MEMORANDUM

TO:      Members of the Authority

FROM:    Melissa Orsen
         Chief Executive Officer

DATE:    November 17, 2016

SUBJECT: Agenda for Board Meeting of the Authority November 17, 2016

Notice of Public Meeting

Roll Call

Approval of Previous Month’s Minutes

Chief Executive Officer’s Monthly Report to the Board

Authority Matters

Incentive Programs

Bond Projects

Loans/Grants/Guarantees

Edison Innovation Fund

Office of Recovery

Board Memorandums

Executive Session

Public Comment

Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
October 14, 2016

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Peter Simon representing Acting State Treasurer Ford M. Scudder; Jeffrey Stoller representing Acting Commissioner Aaron Fichtner of the Department of Labor and Workforce Development; Patrick Mullen representing Commissioner Richard Badolato of the Department of Banking and Insurance; Colleen Kokas representing Commissioner Bob Martin of the Department of Environmental Protection; Public Members: Larry Downes Vice Chairman; David Huber, Philip Alagia, Charles Sarlo, Massiel Medina Ferrara, Patrick Delle Cava, First Alternate Public Member; and Harold Imperatore, Third Alternate Public Member.

Members Present via conference call: Public Member Fred B. Dumont, and Rