIC COMMENT

Mr. Jerome Montes, Business Representative, New Jersey Main Street Alliance attended with four members of the Main Street Alliance. He requested that the Board stop providing tax subsidies to large corporations and provide more support to smaller businesses.

Other members of the New Jersey Main Street Alliance who spoke before the board were Mary Stabile, CEO, Pro-Tech Advantage; Kelly Conklin, co-owner of Foley Waite, LLC; Joyce Sagi, CEO, Disaster and Risk Associates, LLC; and Geetha Jayaraman, Owner, Grab Em Snacks. They all requested that the Board put a stop to billions of dollars in tax subsidies going to large corporations.
Chairman Koeppke advised the Main Street Alliance members that although the Board empathizes with small business owners, it is not within the Authority’s purview to determine who should or should not receive subsidies, because that is determined by the legislation which the Authority must uphold. He suggested that policy changes are appropriately under the purview of the Legislature. He also suggested staff discuss outreach opportunities with the representatives so that small businesses can better understand the types of assistance available to them.

There being no further business, on a motion by Harold Imperatore, and seconded by Mr. McNamara, the meeting was adjourned at 11:50pm.

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.

[Signature]
Maureen Hassett, SVP, Governance, Communications and Strategic Initiatives
Assistant Secretary
MEMORANDUM

TO: Members of the Authority

FROM: Melissa J. Orsen
Chief Executive Officer

DATE: May 13, 2016

RE: Monthly Report to the Board

IMPACT OF STATE TECHNOLOGY AND LIFE SCIENCES PROGRAMS EVIDENT IN APRIL

The New York/New Jersey area’s biopharmaceutical prowess was recognized last week as Genetic Engineering and Biotechnology News (GEN) placed the region third in its annual Top 10 U.S. Biopharma Clusters ranking. Criteria considered in the ranking were National Institutes of Health funding, Venture Capital funding, number of biotechnology patents awarded since 1976, and lab space.

EDA programs for technology and life sciences companies support many of the factors considered for the GEN ranking, and evidence of the impact of these programs was abundant in April. The EDA was recognized with a Public-Private-Partnership award from Business Facilities Magazine for its series of “limited partnership” investments in New Jersey-based private venture-capital funds. The magazine specifically referenced the EDA’s investment in Edison Partners’ Edison VIII, which targets growth-stage technology businesses.

Another sign that EDA programs are making a difference for early-stage companies is the fact that the EDA’s Commercialization Center for Innovative Technologies (CCIT) is at 100 percent occupancy, with 22 early stage companies operating out of the facility and benefitting from the amenities it offers. The EDA hosted its fifth New Jersey Founders & Funders event at CCIT last week. The day-long event provided 30 emerging technology and biotechnology companies with access to angel and venture capital investors in 10-minute, one-on-one “speed dating” sessions to discuss strategy, business models and funding opportunities. To date, more than 150 entrepreneurs have participated in NJ Founders & Funders events.

Finally, the application period for the State’s Technology Business Tax Certificate Transfer (NOL) Program opened May 1. Administered by the EDA and the New Jersey Department of Treasury's Division of Taxation, the NOL program allows eligible technology and biotechnology companies to sell unused New Jersey net operating losses and research and development tax credits to unrelated profitable corporations. Since the program’s inception in 1999, more than 500 technology and biotechnology companies have been approved for a total of more than $860 million. Last year, 41 companies were approved to share $47.4 million. The deadline for applications is June 30, 2016.

EDA WRAPS UP STRONGER NJ BUSINESS GRANT APPLICATIONS

Just in time for the busy season for many shore-area small businesses, the EDA has completed processing all Stronger NJ Business Grant Program applications. As of last week, 1,149 grants have been approved totalling $56.9 million, with 95 percent disbursed. Remaining funds are expected to be disbursed by the end of 2016. All applications in the pipeline have been reviewed and determinations made as to their eligibility.
We encourage everyone to support small businesses all over the State this summer while out and about enjoying time with friends and family.

RETAIL FUEL STATION PROGRAM

As the summer hurricane season approaches, a map of stations approved for funding under the Retail Fuel Station (RFS) Program has been added to the EDA website, including the status of each station’s generator installation, allowing consumers to find stations able to pump fuel during any potential future emergencies.

Of the 130 stations approved by the EDA for funding to install permanent generators and “quick connects,” 104 have been installed, and of those, 86 are now operational. To date, $4 million has been allocated to 130 applicants. As this is a reimbursement program, funds are not disbursed until completion of required inspections, installation, and submission of all required documentation.

The need for the RFS program was identified after extensive power outages across the State following Superstorm Sandy rendered liquid fuel pumps and point of sale systems at many stations inoperable. The voluntary program is funded through the federal Hazard Mitigation Grant Program.

FMERA READY TO ACQUIRE PHASE 2 PARCELS

At its April meeting, the FMERA Board authorized staff to enter into a Memorandum of Agreement with the U.S. Army for the Phase 2 Economic Development Conveyance (EDC) Property. Execution of the Phase 2 EDC will enable FMERA to continue attracting developers to Fort Monmouth and bring jobs back to the region. FMERA is now working toward a closing date for the property.

Also in April, the FMERA Board made the Squier Hall Complex available for redevelopment through a Request for Offers to Purchase. An approximately 31-acre parcel of land containing eight buildings, the property is included in the Oceanport High-Tech and Green Industry Campus Development District. This district provides an opportunity to leverage existing high-tech facilities for the needs of a skilled area workforce, as described in the Fort Monmouth Reuse and Redevelopment Plan.

CLOSED PROJECTS

Through April 2016, EDA closed on $87.8 million in traditional lending assistance to support 71 projects, leveraging $143.5 million in public/private investment and the creation of an estimated 190 new permanent jobs, 484 construction jobs and 1,137 existing jobs supported.

In addition to assistance provided through traditional lending programs, EDA executed agreements pending certification with six incentive projects for $145.5 million, leveraging $383.5 million in public/private assistance, creation of 372 new jobs, 676 construction jobs and retention of 612 jobs at risk of leaving New Jersey.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 29 events in April. These included the Urban Land Institute Spring Conference in Philadelphia, the NJTC Venture Conference in Iselin and the NJ Bankers Association Women in Banking Conference in Somerset.
INCENTIVE PROGRAMS
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: May 13, 2016

RE: Notice of Adoption – Proposed Rule Amendments
N.J.A.C. 19:31-18.2, 18.4, 18.5, 18.7, 18.8, 18.11, 18.15, and 18.16
Grow NJ Program – Qualified Incubator Facilities

Request:

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

Background:

On September 21, 2015, proposed rule amendments approved by the EDA Board were published in the New Jersey Register implementing statutory revisions to the ERG Program pertaining to mixed use parking projects pursuant to P.L. 2015, c. 69; and to administer applications and awards for qualified incubator facilities in the Grow New Jersey Assistance Act, N.J.S.A. 34:1B-242 through 250.

The 60-day comment period expired on November 20, 2015 with comments submitted by Julie Tattoni, Windels Marx Lane & Mittendorf, LLP as summarized in the attached adoption along with the EDA’s responses that reject the comments. The adoption does not include the proposed amendments to the ERG Program pertaining to mixed use parking projects pursuant to P.L. 2015, c. 69 due to subsequent statutory revisions contained in recent enactments in the Lame Duck Legislative Session, specifically P.L. 2015, c. c 217, P.L. 2015, c. 242 and P.L. 2015, c. 252, all of which will be addressed in a new proposal.

The following summarizes the amendments to the Grow NJ Program rules which establish certain parameters for the administration of applications and awards for qualified incubator facilities as contained in the adoption.

The Grow New Jersey Assistance Act set forth the concept of incenting technology employment growth in New Jersey by creating an authorization for jobs located at qualified incubator facilities, however, the provisions for incubators are fairly brief and give only the outline of the program. Therefore, EDA staff is recommending the framework below, as reflected in the proposed rule
amendments, for accepting applications, performing staff review and analysis, calculating awards, and clarifying eligibility and compliance requirements.

**Applicant:**
Under the Act, the Operator can apply on behalf of Tenants that meet the requirements for the tax credit, or a group of non-qualifying businesses or positions, located at the Facility. To demonstrate that it is applying “on behalf” of the Tenants, the proposed rules would require the Operator to provide its business model and explain in detail how the business model will ensure that the benefit from the Grow NJ tax credit award will flow to the Tenants, for example, in reduced lease or membership payments. The proposed rules further specify that, like any full-time employee under the Grow NJ program, a full-time employee qualifying as a position must spend at least 80 percent of his or her work time in New Jersey. Because the definition of position refers to a “full-time employee,” such employee must meet all other program requirements of a “full-time employee.”

**Incubator:**
Under the Act, the Incubator must meet all the following criteria to be a qualified incubator facility:
- The Incubator must be a commercial building located within a qualified incentive area.
- The Incubator must be comprised of (by lease or ownership) 50,000 or more square feet of office, laboratory, or industrial space. If the Incubator is obtained via lease, the term of the lease (including renewal options) must not be less than the length of the commitment period. The proposed rules provide that common areas that are shared by the entire building and not exclusive to the Incubator cannot be included.
- The Incubator must be located near a research institution, teaching hospital, college, or university (“Research Institute”).
- The Incubator must present opportunities to the Tenants to collaborate with the Research Institute. The regulations previously adopted by the Board require that such opportunities be evidenced by a written agreement with the Research Institute.
- At all times, at least 50 percent of the gross leaseable area of the Incubator (“Restricted Area”) is restricted for use by one or more technology startup companies during the commitment period. The proposed rules make clear the statutory requirement that all businesses in the Restricted Area must continue to meet the definition of a Tech Startup for the entire time the company is located in the Restricted Area. Additionally, the proposed rules provide that the Restricted Area’s pro rata share of common areas within the Incubator can be counted and that the Restricted Area does not have to be a fixed location within the Incubator.

**Tech Startup:**
Per the Act, a business must meet all the following criteria to be a Tech Startup:
- The business must be a for profit business.
- The business must have been in operation for fewer than five years. The proposed rules provide that a business will be deemed to have begun operation on the date that the business first hired at least one employee working full-time. Once that date has been set, the EDA will not re-set the date even if there are times when the business does not have any employee working full-time.
- The business is developing or possesses a proprietary technology or business method of a high-technology or life science-related product, process, or service.
- The business intends to move that technology or method to commercialization.

**“But For” Test:**
To support EDA’s evaluation of the project’s net benefit to the State, the Act requires a certification from the applicant that any projected creation of new and retained full-time jobs at the facility would not occur but for the provision of Grow NJ tax credits. As explained above, because of the startup nature of Incubators, the proposed rules state that the “but for” test for new jobs will be met by the Operator, either by demonstrating that it would locate the Incubator at an out-of-State location or by showing a project finance gap in its business model as determined by an analysis by EDA of the project’s rate of return, similar to what is performed under the ERG Program. Again, because of the difficulty of corralling all the certifications and facts necessary to substantiate retained jobs employed by Tech Startup Tenants that will often, the proposed regulations would allow only retained jobs employed by Tenants that are not Tech Startups if such Tenants submit their own “but for” certification regarding their own retained jobs.

Jobs:
The Act requires that all retained and new jobs at the Incubator, not just the jobs located at the Restricted Space, count toward the Grow NJ award. Additionally, under the proposed rules, a position will be considered a full-time job for purposes of the Grow NJ award. As explained above, the provisions regarding the “but for” test would allow all new jobs to be counted toward the grant but only retained jobs employed by non-Tech Startup businesses if they provide their own certification. Further, to incent the Operator to recruit Tech Startups to fill the Restricted Space, and in recognition of the purpose of the Incubator program, the proposed rules state that the maximum number of positions employed by businesses that are not Tech Startups is limited at twice the number of positions employed by Tech Startups. This ratio is similar to the ratio of the space required to be Restricted Space to the space that does not have to be so restricted while providing some flexibility to the Operator to manage the Incubator and the expected change in the business that qualify as Tech Startups.

Award:
Each job will be credited with the base credit as specified in the Grow NJ statute. In the proposed rules, the bonus increases related to salaries or type of company will not be available because of the difficulty of administering these bonuses for a collection of business and position. The Operator will receive the Grow NJ tax credits directly; however, as, already mentioned, the benefits of the Grow NJ tax credits must flow to the benefit of the Tenants. The proposed rules will require that the Operator informs Tenants of the award of Grow NJ tax credits and how the benefits flow to the Tenants.

Administration:
The proposed rules state that as part of the project completion certifications and in each annual report, the Operator must provide written evidence that it still meets the qualified incubator facility criteria and that the benefit from the Grow NJ tax credit award flows to the Tenants (e.g., that the actual lease and membership rates match the rates submitted in the application). Under the current rules, the incentive agreement will be with the operator and the annual report must be submitted by the operator, therefore the Operator will need to retain for the duration of the commitment period evidence supporting all assertions in the project completion certifications and each annual report, including, but not limited to, evidence demonstrating that each full-time employee filling a position has spent at least 16 hours per week at the Incubator and that a sufficient amount of the Incubator qualifies as a Restricted Area. To demonstrate the latter, the Operator will need to maintain evidence that all businesses located in the Restricted Area meet all four criteria of a Tech Startup. Staff will not accept as substitute evidence a certification as to the Operator’s knowledge or reasonable assumptions. As with any other Grow NJ award, EDA or its auditor may review and
audit the documents held by the Operator. Additionally, because some of the information originates from the Tenants, at FDA’s discretion, FDA or its auditor may directly contact and audit the Tenants.

**Recommendation:**

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

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

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Authority Assistance Programs

Economic Redevelopment and Growth Program and Grow New Jersey Assistance Program

Adopted Amendments: N.J.A.C. 19:31-18.2, 18.4, 18.5, 18.7, 18.8, 18.11, 18.15, and 18.16

Proposed: September 21, 2015, at 47 N.J.R. 2341(a).

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

Filed: __________ , 2016, as R.2015 d.___, without change but with N.J.A.C. 19:31-4.1, 4.2, 4.3 and 4.5 through 4.9 not adopted.


Effective Date: __________ , 2016.

Expiration Date: November 9, 2017.

Summary of Public Comment and Agency Response:

Julie Tattoni, Windels Marx Lane & Mittendorf, LLP

COMMENT: In order to encourage start-up technology companies and existing biotechnology and bio-pharmaceutical companies to collaborate with an in-state research institution, teaching hospital, college or university to develop cutting edge technologies, products and research, the following should be added to the definition of “qualified incubator facility” under the Grow New Jersey Assistance (Grow NJ) Program:

“Businesses that are tenants of a qualified incubator facility may contribute to meeting the qualified investment and/or full-time employees required for the qualified incubator facility for credits under the program, without regard to whether the tenants or subtenants are affiliates of the operator of the qualified incubator facility. Tenants of a qualified incubator facility are not required to establish that they are affiliates of the operator or with other tenants of the qualified incubator facility. An operator of a qualified incubator facility may lease the premises for the qualified incubator facility from an owner or master tenant of the premises and may sublease space within the qualified incubator
facility to the businesses, including technology startup companies that will operate within the qualified incubator facility.”

RESPONSE: The proposed amendments establish certain parameters for the administration of applications and awards for qualified incubator facilities pursuant to the Grow New Jersey Assistance Act, P.L. 2011, c. 149 (N.J.S.A. 34:1B-242 through 250), as amended by the Economic Opportunity Act of 2014, Part 3, P.L. 2014, c. 63. Specifically, the Grow NJ statute incents technology employment growth in New Jersey by creating an authorization for jobs of tenant businesses located at qualified incubator facilities, without regard to affiliation, by allowing an organization operating an incubator to apply on behalf of a business that meets the requirements for the tax credit, or a group of non-qualifying businesses or positions located at a qualified business facility that shall be considered a unified projects for purposes of the incentives, as provided in existing N.J.A.C. 19:31-18.5(d). Therefore, because there is no requirement for affiliation, there is no need to make the proposed change. To demonstrate that it is applying “on behalf” of the tenant businesses, proposed new N.J.A.C. 19:31-18.5(d)2ii requires the organization operating a qualified incubator facility to submit its business model and a detailed explanation as to how the business model will ensure that the benefit from the award of tax credits will inure to the businesses and position on whose behalf the application is made. Finally, under the statutory definition of “capital investment” and at N.J.A.C. 19:31-18.2, provision is made for a business that acquires or leases a qualified business facility to be deemed to have acquired the capital investment made or acquired by the seller or landlord; and, the sublease of space at a qualified incubator facility to business, including technology startup companies, is not prohibited.

COMMENT: With regard to proposed new N.J.A.C. 19:31-18.4 to accommodate qualified incubator facilities, an interpretation is requested as to whether a qualified incubator may count the full-time positions of the operator and technology startup in the Grow NJ application submitted by the operator of a qualified incubator facility, and if so, whether those entities shall also be required to submit CEO certifications under N.J.A.C. 19:31-18.5(a)2iv(1)(A) and/or (B).

RESPONSE: As required by N.J.A.C. 19:31-18.5(a)2iv(1), the CEO of the operator must submit a certification. The Authority will accept that certification for new full-time jobs or positions employed by any entity at the qualified incubator facility. With regard to retained full-time jobs and positions, proposed new N.J.A.C. 19:31-18.5(a)2iv(3) provides that those jobs or positions will be counted only if employed by a business other than the operator or a technology startup company and if the operator submits certifications under N.J.A.C. 19:31-18.5(a)2iv(1)(A) and (B) by the CEO of the business employing the retained jobs or positions. In all cases, all eligible new and retained full-time jobs and positions are subject to the restriction in new N.J.A.C. 19:31-18.4(d).

Summary of Agency-Initiated Change:

The New Jersey Economic Development Authority is not adopting the proposed amendments at N.J.A.C. 19:31-4.1, 4.2, 4.3 and 4.5 through 4.9 pertaining to mixed use parking projects pursuant to P.L. 2015, c. 69 due to subsequent statutory revisions contained in recent

**Federal Standards Statement**

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

**Full text** of the adoption follows:

[TEXT]
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:

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

- 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:

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

- 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: BioClinica, Inc. P42417

PROJECT LOCATION: 211 Carnegie Center West Windsor Township Mercer County

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

APPLICANT BACKGROUND:
BioClinica, Inc., established in 1990, is a clinical trial support company providing image assessment services to pharmaceutical, biotech and medical device companies. The company provides client training for image capture, and performs analysis of image endpoints enabling it to deliver data for eligibility, safety and efficacy studies to track the efficiency and management of drug development.

The applicant has an outstanding BEIP Award, P16965, from 2006. The applicant is in compliance and plan to use employees from the BEIP Award in this Grow Award project, and as such, the BEIP will need to be unwound. The total amount to be paid to the applicant to unwind the BEIP is $347,000. The applicant has agreed to shorten the term of its BEIP agreement, and forfeit the amounts owed to it under the agreement, prior to closing on the Incentives Agreement for the Grow NJ Award.

MATERIAL FACTOR/NET BENEFIT:
BioClinica, Inc. is facing a lease expiration at its current NJ location, and is considering negotiating a new lease with its current landlord, or relocating its operations to Yardley, PA. The applicant would locate the 286 jobs currently at the NJ facility to the selected project location. Should the applicant elect to locate its project at the NJ site, it would enter into a lease and renovate 47,025 SF of office space. Similarly, at the PA location, it would lease and renovate 39,900 SF of office space. The NJ project location is more expensive to operate on an annual basis than the PA facility due to higher rent expense.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of BioClinica, 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 John Hubbard, the CEO of BioClinica, 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 $36.8 million over the 20 year period required by the Statute.
FINDING OF JOBS AT RISK:
The applicant has certified that the 286 New Jersey jobs listed in the application are at risk of being located outside the State on or before October 1, 2016 when the applicant’s lease will expire. 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:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$ 20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$ 60</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</td>
<td>$ 40</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

  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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td>Other targeted industries</td>
<td>25 / 35</td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>

  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 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:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$1,881,000</td>
<td>$3,289,399</td>
</tr>
<tr>
<td>New Jobs</td>
<td>35</td>
<td>0</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>50</td>
<td>286</td>
</tr>
</tbody>
</table>

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:
Increase(s) Criteria
Large Number of New/Retained Full-Time Jobs

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
<tr>
<td>All other projects</td>
<td>The Retained Full-Time Jobs will receive the lesser of:</td>
</tr>
<tr>
<td></td>
<td>- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $3,500 = $1,750) or</td>
</tr>
<tr>
<td></td>
<td>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($3,289,399 / 10 / (0 + 286) = $1,150)</td>
</tr>
</tbody>
</table>

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 | $500 |

### INCREASE PER EMPLOYEE:

| $3,500 |

### PER EMPLOYEE LIMIT:

| Priority Area | $10,500 |

### LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:

| $3,500 |

### AWARD:

| New Jobs: 0 Jobs X $3,500 X 100% = $0 |
| Retained Jobs: 286 Jobs X $1,150 X 100% = $328,900 |

Total: $328,900

### ANNUAL LIMITS:

| Priority Area (Est. 90% Withholding Limit) | $4,000,000/($536,550) |

### TOTAL ANNUAL AWARD

$328,900
PROJECT IS:  (X) Expansion  ( ) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:  $3,289,399

EXPECTED PROJECT COMPLETION:  January 1, 2017

SIZE OF PROJECT LOCATION:  47,025 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:  286

STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015):  286

CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:  N/A

MEDIAN WAGES:  $62,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):  $40,093,438

TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS)  $3,289,000

NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):  $36,804,438

ELIGIBILITY PERIOD:  10 years

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

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before October 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage BioClinica, 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: 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: Coronet Inc. P42475
PROJECT LOCATION: 444 Marshall Street Paterson City Passaic County
GOVERNOR’S INITIATIVES:
(X) NJ Urban Fund ( ) Edison Innovation Fund ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Coronet Inc., headquartered in Paterson, New Jersey and established in 1946, is a manufacturer of LED lightning products, commercial, industrial and institutional lighting fixtures and related accessories. The company’s base consists of various lighting distributors located throughout the U.S. The company currently operates from a 40,000 sq. ft. leased facility in Paterson with 103 full-time employees. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Coronet Inc. is evaluating its overall real estate strategy triggered by growth in its industry and its current lease expiring in May 2017. Under consideration is the purchase of two buildings, Building A of 67,484 sq. ft. and Building B of 15,463 sq. ft. on Marshall Street in Paterson. After the acquisition, Building A will be renovated and will be the facility subject to the Grow NJ project. At a future date, Building B will be demolished and new building of 30,000 sq. ft. constructed. The alternative is to relocate the operations with the purchase of a 80,000 sq. ft. facility in Yorktown Heights, NY.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Coronet 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 Russell Osur, the CEO of Coronet 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 $13 million over the 30 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 103 New Jersey jobs listed in the application are at risk of being located outside the State on or before December 1, 2016, when it is expected that the NY location would be available for operations. 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 Passaic County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$899,787</td>
<td>$5,982,644</td>
</tr>
<tr>
<td>New Jobs</td>
<td>8</td>
<td>45</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>19</td>
<td>103</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden State Growth Zone</td>
<td>Base award of $5,000 per year for projects located in a Garden State Growth Zone</td>
<td>Paterson is a Garden State Growth Zone</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deep Poverty Pocket or</td>
<td>An increase of $1,500 per job</td>
<td>444 Marshall Street is located</td>
</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
</tbody>
</table>
| All other projects | The Retained Full-Time Jobs will receive the lesser of:  
- \( \frac{1}{2} \) of the Grant Calculation for New Full-Time Jobs \( 1/2 \times 12,000 = 6,000 \)  
- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs \( \frac{5,982,644}{10} \div (45 + 103) \div 4,042 \)  

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
- Targeted Industry (Manufacturing): $500
- GSGZ Ind. Project w/ Cap. Inv. In Excess of Min: $5,000

**INCREASE PER EMPLOYEE:**
- $7,000

**PER EMPLOYEE LIMIT:**
- Garden State Growth Zone: $15,000

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**
- $12,000

**AWARD:**
- New Jobs: 45 Jobs X $12,000 X 100% = $540,000
- Retained Jobs: 103 Jobs X $12,000 X 100% = $1,236,000
  - Total: $1,776,000

**ANNUAL LIMITS:**
- Garden State Growth Zone: $30,000,000

**TOTAL ANNUAL AWARD**: $1,776,000

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**PROJECT IS**: (X) Expansion ( ) Relocation
**ESTIMATED ELIGIBLE CAPITAL INVESTMENT**: $5,982,644
**EXPECTED PROJECT COMPLETION**: December 1, 2016
**SIZE OF PROJECT LOCATION**: 67,484 sq. ft.
**NEW BUILDING OR EXISTING LOCATION?**
- Industrial
**INDUSTRIAL OR NON-INDUSTRIAL FACILITY?**
- (X) Yes ( ) No

**NEW FULL-TIME JOBS**: 45
**RETAINED FULL-TIME JOBS**: 103
**STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015)**: 96
**CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY**: Paterson
**MEDIAN WAGES**: $30,000
GROSS BENEFIT TO THE STATE (OVER 30 YEARS, PRIOR TO AWARD): $31,263,179
TOTAL AMOUNT OF AWARD: $17,760,000
NET BENEFIT TO THE STATE (OVER 30 YEARS, NET OF AWARD): $13,503,179

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 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage Coronet 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: C. Fuentes APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

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

APPLICANT: DBV Technologies Inc. P42473

PROJECT LOCATION: 25 Deforest Ave. Summit City Union County

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

APPLICANT BACKGROUND: DBV Technologies Inc. (“DBV”) is a clinical stage Bio Pharmaceutical company headquartered in France. Founded in 2002, the company has built a strong reputation as a leader for cutting edge drug development. In 2014, DBV entered the US market to continue developing and accelerating its Viaskin drug to start offering this drug to juvenile patients in the US and around the world. The nature of DBV’s business is to continue to find safe, effective and patient-friendly therapy for food allergies associated with children through its focus on discovering, developing, manufacturing and commercializing treatments for allergies. The applicant has demonstrated the financial ability to undertake the project through the support of its parent company.

MATERIAL FACTOR/NET BENEFIT: DBV plans to lease approximately 9,140 SF of space at 25 Deforest Avenue and, together with the landlord, will invest approximately $920,000 to renovate the space and transform it into a thriving executive, sales, business development and clinical research operations center to provide its Viaskin drug for patients throughout the world. With a desire to be located in close proximity to the Northeast bio-pharmaceutical cluster, the company plans to relocate its operations from New York to New Jersey, establish its US headquarters and create 45 high paying jobs. The company will purchase and use various computer systems, software and other advanced machinery and equipment to facilitate its business operations. The alternate location is a 10,000 SF facility in Trevose, PA.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of DBV Technologies 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 P-H Benhanoj, the CEO of DBV Technologies 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 $18.7 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:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$60</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</td>
<td>$40</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td>Other targeted industries</td>
<td>25 / 35</td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>

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 Union County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$365,600</td>
<td>$919,800</td>
</tr>
<tr>
<td>New Jobs</td>
<td>25</td>
<td>45</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>35</td>
<td>0</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Area</td>
<td>Base award of $3,000 per year for projects located in a designated Priority Area</td>
<td>Summit City is a designated Priority Area</td>
</tr>
<tr>
<td>Increase(s) Criteria</td>
<td>An increase of $2,000 per job for a project locating in a Transit Oriented Development</td>
<td>25 De Forest Ave. is located in a Transit Oriented Development by virtue of being within ½ mile of the</td>
</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
</tbody>
</table>
| All other projects | The Retained Full-Time Jobs will receive the lesser of:  
  1. $\frac{1}{2}$ of the Grant Calculation for New Full-Time Jobs ($\frac{1}{2} \times 7,000 = 3,500$) or  
  2. The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($\frac{919,800}{10} / (45 + 0) = 2,044$)  

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:**
- Transit Oriented Development: $2,000
- Jobs with Salary in Excess of County Average: $1,500
- Targeted Industry (Life Sciences): $500

**INCREASE PER EMPLOYEE:**
- $4,000

**PER EMPLOYEE LIMIT:**
- Priority Area: $10,500

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**
- $7,000

**AWARD:**
- New Jobs: $315,000
- Retained Jobs: $0

**Total:** $315,000

**ANNUAL LIMITS:**
- Priority Area (Est. 90% Withholding Limit): $4,000,000/($379,890)

**TOTAL ANNUAL AWARD:** $315,000
PROJECT IS: (X) Expansion    ( ) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $919,800
EXPECTED PROJECT COMPLETION: June 30, 2016
SIZE OF PROJECT LOCATION: 9,140 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: 0
STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015): 0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: N/A
MEDIAN WAGES: $162,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $21,876,751
TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS) $3,150,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $18,726,751
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 DBV Technologies 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: David Ackerman
APPROVAL OFFICER: Mark Chierici
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:** Newell Brands Inc.  P42479

**PROJECT LOCATION:** 221 River Street  Hoboken City  Hudson County

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

**APPLICANT BACKGROUND:**
Newell Brands Inc. (formerly Newell Rubbermaid Inc.) is a global manufacturer and marketer of leading consumer and commercial products. The company, founded in 1903 as Newell Manufacturing Co., initially specialized in manufacturing of curtain rods. Today, the Company manages an extensive portfolio of consumer and office product mainstays in five business segments: Writing, Home Solutions, Tools, Commercial Products and Baby & Parenting. Its products include among others, Sharpie markers, Calphalon cookware, Irvin tools, Rubbermaid and Aprica baby products. Headquartered in Atlanta, Georgia, Newell Brands employs over 17,000 employees worldwide. The applicant has demonstrated the financial ability to undertake the project.

In December 2015, the company entered into an agreement and plan of merger to acquire Jarden Corporation. Jarden is a global consumer products company with brands such as Yankee Candle, Crock-Pot, FoodSaver, Mr. Coffee and Coleman among many others. The merger closed on April 15, 2016. Jarden has statewide employment of 83 employees.

**MATERIAL FACTOR/NET BENEFIT:**
Newell Brands is evaluating real estate options for consolidation of selected operations from Newell Brands and Jarden Corporation, other senior staff functions, plus relocation of certain positions and additional growth from its e-commerce business currently based in NYC and growth from its design business currently based in Kalamazoo, Michigan. Based on its analysis of the existing facilities along with depth of talent, costs of operations, proximity to existing workforce and other factors, the company has targeted 300 headquarters-level positions from the various locations in facilities controlled by Newell or Jarden that are potential to be located in 99,975 sq. ft. in Hoboken, NJ. The alternative is to locate near Newell’s headquarters in Atlanta and lease 40,278 sq. ft. of additional space adjacent to its current headquarters facility, an additional 25,000 sq. ft. of leased space in NYC, 35,000 sq. ft. of leased space in Kalamazoo, MI and 5,000 sq. ft. of leased space in Norwalk, CT, for total space required in the alternate scenario of 105,278 sq. ft.
The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Newell Brands 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 Michael B. Polk, the CEO of Newell Brands 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 $65 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**
  
<table>
<thead>
<tr>
<th>Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$60</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$40</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

  *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**
  
<table>
<thead>
<tr>
<th>Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td>Other targeted industries</td>
<td>25 / 35</td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>

  *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 – Rehabilitation Project, for a manufacturing 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:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$3,999,000</td>
<td>$10,943,263</td>
</tr>
<tr>
<td>New Jobs</td>
<td>10</td>
<td>300</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>25</td>
<td>0</td>
</tr>
</tbody>
</table>

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:
<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Transit Hub Municipality</td>
<td>Base award of $5,000 per year for projects located in a designated Urban Transit Hub Municipality</td>
<td>Hoboken is a designated Urban Transit Hub Municipality</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase(s) Criteria</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transit Oriented Development</td>
<td>An increase of $2,000 per job for a project locating in a Transit Oriented Development</td>
<td>221 River Street 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.</td>
</tr>
<tr>
<td>Jobs with Salary in Excess of County/GSGZ Average</td>
<td>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</td>
<td>The proposed median salary of $126,101 exceeds the Hudson County median salary by 159% resulting in an increase of $1,000 per year.</td>
</tr>
<tr>
<td>Large Number of New/Retained Full-Time Jobs</td>
<td>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</td>
<td>The applicant is proposing to create/retain 300 Full-Time Jobs at the project location resulting in an increase of $500.</td>
</tr>
<tr>
<td>Targeted Industry</td>
<td>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</td>
<td>The applicant is a Manufacturing business.</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S.</td>
<td>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.</td>
</tr>
<tr>
<td>Headquarters of an automobile manufacturer located in a priority area</td>
<td>Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
<tr>
<td>All other projects</td>
<td>The Retained Full-Time Jobs will receive the lesser of:</td>
</tr>
<tr>
<td></td>
<td>- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $9,000 = $4,500) or</td>
</tr>
<tr>
<td></td>
<td>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($10,943,263 / 10 / (300 + 0) = $3,647)</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
</tbody>
</table>

### Grant Calculation

<table>
<thead>
<tr>
<th>BASE GRANT PER EMPLOYEE:</th>
<th>$ 5,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Transit HUB Municipality</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INCREASES PER EMPLOYEE:</th>
<th>$ 2,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Oriented Development:</td>
<td>$ 2,000</td>
</tr>
<tr>
<td>Jobs with Salary in Excess of County Average:</td>
<td>$ 1,000</td>
</tr>
<tr>
<td>Large Number of New/Retained F/T Jobs:</td>
<td>$ 500</td>
</tr>
<tr>
<td>Targeted Industry (Manufacturing):</td>
<td>$ 500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INCREASE PER EMPLOYEE:</th>
<th>$ 4,000</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>PER EMPLOYEE LIMIT:</th>
<th>$12,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Transit HUB Municipality</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LESSTER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:</th>
<th>$ 9,000</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>AWARD:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jobs: 300 Jobs X $9,000 X 100% =</td>
<td>$2,700,000</td>
</tr>
<tr>
<td>Retained Jobs: 0 Jobs X $3,647 X 100% =</td>
<td>$ 0,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$2,700,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ANNUAL LIMITS:</th>
<th>$10,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Transit HUB Municipality</strong></td>
<td></td>
</tr>
</tbody>
</table>

| TOTAL ANNUAL AWARD | **$2,700,000** |
Newell Brands Inc. Grow New Jersey

**PROJECT IS:** (X) Expansion ( ) Relocation

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** $10,943,263

**EXPECTED PROJECT COMPLETION:** October 1, 2017

**SIZE OF PROJECT LOCATION:** 99,975 sq. ft.

**NEW BUILDING OR EXISTING LOCATION?** Existing

**INDUSTRIAL OR NON-INDUSTRIAL FACILITY?** Non-Industrial

**CONSTRUCTION:** (X) Yes ( ) No

**NEW FULL-TIME JOBS:** 300

**RETAINED FULL-TIME JOBS:** 0

**STATEWIDE BASE EMPLOYMENT AS OF DECEMBER 31, 2015:** 83

**CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:** N/A

**MEDIAN WAGES:** $126,101

**GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):** $92,612,075

**TOTAL AMOUNT OF AWARD:** $27,000,000

**NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):** $65,612,075

**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 Newell Brands 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:** C. Fuentes  
**APPROVAL OFFICER:** T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

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

APPLICANT: P&R Dental Strategies, LLC

PROJECT LOCATION: 300 American Metro Blvd. Hamilton Township Mercer County

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

APPLICANT BACKGROUND:
P&R Dental Strategies Inc., the predecessor to P&R Dental Strategies, LLC was founded by two dentists in 1995 and in 2014 was sold to New Capital Partners, a private equity firm in Birmingham, AL, resulting in the formation of P&R Dental Strategies, LLC (P&R). P&R is now the premier analytics company in the dental industry, utilizing a large multi-payer benchmarking database and proprietary advanced technology platforms to assist employers, dental benefits vendors, health plans and government payers to manage dental networks. Through P&R’s enterprise software solutions clients have access to services providing predictive modeling of claim review selection and prioritization, provider network development management insights, actuarial intelligence and insights, utilization management insights, fraud and abuse detection and prevention insights and provider profiling and quality ratings. In addition to enterprise software solutions P&R provides consulting and advisory services to develop and support the deployment of its software through a team of dentists, consultants and statisticians. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
P&R has outgrown its current offices with 14 employees located in a 2,400 sq. ft. headquarters in Manhattan and 6 employees located in a small office in Pennsylvania on a month to month lease. As P&R positions itself for continued growth it wants to consolidate operations into a single site resulting in reduced occupancy costs relative to Manhattan and additional space to site future employment growth. P&R has identified a former manufacturing building in Hamilton, NJ with approximately 10,000 sq. ft. available that will undergo an extensive renovation and conversion into offices. The project will entail capital investment totaling more than $1.0 million and will result in the immediate relocation of the 20 existing employees with 30 additional jobs expected to be created prior to the end of 2018. In the event that P&R does not relocate to New Jersey it will relocate to an existing office space in Newtown, PA that is already built out and has existing furniture and fixtures resulting in considerable savings to P&R.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of P&R Dental Strategies, 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 Paul
T. Sheils, the CEO of P&R Dental Strategies, 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 $11.4 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:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$ 20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$ 60</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</td>
<td>$ 40</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td><strong>Other targeted industries</strong></td>
<td><strong>25 / 35</strong></td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>

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 Mercer County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$391,920</td>
<td>$1,046,087</td>
</tr>
<tr>
<td>New Jobs</td>
<td>25</td>
<td>50</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>35</td>
<td>0</td>
</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Area</td>
<td>Base award of $3,000 per year for projects located in a designated Priority Area</td>
<td>Hamilton Township is a designated Priority Area</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Oriented Development</td>
<td>An increase of $2,000 per job for a project locating in a Transit Oriented Development</td>
<td>300 American Metro Blvd. 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.</td>
</tr>
<tr>
<td>Jobs with Salary in Excess of County/GSGZ Average</td>
<td>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</td>
<td>The proposed median salary of $105,000 exceeds the Mercer County median salary by 88.7% resulting in an increase of $500 per year.</td>
</tr>
<tr>
<td>Targeted Industry</td>
<td>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</td>
<td>The applicant is a Technology business.</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly</td>
<td>The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the</td>
</tr>
</tbody>
</table>


or substantially damaged as a result of a federally declared disaster

<table>
<thead>
<tr>
<th>All other projects</th>
<th>The Retained Full-Time Jobs will receive the lesser of:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- ( \frac{1}{2} ) of the Grant Calculation for New Full-Time Jobs (( \frac{1}{2} \times 6,000 = 3,000 )) or</td>
</tr>
<tr>
<td></td>
<td>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (( \frac{1,046,087}{10} / (50 + 0) = 2,092 ))</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
</tbody>
</table>

---

**Grant Calculation**

**BASE GRANT PER EMPLOYEE:**
Priority Area $3,000

**INCREASES PER EMPLOYEE:**
- Transit Oriented Development $2,000
- Jobs with Salary in Excess of County Average: $500
- Targeted Industry (Technology): $500

**INCREASE PER EMPLOYEE:** $3,000

**PER EMPLOYEE LIMIT:**
Priority Area $10,500

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:** $6,000

**AWARD:**
- New Jobs: 50 Jobs \( \times 6,000 \times 100\% = 300,000 \)
- Retained Jobs: 0 Jobs \( \times 2,092 \times 100\% = 0 \)

Total: $300,000

**ANNUAL LIMITS:**
Priority Area (Est. 90% Withholding Limit) $4,000,000/ ($227,133)

**TOTAL ANNUAL AWARD** $300,000
P&R Dental Strategies, LLC Grow New Jersey

PROJECT IS: (X) Expansion ( ) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $1,046,087
EXPECTED PROJECT COMPLETION: December 31, 2018
SIZE OF PROJECT LOCATION: 9,798 sq. ft.
NEW BUILDING OR EXISTING LOCATION? Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Non-Industrial
CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS: 50
RETAINED FULL-TIME JOBS: 0
STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015): 0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: N/A
MEDIAN WAGES: $105,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $14,401,990
TOTAL AMOUNT OF AWARD: $3,000,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $11,401,990

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 P&R Dental Strategies, LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: Diane Ubinger APPROVAL OFFICER: Kevin DeSmedt
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura, President and COO

DATE: May 13, 2016

SUBJECT: Quest Diagnostics Incorporated

Purpose:

This memorandum addresses the legal matters of Quest Diagnostics Incorporated related to the company’s pending Grow New Jersey application.

Background:

Quest Diagnostics Incorporated (Quest) provides diagnostic testing information and services in the United States and internationally. The company, which employs approximately 45,000 people, was founded in 1967 and is headquartered in Madison, New Jersey.

Analysis of Litigation as Grounds for Possible Disqualification:

Pursuant to the Authority’s regulations, N.J.A.C. 19:30-2-1 et seq., criminal convictions, violations of certain laws and guilty pleas can serve as the basis for disqualification or debarment. Under the regulations, a disqualification or debarment may include all known affiliates of a company, provided each decision to include an affiliate is made on a case by case basis after giving due regard to all relevant facts and circumstances.

Listed below are the relevant actions relating to the applicant and its wholly owned subsidiary, Nichols Institute Diagnostics (NID), and the fines assessed and paid as reviewed by staff with guidance from the Attorney General’s Office. It is noted that the applicant, Quest, entered into a Corporate Integrity Agreement (CIA) and non-prosecution agreement with the government, and therefore debarment/disqualification could be reviewed by staff under delegated authority.

The issue before the board therefore is whether to debar/disqualify Quest on the basis of the actions of its subsidiary, NID, which did not enter into a CIA or non-prosecution agreement.
Quest Subsidiary, Nichols Institute Diagnostics, Guilty Plea to Felony Misbranding

On April 15, 2009, Quest and its subsidiary, NID, entered into a global settlement with the United States to resolve criminal and civil claims concerning various types of diagnostic test kits that NID manufactured, marketed and sold to laboratories throughout the country until 2006. NID paid a criminal penalty of $40 million while both Quest and NID paid civil penalties totaling $262 million to resolve the allegations.

As part of the criminal resolution, NID pleaded guilty to a felony misbranding charge in violation of the Food, Drug and Cosmetic Act relating to NID’s Nichols Advantage Chemiluminescence Intact Parathyroid Hormone Immunoassay, a test that was used by laboratories throughout the country to measure parathyroid hormone levels in patients.

Contrary to the claims in NID’s directional inserts and marketing materials, the assay failed to consistently provide accurate results. Quest, the parent, also entered into a non-prosecution agreement with the United States and, as part of the civil resolution, a CIA with the Office of Inspector General of the U.S. Department of Health and Human Services.

Mitigating Factors:

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

1. The activity related to the NID plea occurred more than a decade ago. This plea arose out of the activity of NID, a Quest subsidiary located in California that Quest voluntarily closed in 2006, years before the settlement with the government.

2. During the government’s investigation, Quest voluntarily and actively cooperated with authorities, providing information, witnesses and business records of both NID and Quest.

3. When Quest learned of the federal investigation, it began its own internal investigation, which led to multiple voluntary product holds. Quest also terminated the employment of key NID senior leadership. Ultimately, because Quest could not be assured that it could timely return quality products to the market, it voluntarily closed NID at a cost to the company of more than $30 million.

4. Prior to the settlement, Quest voluntarily enhanced the compliance policies and procedures applicable to its other businesses which manufactured Test Kits. One enhancement was to voluntarily institute a process pursuant to which Quest retained a third party to conduct periodic quality audits of these businesses, to help ensure that the issues at NID did not recur. Quest continued that process after the expiration of the CIA.

5. Under the CIA, Quest retained two outside, independent review entities: (i) a “Compliance Expert” engaged by the Board of Directors to assess the processes by which compliance concerns are reported and escalated; and (ii) an “Independent Review Organization” engaged by the company to conduct annual quality reviews of Quest’s Test Kits businesses. Quest satisfied all of its obligations under the CIA, which ended in 2014.
6. Quest’s Compliance Program is modeled on the seven elements for an effective 
corporate compliance and ethics program as described in the Federal Sentencing Guidelines. In 
addition, the Vice President, Compliance serves as the Chief Compliance Officer (“CCO”), and 
reports directly to the Chief Executive Officer. The CCO reports on compliance matters to the 
Quality and Compliance Team, which is comprised of senior management, and to the Quality, 
Safety and Compliance Committee of the Board of Directors, four times each year.

7. The Compliance Program employs detailed policies and procedures which are 
posted on the company’s intranet, and which all employees are required to follow. The company 
provides a range of training and ongoing communications, including: (i) training when an 
employee first joins the company; (ii) policy specific training for all employees; (iii) annual 
training of all employees and training targeted at certain groups and issues; and (iv) various 
mechanisms for reporting, including anonymous telephone and web-based hot lines.

Recommendation:

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

[Signature]

Timothy Lizura, President and COO

Prepared by: Marcus Saldutti
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: Quest Diagnostics Incorporated 

PROJECT LOCATION: 500 Plaza Drive Secaucus Town Hudson County

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

APPLICANT BACKGROUND:
Quest Diagnostics Incorporated (Quest) is the world's largest provider of diagnostic information services. The Company provides information and insights based on clinical testing, including routine, esoteric, gene-based and anatomic pathology testing, and related services. Quest has leading positions in the neurology diagnostics market, in advanced cardiovascular diagnostic information services, in cancer diagnostics and in providing testing for the detection of employee use of drugs of abuse. Quest is also a leading provider of biometric wellness screenings, flu shots and related preventative services that leverage clinical data to improve population health-outcomes and reduce healthcare spend for employers. Quest has significant information assets, including many years of test result data, and it is focused on ways to leverage the full power of these assets to help its customers.

Quest, founded in New Jersey, was incorporated in 1990 with its predecessor companies dating back to 1967. The Company conducts business through its current headquarters in Madison, New Jersey, and its laboratories, patient service centers, offices and other facilities around the United States and in selected locations outside the United States. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Quest’s lease at its current headquarters in Madison, which houses 346 employees, is set to expire in September of 2017. Additionally, Quest has a support services facility in Lyndhurst, NJ currently housing 249 employees with a lease also set to expire in September of 2017. Quest is looking to consolidate both operations into a single facility and has identified a site in Secaucus with roughly 130,000 sq. ft. of Class A office space. The proposed project would result in a total capital investment of nearly $31 million and the retention of the 595 combined employees. In the event that the project does not occur in New Jersey, Quest would relocate these employees to Tampa, Florida, where it currently has its national operations center for HR, Customer Service and Logistics.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Quest 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 Stephen H. Rusckowski, the
CEO of Quest Diagnostics Incorporated, 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 $228.4 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 595 New Jersey jobs listed in the application are at risk of being located outside the State on or before September 30, 2017 the date upon which the leases for the New Jersey facilities housing the at risk jobs will expire. 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:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($) per Square Foot of Gross Leasable Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$60</td>
</tr>
<tr>
<td><strong>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</strong></td>
<td><strong>$40</strong></td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td><strong>Other targeted industries</strong></td>
<td><strong>25 / 35</strong></td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>

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 Hudson County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$5,208,080</td>
<td>$30,882,611</td>
</tr>
<tr>
<td>New Jobs</td>
<td>25</td>
<td>0</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>35</td>
<td>595</td>
</tr>
</tbody>
</table>

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:
<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distressed Municipality</td>
<td>Base award of $4,000 per year for projects located in a designated Distressed Municipality</td>
<td>Secaucus Town is a designated Distressed Municipality</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs with Salary in Excess of County/GSGZ Average</td>
<td>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</td>
<td>The proposed median salary of $115,761 exceeds the Hudson County median salary by 138.6% resulting in an increase of $750 per year.</td>
</tr>
<tr>
<td>Large Number of New/Retained Full-Time Jobs</td>
<td>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</td>
<td>The applicant is proposing to create/retain 595 Full-Time Jobs at the project location resulting in an increase of $750.</td>
</tr>
<tr>
<td>Targeted Industry</td>
<td>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</td>
<td>The applicant is a Health business.</td>
</tr>
<tr>
<td>Exceeds LEEDs Silver or Substantial Env. Remed.</td>
<td>An increase of $250 per job for a facility exceeding the Leadership in Energy and Environmental Design’s “Silver” rating standards or for a project that completes substantial environmental remediation</td>
<td>The applicant proposes achieving a LEEDs Gold rating.</td>
</tr>
</tbody>
</table>

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:
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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
<tr>
<td>All other projects</td>
<td>The Retained Full-Time Jobs will receive the lesser of:</td>
</tr>
<tr>
<td></td>
<td>- ( \frac{1}{2} ) of the Grant Calculation for New Full-Time Jobs ( (1/2 \times 6,250 = 3,125) ) or</td>
</tr>
<tr>
<td></td>
<td>- The estimated eligible Capital Investment divided by 10 ( \frac{30,882,611}{10} / (0 + 595) = 5,190 )</td>
</tr>
</tbody>
</table>

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: $750
- Large Number of New/Retained F/T Jobs: $750
- Targeted Industry (Health): $500
- Exceeds LEEDs Silver or Substantial Env. Remed.: $250

**INCREASE PER EMPLOYEE:**
- $2,250

**PER EMPLOYEE LIMIT:**
- Distressed Municipality: $11,000

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**
- $6,250

**AWARD:**
- New Jobs: 0 Jobs X $6,250 X 100% = $0,000
- Retained Jobs: 595 Jobs X $6,250 X 50% = $1,859,375

**Total:** $1,859,375

**ANNUAL LIMITS:**
- Distressed Municipality: $8,000,000

**TOTAL ANNUAL AWARD:**
- $1,859,375

**PROJECT IS:** ( ) Expansion (X) Relocation

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:**
- $30,882,611

**EXPECTED PROJECT COMPLETION:**
- October 1, 2017

**SIZE OF PROJECT LOCATION:**
- 130,202 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:**
- 595

**STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015):**
- 1,876

**CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:**
- Madison
- Lyndhurst

**MEDIAN WAGES:**
- $115,761
GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $246,945,968
TOTAL AMOUNT OF AWARD: $18,593,750
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $228,352,218

ELIGIBILITY PERIOD: 10 years

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

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before September 30, 2017; 2) approve the proposed Grow New Jersey grant to encourage Quest Diagnostics Incorporated 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:  Safilo USA, Inc.  
PROJECT LOCATION: 300 Lighting Way Secaucus Town Hudson County

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

APPLICANT BACKGROUND: 
Safilo Group SpA, the global parent of Safilo USA, Inc. (“Safilo” or the “Applicant”), engages in the design, manufacture, and distribution of prescription frames, sunglasses, and sports eyewear under licensing agreements for luxury and premium brands as well as under its own brands. It operates through the Wholesale and Retail business segments. The Wholesale segment incorporates the entire business cycle of product design, research and development, production, marketing and communication, distribution, and logistics of its products, while the Retail segment markets its products in specialist stores and shops worldwide. Safilo’s house brands include those under its own name as well as many others common to this business. It also carries many well-known licensed brands. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR NET BENEFIT: 
Safilo is in the process of selecting a new location for its North American headquarters which is currently located in Parsippany, NJ. The decision has been made to put the current facility on the market for sale, and therefore, the Applicant is now seeking a new location to accommodate its current employees at the Parsippany facility. Safilo is currently evaluating real estate options in New York and New Jersey to identify the most attractive headquarters location to relocate its existing employees. The Applicant’s project (the “Project”) would retain 211 employees. Safilo is currently evaluating 300 Lighting Way in Secaucus, NJ and 2 Blue Hill Plaza in Pearl River, NY.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option, and as a result, the management of Safilo USA, 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 Glen Rusk, the SVP of Safilo USA Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $47.0 million over the 20 year period required by the Statute.
FINDING OF JOBS AT RISK:
The applicant has certified that the 211 New Jersey jobs listed in the application are at risk of being located outside the State on or before January 1, 2017, the estimated lease commencement date in New York, if the company moves forward with that relocation. 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 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:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$1,848,000</td>
<td>$6,775,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>35</td>
<td>0</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>50</td>
<td>211</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distressed Municipality</td>
<td>Base award of $4,000 per year</td>
<td>Secaucus Town is a</td>
</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
</tbody>
</table>
| All other projects                                                           | **The Retained Full-Time Jobs will receive the lesser of:**  
  - ½ of the Grant Calculation for New Full-Time Jobs \(\frac{1}{2} \times \$4,250 = \$2,125\) or  
  - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs \(\$6,775,000/10/(0+211) = \$3,210\)  

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: $0
- Retained Jobs: $448,375

**ANNUAL LIMITS:**
- Distressed Municipality $8,000,000

**TOTAL ANNUAL AWARD** $448,375

**PROJECT IS:** ( ) Expansion ( X) Relocation
**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** $6,775,000
**EXPECTED PROJECT COMPLETION:** August 31, 2017
**SIZE OF PROJECT LOCATION:** 46,200 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:** 211
**STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015):** 230
**CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:** Parsippany
**MEDIAN WAGES:** $75,406

**GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):** $51,522,544
**TOTAL AMOUNT OF AWARD:** $4,483,750
**NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):** $47,038,794
**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 January 1, 2017; 2) approve the proposed Grow New Jersey grant to encourage Safilo USA 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: Maggie Peters
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: Tokio Marine North America, Inc. P42397

PROJECT LOCATION: 499 Washington Boulevard Jersey City Hudson County

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

APPLICANT BACKGROUND:
Tokio Marine North America, Inc. is a wholly owned subsidiary of Tokio Marine Holdings, Inc. headquartered in Tokyo, Japan. In business since 1879, Tokio Marine Holdings and its 179 subsidiaries and 26 affiliates located worldwide, operate extensively in the non-life insurance business, life insurance business, international insurance business and financial and general businesses services. The Company employs approximately 3,150 employees in the US. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The current lease on the Company’s existing facility located at 230 Park Ave, New York City expires in July 2017, requiring the Company to evaluate alternative real estate options. The location decision is ultimately projected to include approximately 280 full time eligible jobs, with continued planned growth past the initial occupancy. An option would segregate its existing 230 Park Ave employment into two locations, leasing 46,360 at 499 Washington Boulevard, Jersey City for 215 full-time employees and leasing 19,000 sq. ft. in Midtown Manhattan on the Avenue of Americas (“NJ/NY”) to house 65 existing employees, which includes the top executive positions. The alternate is to relocate the entire 230 Park Avenue operations to 1 Liberty Plaza, in Lower Manhattan, leasing 60,000 sq. ft.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option, with the inclusion of the incentives available at the alternate location and, as a result, the management of Tokio Marine North America, 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 Akira Harashima, the CEO of Tokio Marine North America, 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 $27 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:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$60</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</td>
<td>$40</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

  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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td>Other targeted industries</td>
<td>25 / 35</td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>

  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 Hudson County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$1,854,400</td>
<td>$11,352,925</td>
</tr>
<tr>
<td>New Jobs</td>
<td>25</td>
<td>215</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>35</td>
<td>0</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Transit Hub Municipality</td>
<td>Base award of $5,000 per year for projects located in a designated Urban Transit Hub Municipality</td>
<td>Jersey City is a designated Urban Transit Hub Municipality</td>
</tr>
<tr>
<td>Increase(s) Criteria</td>
<td>An increase of $2,000 per job for a project located in a Transit Oriented Development by virtue of being within 1/2 mile of the midpoint of a New Jersey Transit Corporation rail station.</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Jobs with Salary in Excess of County/GSGZ Average</td>
<td>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.</td>
<td>The proposed median salary of $94,283 exceeds the Hudson County median salary by 94% resulting in an increase of $500 per year.</td>
</tr>
<tr>
<td>Targeted Industry</td>
<td>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.</td>
<td>The applicant is a Finance business.</td>
</tr>
<tr>
<td>Exceeds LEEDs Silver or Substantial Env. Remed.</td>
<td>An increase of $250 per job for a facility exceeding the Leadership in Energy and Environmental Design’s “Silver” rating standards or for a project that completes substantial environmental remediation.</td>
<td>The applicant proposes achieving a LEEDs Gold rating.</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
</tbody>
</table>
All other projects

The Retained Full-Time Jobs will receive the lesser of:
- \( \frac{1}{2} \) of the Grant Calculation for New Full-Time Jobs \((1/2 \times 8,250 = 4,125)\) or
- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs \((11,352,925/10 / (215 + 0) = 5,280)\)

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:**
- Transit Oriented Development: $2,000
- Jobs with Salary in Excess of County Average: $500
- Targeted Industry (Finance): $500
- Exceeds LEEDs Silver or Substantial Env. Rem.: $250

**INCREASE PER EMPLOYEE:** $3,250

**PER EMPLOYEE LIMIT:**
- Urban Transit HUB Municipality $12,000

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:** $8,250

**AWARD:**
- New Jobs: 215 Jobs X $8,250 X 100% = $1,773,750
- Retained Jobs: 0 Jobs X $8,250 X 50% = $0,000

**Total:** $1,773,750

**ANNUAL LIMITS:**
- Urban Transit HUB Municipality $10,000,000

**TOTAL ANNUAL AWARD** $1,773,750
PROJECT IS: (X) Expansion  ( ) Relocation
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $11,352,925
EXPECTED PROJECT COMPLETION: April 1, 2017
SIZE OF PROJECT LOCATION: 46,360 sq. ft.
NEW BUILDING OR EXISTING LOCATION? Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Non-Industrial
CONSTRUCTION: (X) Yes  ( ) No

NEW FULL-TIME JOBS: 215
RETAINED FULL-TIME JOBS: 0
STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015): 0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: N/A
MEDIAN WAGES: $ 94,283

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $45,114,038
TOTAL AMOUNT OF AWARD: $17,737,500
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $27,376,538

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 Tokio Marine North America, 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: 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: WorkWave LLC

PROJECT LOCATION: 101 Crawfords Corner Road Holmdel Township Monmouth County

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

APPLICANT BACKGROUND:
WorkWave LLC, formerly Marathon Data Operating Co., LLC, (WorkWave) formed in 1984 and is a fast-growing leader in providing software-as-a-service solutions to small and medium-sized business as well as large enterprise customers in the sectors of field service and “last mile” delivery. Among others, applications include route planning and fleet management, GPS tracking and monitoring, and lead acquisition and management. The company connects all aspects of its clients’ businesses through a tightly integrated mobile-first suite of software solutions, providing over 9,000 clients with business insights and information to increase revenue per employee and to provide five-star customer experiences. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
WorkWave was approved for a Grow NJ award in 2013 of $3.2 million to relocate its previous headquarters in Wall Township to Neptune City. Upon execution of the award agreement WorkWave moved into the Neptune City facility but has not yet received any tax credits under the agreement. As a result of recent growth WorkWave has determined that it has outgrown the current 24,000 sq. ft. facility in Neptune City and will vacate the building with a remaining lease cost of over $5.5 million and subsequently terminate the existing Grow NJ agreement.

Work Wave has identified a site in Holmdel with more than 71,000 sq. ft. in available space that will meet its operational needs and facilitate continued growth. The potential project will result in a capital investment of $7.2 million and the retention of WorkWave’s current 154 employees with an additional 247 jobs expected to be created prior to October 1st 2018. In the event that WorkWave does not receive a new Grow NJ award, it will relocate to a 70,000 sq. ft. facility in St. Louis, MO where it has a current regional office and will make a comparable capital investment.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of WorkWave has indicated that the grant of tax credits is a material factor in the
The Authority is in receipt of an executed CEO certification by Chris Sullens, the CEO of WorkWave 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 $61.9 million over the 20 year period required by the Statute.

**FINDING OF JOBS AT RISK:**
The applicant has certified that the 154 New Jersey jobs listed in the application are at risk of being located outside the State on or before July 1, 2016 as this is the date upon which the non-New Jersey alternative facility would be available to occupy. 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:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$ 20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$60</td>
</tr>
<tr>
<td><strong>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</strong></td>
<td><strong>$ 40</strong></td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>

  *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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements (New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
</tr>
<tr>
<td><strong>Other targeted industries</strong></td>
</tr>
<tr>
<td>All other businesses/industries</td>
</tr>
</tbody>
</table>

  *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 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:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$2,852,560</td>
<td>$7,202,273</td>
</tr>
<tr>
<td>New Jobs</td>
<td>25</td>
<td>247</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>35</td>
<td>154</td>
</tr>
</tbody>
</table>

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:
<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Area</td>
<td>Base award of $3,000 per year for projects located in a designated Priority Area</td>
<td>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.</td>
</tr>
</tbody>
</table>

| 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 Technology business.                                                                 |

| 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 401 Full-Time Jobs at the project location resulting in an increase of $750. |

| 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 with office space of 2 million+ sq. ft. that has been vacant for the last 12+ months. |
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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
<tr>
<td>All other projects</td>
<td>The Retained Full-Time Jobs will receive the lesser of:</td>
</tr>
<tr>
<td></td>
<td>- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $5,250 = $2,625) or</td>
</tr>
<tr>
<td></td>
<td>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($7,202,273 / 10 / (247+154) = $1,796)</td>
</tr>
</tbody>
</table>
Grant Calculation

BASE GRANT PER EMPLOYEE:

Priority Area $3,000

INCREASES PER EMPLOYEE:

- Large Number of New/Retained F/T Jobs: $750
- Targeted Industry (Technology): $500
- Vacant Commercial Building in excess of 1 mill. sq. ft.: $1,000

INCREASE PER EMPLOYEE: $2,250

PER EMPLOYEE LIMIT:

Priority Area $10,500

LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT: $5,250

AWARD:

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jobs:</td>
<td>247 Jobs X $5,250 X 100% = $1,296,750</td>
</tr>
<tr>
<td>Retained Jobs:</td>
<td>154 Jobs X $1,796 X 100% = $276,584</td>
</tr>
<tr>
<td>Total:</td>
<td>$1,573,334</td>
</tr>
</tbody>
</table>

ANNUAL LIMITS:

Priority Area (Est. 90% Withholding Limit) $4,000,000/ ($981,196)

TOTAL ANNUAL AWARD $1,573,334
PROJECT IS: (X) Expansion (X) Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $7,202,273

EXPECTED PROJECT COMPLETION: October 1, 2018

SIZE OF PROJECT LOCATION: 71,314 sq. ft.

NEW BUILDING OR EXISTING LOCATION? Existing

INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Non-Industrial

CONSTRUCTION: (X) Yes ( ) No

NEW FULL-TIME JOBS: 247

RETAINED FULL-TIME JOBS: 154

STATEWIDE BASE EMPLOYMENT (AS OF 12/31/2015): 154

CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: Neptune City

MEDIAN WAGES: $63,000

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $77,642,994

TOTAL AMOUNT OF AWARD: $15,733,340

NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $61,909,654

ELIGIBILITY PERIOD: 10 years

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

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before July 1, 2016; 2) approve the proposed Grow New Jersey grant to encourage WorkWave 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: Justin Kenyon

APPROVAL OFFICER: Kevin DeSmedt
GROW NEW JERSEY ASSISTANCE PROGRAM - MODIFICATIONS
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: May 13, 2016

SUBJECT: Grow New Jersey modification request for Tryko Holdings LLC

P41734

MODIFICATION REQUEST
The Board approved Tryko Holdings LLC for a $4,101,250 Grow New Jersey Grant Award on December 8, 2015. Since then, the company could not procure the original project site, 781 Brick Boulevard, Brick Township, Ocean County and has identified a new location also in Brick Township, 1608 Route 88. The Board is requested to modify the previously approved award to the newly identified site.

BACKGROUND:
Tryko Holdings LLC was established in 1989 as an investment corporation that is now controlled by Yitzchok Rokowsky and Yonah Kohn, securing investment primarily in (i) multifamily housing across the Northeast, where it owns and manages over 7,000 residential units from New Jersey to Virginia and Ohio; (ii) skilled nursing and short term rehabilitation facilities in Boston and Baltimore, through its Marquis Health Services subsidiary, and (iii) as an active investor in property tax liens with a present portfolio of $30 million in assets under management. The company is headquartered in Brick, New Jersey with 71 full-time employees and has a total of 237 full-time employees Statewide in New Jersey. The applicant has demonstrated the financial ability to undertake the project.

MODIFICATION:
Tryko Holdings LLC was approved for a $4,101,250 Grow New Jersey Grant Award on December 8, 2015.

Since the Board Approval date, the company could not secure the original project site, 781 Brick Boulevard, Brick Township, Ocean County, and has identified a new location, also in Brick Township, 1608 Route 88. The site previously approved consisted of purchasing through a related affiliate, a 30,300 sq. ft. facility located in Brick, NJ. The alternative is leasing a 31,631 sq. ft. facility in Philadelphia, PA. The proposed capital investment was $3,300,000 in renovations plus the retention of 71 full-time and creation of 61 new jobs to New Jersey. The location analysis at the time of approval showed New Jersey to be the more expensive option.

The applicant still plans to house its headquarters and main operations and proposes purchasing the interests of 30,000 sq. ft. of an 50,000 sq. ft. condominium office facility at 1608 Route 88, Brick Township. The new space in NJ is slightly smaller and the proposed capital investment is $2,815,000 for renovations and furniture, fixtures and equipment.
MATERIAL FACTOR/NET BENEFIT:
Currently, Tryko Holdings LLC and its related businesses operate from two buildings along Route 70 in Brick, NJ. Tryko is seeking a new space that would enable it to comfortably house all of its related businesses in one building, in order to better manage its holdings and save costs, in addition to allowing the company to expand and hire new talent. The company is evaluating relocating its headquarters by purchasing a 30,000 sq. ft. facility located in Brick, NJ or leasing a 31,631 sq. ft. facility in Philadelphia, PA.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Tryko Holdings 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 Yitzchok Rokowsky, the CEO of Tryko Holdings LLC, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $9 million over the 20 year period required by the Statute.

ELIGIBILITY AND GRANT CALCULATION:
The date in which the applicant must complete and submit the capital investment and employment requirements will remain within three years from the date of the original approval of the Grow New Jersey Award, which approval was granted on December 8, 2015.

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:
  
<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</td>
<td>$ 20</td>
</tr>
<tr>
<td>Industrial/Warehouse/Logistics/R&amp;D - New Construction Projects</td>
<td>$ 60</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – Rehabilitation Projects</td>
<td>$ 40</td>
</tr>
<tr>
<td>Non-Industrial/Warehouse/Logistics/R&amp;D – New Construction Projects</td>
<td>$120</td>
</tr>
</tbody>
</table>
  
  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:

<table>
<thead>
<tr>
<th>Minimum Full-Time Employment Requirements</th>
<th>(New / Retained Full-time Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech start ups and manufacturing businesses</td>
<td>10 / 25</td>
</tr>
<tr>
<td>Other targeted Industries</td>
<td>25 / 35</td>
</tr>
<tr>
<td>All other businesses/industries</td>
<td>35 / 50</td>
</tr>
</tbody>
</table>
  
  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 another business in Ocean County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$800,000</td>
<td>$2,815,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>27</td>
<td>61</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>38</td>
<td>71</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distressed Municipality</td>
<td>Base award of $4,000 per year for projects located in a designated Distressed Municipality</td>
<td>Brick Township is a designated Distressed Municipality.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>On Site Solar Generation of ½ of Project’s Elec. Needs</td>
<td>An increase of $250 per job for a project that generates ½ of its electricity via on-site solar power generation</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>GRANT CALCULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project located in a Garden State Growth Zone</td>
<td>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.</td>
</tr>
<tr>
<td>A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area</td>
<td>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.</td>
</tr>
<tr>
<td>The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster</td>
<td>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.</td>
</tr>
<tr>
<td>All other projects</td>
<td>The Retained Full-Time Jobs will receive the lesser of:</td>
</tr>
<tr>
<td></td>
<td>- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $4,250 = $2,125) or</td>
</tr>
<tr>
<td></td>
<td>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs</td>
</tr>
</tbody>
</table>


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.

<table>
<thead>
<tr>
<th>Grant Calculation Original Approval vs. Modification Request</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BASE GRANT PER EMPLOYEE:</strong></td>
</tr>
<tr>
<td>Distressed Municipality</td>
</tr>
<tr>
<td>Distressed Municipality</td>
</tr>
<tr>
<td><strong>INCREASES PER EMPLOYEE:</strong></td>
</tr>
<tr>
<td><strong>INCREASE PER EMPLOYEE:</strong></td>
</tr>
<tr>
<td><strong>PER EMPLOYEE LIMIT:</strong></td>
</tr>
<tr>
<td>Distressed Municipality</td>
</tr>
<tr>
<td>Distressed Municipality</td>
</tr>
<tr>
<td><strong>LESser of BASE + INCREASES OR PER EMPLOYEE LIMIT:</strong></td>
</tr>
<tr>
<td><strong>AWARD:</strong></td>
</tr>
<tr>
<td>New Jobs: 61 Jobs X $4,250 X 100% =</td>
</tr>
<tr>
<td>Retained Jobs: 71 Jobs X $4,250 X 50% =</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
</tr>
<tr>
<td><strong>ANNUAL LIMITS:</strong></td>
</tr>
<tr>
<td>Distressed Municipality</td>
</tr>
<tr>
<td>Distressed Municipality</td>
</tr>
<tr>
<td><strong>TOTAL ANNUAL AWARD</strong></td>
</tr>
</tbody>
</table>

**PROJECT IS:** (X) Expansion ( ) Relocation

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** $2,815,000

**EXPECTED PROJECT COMPLETION:** August 1, 2017

**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: 61
RETAINED FULL-TIME JOBS: 71
STATEWIDE BASE EMPLOYMENT: 237
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: N/A
MEDIAN WAGES: $68,850

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $13,874,531
TOTAL AMOUNT OF AWARD: $4,101,250
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $9,773,281

ELIGIBILITY PERIOD: 10 years

RECOMMENDATION:
Based on the above, staff recommends a modification request allowing the Qualified Business Facility to be located at the new address.

Prepared by: Teresa Wells
BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Yeshiva Tifereth Torah, Inc. P42393

PROJECT USER(S): Same as 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.

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

AMOUNT OF BOND: $6,000,000 (maximum) Tax-Exempt Bond

TERMS OF BOND: 20 year; Variable interest rate equal to 70% of the one month LIBOR plus 225 basis points. The applicant may enter into a swap to a fixed rate for either 5 or 10 years with call options at the expiration of the swap chosen. The estimated rates for the 5 and 10 year swaps are 2.625% and 2.919% respectively, as of 4/15/2016.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$40,000</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$32,500</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$27,500</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$6,100,000</strong></td>
</tr>
</tbody>
</table>
JOBS: At Application 18 Within 2 years 18 Maintained 0 Construction 0

PUBLIC HEARING: 05/12/16 (Published 04/26/16)  
BOND COUNSEL: Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: M. Athwal  
APPROVAL OFFICER: M. Chierici
AMENDED BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: Bancroft Neurohealth, a New Jersey Nonprofit Corporation

PROJECT USER(S): Same as applicant

PROJECT LOCATION: Various

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

APPLICANT BACKGROUND:
Bancroft NeuroHealth, a New Jersey Nonprofit Corporation, founded in 1883, is a leader in assisting children and adults with autism, developmental disabilities, brain injuries and other neurological impairments. Based in Cherry Hill, NJ, Bancroft has provided services to more than 1,500 people annually in reaching their full potential for fulfilling and productive lives. Its campuses, group homes and apartments, day and vocational sites span Camden, Burlington, Gloucester, Middlesex, Ocean, and Salem counties in New Jersey, as well as Southeastern Pennsylvania and Delaware. Programs include education, rehabilitation, vocational, residential, evaluation and treatment services. Toni Pergolin is the President.

In 2002, the Authority issued a $4,320,000 Series A tax-exempt bond and a $4,580,000 Series B tax-exempt bond for benefit of the Applicant to refinance conventional debt for various capital projects at its headquarters in Haddonfield and its vocational facility in Cherry Hill and several group homes in Camden, Burlington and Gloucester Counties. The 2002 Series A Bonds were underwritten by Commerce Capital Markets, Inc. (now TD Securities (USA) LLC) at a variable interest rate, resetting weekly with a term of 25 years and secured by a letter of credit provided originally by Commerce Bank, N.A. and now TD Bank, N.A. The Series B Bond was directly purchased by Commerce Bank (now TD Bank, N.A.) at a fixed interest rate for 5 years, resetting every five years until final maturity in 2027. The current interest rate on the Series A Bond is 0.41% and 2.60% on the Series B Bond.

In 2008, the Authority issued a $7,580,000 tax-exempt bond to refund the outstanding balance of a prior bond issuance in 1995, the proceeds of which were used to renovate existing facilities in Haddonfield, Haddon Heights, Moorestown, Upper Pittsgrove and South Harrison. The 2008 Bond was directly purchased by TD Bank, N.A. at a fixed rate for five years; resetting every 5 years until final maturity in 2028. The current interest rate is 2.64%.

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.

REFUNDING REQUEST:
Authority assistance will enable the Applicant to refund the 2002 Series A Bond, 2002 Series B Bond and 2008 Bond plus fund a debt service reserve fund, if required, and pay a portion of the closing costs. The 2016 Refunding Bonds will consolidate all existing bond financings under one master trustee.

This Application is being presented in conjunction with Appl. P42546 to refinance conventional debt for a total tax-exempt and taxable bond financing not to exceed $26,740,000.
FINANCING SUMMARY:

BOND PURCHASER: Herbert J. Sims Co. (Underwriter)

AMOUNT OF BOND: $6,855,000 (est.) Tax-exempt Series A Bond

TERMS OF BOND: 35 years (max.); Fixed interest rate with serial and term maturities not to exceed 8.5%. Estimated interest rates as of 5/2/16 will range between 5% and 6% with a 32 year final maturity.

N/A

PROJECT COSTS:

Principal amount of bond(s) to be refund $11,000,000
Debt service reserve fund $2,112,406
Finance fees $286,640
Legal fees $69,503

TOTAL COSTS $13,468,549

PUBLIC HEARING: 05/12/16 (Published 04/28/16) BOND COUNSEL McCarter & English, LLP
DEVELOPMENT OFFICER: K. Durand APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT:  Bancroft Neurohealth, a New Jersey Nonprofit Corporation  P42546
PROJECT USER(S):  Same as applicant  * - indicates relation to applicant
PROJECT LOCATION:  Various locations  Statewide ( )  Multi Count
GOVERNOR'S INITIATIVES: ( ) Urban  ( ) Edison  (X) Core  ( ) Clean Energy

APPLICANT BACKGROUND:
Bancroft NeuroHealth, a New Jersey Nonprofit Corporation, founded in 1883, is a leader in assisting children and adults with autism, developmental disabilities, brain injuries and other neurological impairments. Based in Cherry Hill, NJ, Bancroft serves more than 1,500 people annually in reaching their full potential for fulfilling and productive lives. Its campuses, group homes and apartments, day and vocational sites span Camden, Burlington, Gloucester, Middlesex, Ocean, and Salem counties in New Jersey, as well as Southeastern Pennsylvania and Delaware. Programs include education, rehabilitation, vocational, residential, evaluation and treatment services. Toni Pergolin is the President.

In 2002, the Authority issued a $4,320,000 Series A tax-exempt bond and a $4,580,000 Series B tax-exempt bond for benefit of the Applicant to refinance conventional debt for various capital projects at its headquarters in Haddonfield; its vocational facility in Cherry Hill and several group homes in Camden, Burlington and Gloucester Counties. The 2002 Series A Bonds were underwritten by Commerce Capital Markets, Inc. (now TD Securities (USA) LLC) at a variable interest rate, resetting weekly with a term of 25 years and secured by a letter of credit provided originally by Commerce Bank, N.A. and now TD Bank, N.A. The Series B Bond was directly purchased by Commerce Bank (now TD Bank, N.A.) at a fixed interest rate for 5 years, resetting every five years until final maturity in 2027. The current interest rate on the Series A Bond is 0.41% and 2.60% on the Series B Bond.

In 2008, the Authority issued a $7,580,000 tax-exempt bond to refund the outstanding balance of a prior bond issuance in 1995, the proceeds of which were used to renovate existing facilities in Haddonfield, Haddon Heights, Moorestown, Upper Pittsgrove and South Harrison. The 2008 Bond was directly purchased by TD Bank, N.A. at a fixed rate for five years; resetting every 5 years until final maturity in 2028. The current interest rate is 2.64%.

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 refinance conventional debt plus pay portion of the closing costs.

This Application is being presented in conjunction with Appl. P42541 to refund the outstanding balance of the prior bond financings, for a total tax-exempt and taxable bond financing not to exceed $26,740,000.
FINANCING SUMMARY:

BOND PURCHASER: Herbert J. Sims & Co. (Underwriter)

AMOUNT OF BOND: $15,740,000 (estimated) Tax-exempt Series A bond (Part of a total tax-exempt and taxable bond financing not to exceed $26,740,000)

TERMS OF BOND: 35 years (max.); Fixed interest rate with serial and term maturities not to exceed 8.5%. (Estimated interest rates as of 5/2/16 will range from 5% to 6% with a 32 year final maturity.)

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
<td>$15,740,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$286,640</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$69,503</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$16,096,143</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 1,981 Within 2 years 3 Maintained 0 Construction 0

PUBLIC HEARING: 05/12/16 (Published 04/28/16)  
BOND COUNSEL: McCarter & English, LLP

DEVELOPMENT OFFICER: K. Durand  
APPROVAL OFFICER: T. Wells
COMBINATION PRELIMINARY AND BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM - (PREMIER LENDER)

APPLICANT: Congregation Knesses Bais Levi, Inc. P42536

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

PROJECT LOCATION: 831 Coral Avenue Lakewood Township (T/UA) Ocean

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

APPLICANT BACKGROUND:
Congregation Knesses Bais Levi, Inc., a 501(c)(3) not-for-profit organization established in 2012, operates a boy's high school. The school includes 78 students in a 10,000 sq. ft. building, which the organization has recently renovated. Aaron Krupenia is the Dean 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 of $2,000,000. The difference between the project costs and the bond amount will be funded via applicant's cash on hand.

FINANCING SUMMARY:

BOND PURCHASER: TD Bank (Direct Purchase)

AMOUNT OF BOND: $2,000,000 Tax-exempt Bond

TERMS OF BOND: 20 years; Fixed rate for 10 years at the tax-exempt equivalent of 30 day LIBOR plus 225 basis points. The applicant may enter into a swap to a fixed rate for either 5 or 10 years with call options at the expiration of the swap chosen. The estimated rates for the 5 and 10 year swaps are 2.55% and 2.83% respectively, as of April 7, 2016.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$20,000</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$15,000</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$2,500</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$2,037,500</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 7 Within 2 years 7 Maintained 0 Construction 0

PUBLIC HEARING: 05/12/16 (Published 04/26/16) BOND COUNSEL: Chiesa, Shahinian & Giantomasi,

DEVELOPMENT OFFICER: M. Athwal APPROVAL OFFICER: D. Poane
BOND RESOLUTIONS WITH AUTHORITY EXPOSURE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BOND WITH AUTHORITY EXPOSURE

APPLICANT: Hi-Seas LLC  P42394

PROJECT USER(S): Cary Compounds LLC *

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

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

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

APPROVAL REQUEST:
Authority assistance will enable the applicant to acquire and renovate a 134,000 sq. ft. building, and will relocate its entire existing manufacturing operation from its current facility in Dayton, NJ to the project site in Manalapan, NJ. The difference between total costs and the bond amount is anticipated to be funded by the applicant via cash on hand. Provident Bank has committed to purchase a $5,166,000 NJEDA tax-exempt bond with 24.51% Authority guarantee of principal outstanding not to exceed $1,266,000.

FINANCING SUMMARY:

BOND PURCHASER: The Provident Bank (Direct Purchase)

AMOUNT OF BOND: $5,166,000 tax exempt bond with a 24.51%, seven year Authority guarantee of principal outstanding not to exceed $1,266,000.

TERMS OF BOND: 7 year term with a 20 year amortization; Fixed rate for 7 years at the tax-exempt equivalent of the 7 year US Treasury plus 225 basis points. The indicative rate as of 2/19/16 is 2.57%.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of existing building</td>
<td>$5,200,000</td>
</tr>
<tr>
<td>Renovation of existing building</td>
<td>$540,000</td>
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<tr>
<td>Closing Costs</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$5,840,000</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 34  Within 2 years 5  Maintained 0  Construction 4

PUBLIC HEARING: 05/12/16 (Published 04/26/16)  BOND COUNSEL: Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: M. Athwal  APPROVAL OFFICER: D. Poane / M. Conte
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - TD BANK NEW JERSEY ADVANTAGE PROGRAM (TERM) PROGRAM -

APPLICANT: ICF Mercantile, LLC  P42470

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

PROJECT LOCATION: 150 Mount Bethel Road  Warren Township (N)  Somerset

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

APPLICANT BACKGROUND:
Founded in 2008, ICF Mercantile, LLC ("ICF" or the "Applicant") offers solutions to a broad range of industrial, textile, and apparel challenges, using specialty based fibers and yarns. The Applicant seeks funds to finance the costs of acquiring new high production / tenacity processing equipment. ICF will be relocating over the summer from Fort Lee to Warren leasing 17,660 square feet of space.

APPROVAL REQUEST:
Approval is requested for a 50% Authority guarantee of principal outstanding not to exceed $300,000 in a $600,000 TD Bank capital lease under the New Jersey Advantage Program. TD Bank will also be providing a separate capital lease for $75,000 that will be secured by a junior lien on the same equipment as the NJ Advantage loan.

FINANCING SUMMARY:
LENDER: TD Bank, N.A.

AMOUNT OF LOAN: $600,000 Bank capital lease with a 50% Authority guarantee of principal outstanding not to exceed $300,000 for five years.

TERMS OF LOAN: Fixed at closing at TD Bank Cost of Funds + 300 basis points (indicative rate as of 3/30/16 is 4.94%). 12 month draw period followed by fully amortizing loan over 7 years.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Purchase of equipment &amp; machinery</td>
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<tr>
<td>Finance fees</td>
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<td><strong>$763,705</strong></td>
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JOBS: At Application 8 Within 2 years 10 Maintained 8 Construction 0

DEVELOPMENT OFFICER: M. Athwal  APPROVAL OFFICER: M. Conte
PETROLEUM UNDERGROUND STORAGE TANK PROGRAM
MEMORANDUM

TO: Members of the Authority

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

DATE: May 13, 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:**
Yeong Gi Yi $394,030

**UST Residential Grant:**
Lucille Kelley $222,508
Lance Whitaker and Malle Whitaker $191,803 $414,311

Total UST Funding – May 2016 $808,341

Prepared by: Wendy Wisniewski
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Yeong Gi Yi

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 865 Georges Rd North Brunswick Township (Middlesex)

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

APPLICANT BACKGROUND:
Between March 2011 and January 2013, Yeong Gi Yi, owner of the project site, formerly operated as a gasoline station, received a grant in the amount of $24,878 under P33905 and a supplemental grant in the amount of $101,001 under P37556 to remove an existing 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 extensive groundwater investigation.

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

APPROVAL REQUEST:
The applicant is requesting supplemental grant funding in the amount of $394,030 to perform the approved scope of work at the project site. Total grant funding including this approval is $519,909. The project site is located in Planning Area 1 and therefore is eligible to receive grant funding up to $1,000,000.

The NJDEP oversight fee of $39,403 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: $394,030

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

PROJECT COSTS:

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<tr>
<th>Cost Description</th>
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<td>Remediation</td>
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<tr>
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<td>$500</td>
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<td>TOTAL COSTS</td>
<td>$433,933</td>
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</table>

APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Lucille Kelley
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 119 Martin Street Franklin Township (N) Somerset
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Between October 2013 and May 2015, Lucille Kelley received an initial grant in the amount of $21,346 under P38470 and a supplemental grant in the amount of $36,127 under P40114 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 $222,508 to perform the approved scope of work at the project site. Total grant funding including this approval is $279,981.

The NJDEP oversight fee of $22,251 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: $222,508
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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<th>Description</th>
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APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Lance Whitaker and Malle Whitaker

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 90 Ridge Ave. Passaic City (T/UA) Passaic

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

APPLICANT BACKGROUND:
Lance Whitaker and Malle Whitaker are homeowners seeking to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

APPROVAL REQUEST:
The applicants are requesting grant funding in the amount of $191,803 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $19,180 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: $191,803

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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</thead>
<tbody>
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<td>NJDEP oversight cost</td>
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<td><strong>TOTAL COSTS</strong></td>
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APPROVAL OFFICER: K. Junghans
HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM
MEMORANDUM

TO:       Members of the Authority

FROM:     Timothy J. Lizura
          President and Chief Operating Officer

DATE:     May 13, 2016

SUBJECT:  Andrew Tirpok, Jr
          $300,991 Hazardous Site Discharge Remediation Fund Loan
          P42318

Request:

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.

Background:

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

On April 12, 2016, the Members of the EDA Board approved a $300,991 loan to Mr. Tirpok to finance remediation work to be completed on the subject property. Remediation activities to be conducted include the installation of new monitoring wells, collection and testing of ground water, abandonment of old monitoring wells and issuance of a Remedial Action Outcome letter.

During the closing process of this loan, an existing mortgage lien to PNC Bank was found in the amount of $250,000. This change will increase the loan to value from 42% as presented in the original approval to 77%. All other items in the original approval remain the same.

Recommendation

Approval to modify the Authority’s lien from a first to a second position is recommended.

Prepared by: Aaron Lipton, Credit Underwriter
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: May 13, 2016

SUBJECT: NJDEP Hazardous Discharge Site Remediation Fund Program

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

**HDSRF Commercial Grants:**

- Lumer Associates, LLC: $322,887
- Pastor Enterprises: $60,300

**Total HDSRF Commercial Grants:** $383,187

**HDSRF Municipal Grants:**

- Borough of Carteret (BDA – Carteret Waterfront Development): $5,000,000
- Borough of Woodbine (Woodbine Hat Company): $69,583
- City of Atlantic City (Third Ward Park): $257,509
- City of Paterson (Paterson Armory): $398,780
- Jersey City Redevelopment Agency (City Chemical Corp.): $74,720
- Township of Neptune (BDA Chidinese Property): $39,237
- Township of Neptune (Shark River Municipal Marina): $169,435
- Woodbridge Township (Industrial Hwy Corporation BDA): $44,862

**Total HDSRF Municipal Grants:** $6,054,126

**Total HDSRF Funding – May 2016:** $6,437,313

Prepared by: Wendy Wisniewski
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIATION PROGRAM GRANT

APPLICANT: Lumer Associates, LLC

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 1 Maple Street Elmwood Park Borough (N) Bergen

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

APPLICANT BACKGROUND:
Between December 1998 and April 2008, Lumer Associates, LLC, a real estate holding company and the owner of the project site, which is a small commercial/industrial property located in East Rutherford, received an initial grant in the amount of $193,742 under P10476 and a supplemental grant in the amount of $365,032 under P20901. The environmental work included the removal of contaminated groundwater and soil, soil sampling, installation and sampling of groundwater monitoring wells and analysis of sampling data. The NJDEP Bureau of Case Management has found the applicant's proposal for supplemental financial assistance to be administratively and technically complete and has approved funding to be provided in the form of a Hazardous Discharge Site Remediation Innocent Party Grant under N.J.S.A. 58:10B-Subsection 4, Series A. This Innocent Party Grant is awarded based on a calculation equal to 50% of the approved remedial investigation (RI) project costs ($322,887).

The scope of work involves RI activities including soil and groundwater delineation, soil excavation and disposal, post excavation monitoring well sampling and report preparation.

APPROVAL REQUEST:
The applicant is requesting supplemental grant funding in the amount of $322,887 to perform the approved scope of work at the project site. Total grant funding including this approval is $881,661.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $322,887 (50% Innocent Party Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
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<tr>
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<td><strong>$646,273</strong></td>
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</table>

APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG GRANT

APPLICANT: Pastor Enterprises
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 540-600A Lincoln Blvd. Middlesex Borough (N) Middlesex
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Between June 1996 and November 2012, Pastor Enterprises ("Pastor") received an initial grant in the amount of $10,628 under P08839 and supplemental grants totaling $167,626 under P10437 and P37431 to perform Remedial Investigation (RI). Pastor sold the property to Rosenthal Realty Management, LLP in 2000 who is the current owner of the project site. Despite the change in ownership, the AG's office has opined that a supplemental award for this project is appropriate since the original applicant was eligible for the award and the scope of the cleanup has remained unchanged since the initial approval to Pastor in 1996. As a result of this ruling, this applicant continues to be responsible for the remedial activities for this project site, which formerly housed a rolling bearing manufacturer.

The NJDEP Bureau of Case Management has found the applicant's proposal to continue RI at the project site for financial assistance to be administratively and technically complete and has approved funding for a Hazardous Discharge Site Remediation Grant under N.J.S.A. 58:1OB-Subsection 4, Series A. This Innocent Party Grant is awarded based on a calculation equal to 50% of the approved remedial investigation project costs ($60,300).

APPROVAL REQUEST:
The applicant is requesting supplemental grant funding in the amount of $60,300 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is $227,926, it exceeds the maximum staff delegation approval of $100,000 and therefore requires EDA's board approval. Total grant funding including this approval is $238,554.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $60,300 (50% Innocent Party Grant)
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:
<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remedial investigation</td>
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<tr>
<td><strong>TOTAL COSTS</strong></td>
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</table>

APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Borough of Carteret (BDA-Carteret Waterfront Devel.)
PROJECT USER(S): Same as applicant
PROJECT LOCATION: Middlesex Ave. and Carteret AvCarteret Borough (T/UA) Middlesex
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Between April 2000 and December 2015, Borough of Carteret received an initial grant in the amount of $65,469 under P11052 and supplemental grants totaling $10,218,199 under P12533, P24381, P34446 and P41713 to perform Preliminary Assessment (PA), Site Investigation (SI), Remedial Investigation (RI) and Remedial Activities (RA). The project site, identified as Block 4, Lots 3 and 4 has been used for commercial purposes which has environmental areas of concern (AOCs). The Borough of Carteret currently owns the project site which is in a Brownfield Development Area (BDA) 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 as a marina.

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of Remedial Action (RA) for projects within a BDA. The grant is awarded based on a calculation equal to 75% of the RA costs ($5,000,000). This will exhaust the 2016 limit of $5,000,000 grant funding for the Borough of Carteret. The Borough will utilize a bond to fund the remaining 25% of the eligible project costs ($1,666,666).

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

APPROVAL REQUEST:
The Borough of Carteret is requesting supplemental grant funding to perform RA in the amount of $5,000,000 at the Carteret Waterfront Development project site. Total grant funding including this approval is $15,283,668.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $5,000,000
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
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<tr>
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<td><strong>TOTAL COSTS</strong></td>
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APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Borough of Woodbine (Woodbine Hat Company)

PROJECT USER(S): Same as applicant

PROJECT LOCATION: Adams Ave. & Dehirsch Ave. Woodbine Borough (T) Cape May

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

APPLICANT BACKGROUND:
Between February 1996 and July 2013, Borough of Woodbine received an initial grant in the amount of $44,060 under P08689 and supplemental grants totaling $167,677 under P13964, P26471, and P38104 to perform Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI). The project site, identified as Block 65, Lot 1, is a former hat manufacturing facility which has potential environmental areas of concern (AOCs). Borough of Woodbine has foreclosed 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 light industrial manufacturing.

NJDEP has approved this supplemental request for 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:
Borough of Woodbine is requesting supplemental grant funding to perform RI in the amount of $69,583 at the Woodbine Hat Company project site. Because the aggregate supplemental funding including this request is $237,260, it exceeds the maximum staff delegation approval of $100,000 and therefore requires EDA’s board approval. Total grant funding including this approval is $281,320

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $69,583

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
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<tbody>
<tr>
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<td><strong>TOTAL COSTS</strong></td>
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APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: City of Atlantic City (Third Ward Park)  P41973
PROJECT USER(S): Same as applicant  * · indicates relation to applicant
PROJECT LOCATION: 1618 Baltic Ave. Atlantic City (T) Atlantic
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
The project site, identified as Block 325, Lot 1 is a former commercial and residential use property which has potential environmental areas of concern (AOCs). The City of Atlantic City currently owns the project site 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 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.

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects involving the redevelopment of contaminated property for recreation and conservation purposes, provided that the use of the property for recreation and conservation purposes is included in the redevelopment plan and is conveyed by a development easement, deed restriction for development or conservation easement for recreation and conservation purposes. The grant is awarded based on a calculation equal to 75% of the approved remedial action project costs ($257,509). The City of Atlantic City will utilize a capital bond to fund the remaining 25% of the eligible costs ($85,836).

APPROVAL REQUEST:
The City of Atlantic City is requesting grant funding to perform RA in the amount of $257,509 at the Third Ward Park project site.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $257,509
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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<th>Description</th>
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<td><strong>TOTAL COSTS</strong></td>
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</table>

APPROVAL OFFICER: K. Junghans
APPLICANT: City of Paterson (Paterson Armory) P39596

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

PROJECT LOCATION: 461-473 Market Street Paterson City (T/UA) Passaic

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

APPLICANT BACKGROUND:
The project site, identified as Block 4109, Lot 1 is the Paterson Armory which has potential environmental areas of concern (AOCs). The City of Paterson intends to acquire the project site 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 this request for Remedial Investigation (RI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

APPROVAL REQUEST:
The City of Paterson is requesting grant funding to perform RI in the amount of $398,780 at the Paterson Armory project site.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $398,780

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Jersey City Redevelopment Agency (City Chemical Corp.)
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 100 Hoboken Ave. Jersey City (T/UA) Hudson
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Between January 2002 and September 2014, Jersey City Redevelopment Agency (JCRA) received an initial grant in the amount of $185,699 under P13097 and a supplemental grant in the amount of $203,435 under P38741 to perform Site Investigation (SI) and Remedial Investigation (RI) at the City Chemical Corporation project site. The project site, identified as Block 6001, Lot 40 is a former hazardous waste storage facility which has potential environmental areas of concern (AOCs). JCRA currently owns the project site and has satisfied proof of site control. It is the applicant's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed use.

NJDEP has approved this supplemental request for 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:
Jersey City Redevelopment Agency is requesting aggregate supplemental grant funding to perform RI activities required by NJDEP in the amount of $74,720 at the City Chemical Corporation project site. Because this supplemental funding request including this request is $278,155, it exceeds the maximum staff delegation approval of $100,000 and therefore requires EDA's board approval. Total grant funding including this approval is $463,854.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $74,720
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:
- Remedial investigation: $74,720
- EDA administrative cost: $500

TOTAL COSTS: $75,220

APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Township of Neptune (BDA Chinese Property)  
PROJECT USER(S): Same as applicant  
PROJECT LOCATION: 1825 West Lake Ave.  
GOVERNOR'S INITIATIVES: ( ) Urban  ( ) Edison (X) Core  ( ) Clean Energy

APPLICANT BACKGROUND:
Between July 1999 and March 2015, Township of Neptune received an initial grant in the amount of $25,272 under P10339 and supplemental grants totaling $191,137 under P33151, P34354 and P39181 to perform Preliminary Assessment (PA), Site Investigation (SI), Remedial Investigation (RI) and Remedial Action (RA) at the project site. The project site identified as Block 225.01, Lots 597-601 is a former scrap metal/automotive junkyard which has potential environmental areas of concern (AOCs) and is located within a Brownfields Redevelopment Area (BDA). The Township of Neptune currently owns the project site and has satisfied proof of site control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for a municipal park.

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

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects within a BDA. The grant is awarded based on a calculation equal to 75% of the RA costs ($39,237). Township of Neptune will utilize a bond to fund the remaining 25% of the eligible costs ($13,078).

APPROVAL REQUEST:
Township of Neptune is requesting supplemental grant funding to perform RA in the amount of $39,237 at the project site. Because the aggregate supplemental funding including this request is $230,374, it exceeds the maximum staff delegation approval of $100,000 and therefore requires EDA's board approval. Total grant funding including this approval is $255,646.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund  
AMOUNT OF GRANT: $39,237  
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
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<tbody>
<tr>
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<td><strong>TOTAL COSTS</strong></td>
<td><strong>$52,815</strong></td>
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</tbody>
</table>

APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Township of Neptune (Shark River Municipal Marina)  P41797
PROJECT USER(S): Same as applicant  * - indicates relation to applicant
PROJECT LOCATION: 149 South Riverside Drive   Neptune Township (T/UA)   Monmouth
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Between April 2008 and December 2014, Township of Neptune received an initial grant in the amount of $60,975 under P19519 and supplemental grants totalling $313,077 under P25322 and P39394 to perform Site Investigation (SI) and Remedial Investigation (RI) activities. The project site identified as Blocks 402; 471; and Lots 13, 15, 16 & 24.01, is a marina which has potential environmental areas of concern (AOCs). The Township of Neptune currently owns the project site and has satisfied proof of site control. It is the Township’s intent, upon completion of the environmental investigation activities, to redevelop the project site for continued use as outdoor public recreation.

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.

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects involving the redevelopment of contaminated property for recreation and conservation purposes, provided that the use of the property for recreation and conservation purposes is included in the redevelopment plan and is conveyed by a development easement, deed restriction for development or conservation easement for recreation and conservation purposes. The grant is awarded based on a calculation equal to 75% of the RA costs ($169,435). Township of Neptune will utilize a bond to fund the remaining 25% of the eligible costs ($56,478).

APPROVAL REQUEST:
Township of Neptune is requesting supplemental grant funding to perform RA in the amount of $169,435 at the Shark River Municipal Marina project site. Total grant funding including this approval is $543,487.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $169,435
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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APPROVAL OFFICER: K. Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Woodbridge Township (Industrial Hwy Corporation BDA) P42177

PROJECT USER(S): Same as applicant *

PROJECT LOCATION: Industrial Highway Woodbridge Township (T/U AMiddlesex

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

APPLICANT BACKGROUND:
Between July 1996 and March 2015, the Township of Woodbridge received an initial grant in the amount of $8,894 under P08714 and supplemental grants totaling $121,956 under P08714s, P12534, P12534s and P39479 to perform Preliminary Assessment (PA) and Site Investigation (SI) and Remedial Investigation (RI) activities at the project site. The project site, identified as Block 71 and Lots 1, 2, & 7 located in a Brownfield Development Area (BDA), is currently a vacant lot which has potential environmental areas of concern (AOCs). The Township of Woodbridge owns the project site and has satisfied proof of site control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for open space.

NJDEP has approved this supplemental request for PA and SI grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. The contractor who performed the PA/SI work originally is no longer in business and the files have been lost. DEP has recommended this funding in order for the new contractor to complete the work at the project site.

APPROVAL REQUEST:
The Township of Woodbridge is requesting supplemental grant funding in the amount of $44,862 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is $166,818, it exceeds the maximum staff delegation approval of $100,00 and therefore requires EDA's board approval. Total grant funding including this approval is $175,712.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $44,862
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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APPROVAL OFFICER: K. Junghans
APPLICANT: Tripod Technologies LLC
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 1050 North Kings Hwy Cherry Hill Township (N) Camden
GOVERNOR'S INITIATIVES: ( ) Urban  (X) Edison  ( ) Core  ( ) Clean Energy

APPLICANT BACKGROUND:
The eureQa Testing Platform offered by Tripod Technologies LLC is a SaaS+Cloud platform for automated cross browser and cross device testing or eCommerce sites and Web browser based applications.

APPROVAL REQUEST:
Approval is recommended for a $250,000 loan from the Edison Innovation Angel Growth Fund as proposed.

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $250,000
TERMS OF LOAN: 5 Year Term. The proposed loan will have a rate of 9.45% with no payments for the initial 12-month period. Interest during this period will accrue and will be capitalized. Beginning month 13 principal plus interest payments will begin for the remaining four year term to fully amortize the loan.

PROJECT COSTS:

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JOBS: At Application 3 Within 2 years 6 Maintained 0 Construction 0

DEVELOPMENT OFFICER: C. Smith  APPROVAL OFFICER: M. Bhatia
MEMORANDUM

TO: Members of the Authority

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

DATE: May 13, 2016

SUBJECT: Thunderball Marketing, Inc.
$4,000,000 Stronger NJ Business Loan
P38604

Request:
Extend the maturity and amortization of the loan 7 years to provide cash flow relief to the Borrower.

Background:
Thunderball Marketing, Inc. ("Thunderball") was founded in 1988 and incorporated in 1989. The firm is a wholesale distributor and online retailer of major brand consumer electronics. The Company is owned equally by Joseph Levy, Nissim Levy, Ely Levy and Morris Nahmoud. In October 2012, Superstorm Sandy flooded the Company’s 65,000 square foot warehouse located in Woodbridge Township, NJ resulting in damage to inventory, computers, office furniture and equipment. The business sustained losses from Superstorm Sandy in excess of $4 million.

In March 2014, EDA provided a $4,000,000, 10-year term loan to Thunderball to finance its working capital needs, primarily inventory, under the Stronger NJ Business Loan program. The loan has 24 months no interest and no payments period followed by 96 months of equal principal payments. Payments are scheduled to begin May 1, 2016.

While revenues improved following the storm, the Company has not been able to reach previous levels due to changing market conditions. They have found it challenging to compete with internet retailers such as Amazon and expect the trend to continue. As a result, they have requested payment relief and additional time to repay the loan. Staff has completed a financial review and recommends extending the amortization and maturity of the loan by 7 years to allow the Borrower 15 years to repay the loan.

Recommendation:
Extend the maturity and amortization for the loan by 7 years to provide cash flow relief to the Borrower.

Prepared by: Mansi Naik
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: May 13, 2016

RE: Replacement Surface Parking Lot Project - Camden Waterfront District

Summary
The Members are asked to approve the authorization to enter into a contract with Langan Engineering and Environmental Services Inc., Parsippany, NJ to perform the engineering services associated with the Replacement Surface Parking Lot Project (the “Project”) located on the Camden waterfront. The funding for these engineering services and the Project will be provided from Camden ERB Grant funds.

Background
At the March 2016 meeting of the Board, the Members authorized the Camden ERB $5M Grant to EDA, the Project Budget and approval to pursue purchase and sale agreements for certain privately owned properties related to the Project.

The Real Estate Division publicly advertised and received technical proposals and sealed bids from six (6) engineering firms to perform the required civil and environmental engineering services associated with the Project. The technical proposals were independently reviewed and ranked by the Selection Committee, comprised of three (3) members of the Real Estate Division, in accordance with EDA’s policies and procedures. The rankings are outlined on the attached Evaluation Matrix.

Langan Engineering and Environmental Services Inc., Parsippany, NJ received the highest ranking. The fee proposals ranged from $557,900 to $1,063,110, and the weighted average fee amounts to $635,425. Langan’s negotiated fee amounts to $585,800.

Recommendation
In summary, the Members’ approval is requested for EDA to enter into a contract with the highest ranked firm, Langan Engineering and Environmental Services Inc., Parsippany, NJ, to perform the engineering services associated with the Replacement Surface Parking Lot Project located on the Camden waterfront for a Maximum Not-To-Exceed amount of $585,800, plus a 15% Contingency.

Timothy J. Lizura
President and Chief Operating Officer

Attachment

Prepared by: Thomas P. Catapano
# New Jersey Economic Development Authority
## SUMMARY SHEET
### TECHNICAL PROPOSAL EVALUATION

**Project Name:** Civil and Environmental Engineering Services, Replacement Parking Project, Camden, NJ

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Firm Name</th>
<th>CATEGORY 1</th>
<th>CATEGORY 2</th>
<th>CATEGORY 3</th>
<th>CATEGORY 4</th>
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<td>11</td>
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<td>2</td>
<td>French &amp; Parrello Associates</td>
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<td>3</td>
<td>Banc3, Inc.</td>
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<td>3</td>
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<td>Yes</td>
<td>No*</td>
</tr>
</tbody>
</table>

- **CATEGORY 1:** Understanding of the Scope of Work and Project Requirements based on the firm's proposal.
- **CATEGORY 2:** Proposing Firm's experience and qualifications with similar projects of similar size, scope and complexity.
- **CATEGORY 3:** Proposing Firm's key staff experience and qualifications with similar projects of similar size, scope and complexity.
- **CATEGORY 4:** Sub-consultant Firm(s) and key staff experience and qualifications with similar projects of similar size, scope and complexity.

The following firms have PSQS forms on file but did not submit a response to this publicly advertised RFQ/P: El Associates Architects & Engineers; Hopewell Valley Engineers; JZAD; Lindemon, Winckelmann, Duepree, Martin, Russell & Assoc.; Studio Hillier; The Design Collaborative Architects and Planners; Jarmel Kizel Architects & Engineers; Cornerstone Architectural Group; KSS Architects, LLC; SSP Architectural Group; McAuliffe + Carroll Architects, LLC.

Proposals will be evaluated by a technical review committee and ranked on a comparative basis (1 thru 40 Total points per Proposal) with the best ranked firm getting the highest number of points and lowest ranked firm getting the least number of points per Categories 1 through 4. The Total points for Categories 1 and 2 equals 12 per Proposal, the Total points for Category 3 equals 10 per Proposal, and the Total points for Category 4 equals 6 per Proposal. Each of the Proposing Firm will receive a technical proposal ranking based on the Total points scored per Categories 1 through 4 (1 thru 40 Total points per Proposal), with the best and highest ranked firm getting the highest number of points.

The NJEDA will open the sealed fee proposals and begin contract negotiations with the firm receiving the highest technical proposal ranking. Should NJEDA and the Firm with the highest ranked technical proposal fail to negotiate and a contract for a fair and reasonable fee, the NJEDA will begin negotiations with the second ranked firm and so on until a contract is successfully negotiated.
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and COO

DATE: May 13, 2016

SUBJECT: Projects Approved Under Delegated Authority - For Informational Purposes Only

The following projects were approved under Delegated Authority in April 2016:

Premier Lender Program:

1) Liberty Management Services of NJ, LLC (P42415), located in Cranford Township, Union County, is the real estate holding company formed to purchase the project property. The operating company, First Alliance Home Mortgage, LLC, was formed in 2004 to originate, process and underwrite FHAM conventional residential mortgage loans. M&T Bank approved a $2,565,000 bank loan contingent upon a 21% ($540,000) Authority participation. Proceeds will be used to purchase commercial property in Cranford to relocate the Company from Woodbridge, NJ. Currently, the Company has 25 employees and plans to create 12 new positions within the next two years.

2) RBM Properties LLC (P42469), located in Lakewood Township, Ocean County, is the real estate holding company formed to purchase the project property. The operating company, Rubbercycle, LLC manufactures top quality rubber mulch and surfacing products for military, commercial and residential use. TD Bank approved a $13,500,000 bank loan contingent upon a 15% ($2,000,000) Authority participation. Proceeds will be used to purchase commercial property. The Company currently has 33 employees and plans to create 15 additional jobs over the next two years.

Stronger NJ Business Loan Program:

1) NYC Radio Limited Liability Company (P42307 & P42308), located in Hoboken City, Hudson County, was formed in 2010 as a marketing agency that advertises and broadcasts ads, interviews and product knowledge for various corporations via the Corporate Profile Minute. The Company was approved for a $69,722 working capital loan and a $9,853 forgivable loan to reimburse 2014 working capital expenses incurred after Superstorm Sandy such as inventory and utilities.
Stronger NJ Business Loan Program - Modification:

1) Barnacle Bills, Inc. (P39573 & P39642), located in Seaside Heights Borough, Ocean County, originally opened in 1963, is a family-owned and operated miniature golf, arcade and restaurant located in Ortley Beach. On October 28, 2014, the Company was approved for a $4,933 working capital loan and a $50,000 forgivable loan. Barnacle Bills was destroyed by Superstorm Sandy and has since been rebuilt and reopened on July 31, 2013. To further assist them with their working capital needs, the Authority approved an increase in the working capital loan from $4,933 to $250,000, and increased the term and amortization periods of the existing approval from 3 years to 20 years.

Prepared by: D. Lawyer
DL/gvr
MEMORANDUM

TO: Members of the Authority
FROM: Timothy J. Lizura, President and Chief Operating Officer
DATE: May 13, 2016
SUBJECT: PUST and HDSRF Program Funding Status
(For Informational Purposes Only)

In December, 2012, the members approved a change in the administration of the subject
programs as a result of new Treasury guidance for fund transfers. Staff has reported to the board
quarterly on the status of the funds.

Below is the funding availability as of the first quarter ending on March 31, 2016:

**PUST:**
As of March 31st, remaining cash and unfunded appropriations net of commitments was $13.2
million available to support an estimated $35 million pipeline of projects, of which
approximately $8.2 million are under review at EDA.

**HDSRF:**
As of March 31st, remaining cash and unfunded appropriations net of commitments was $19.7
million available to support an estimated $35.1 million pipeline of projects, of which
approximately $2.2 million are under review at EDA.

Prepared by: Wendy Wisniewski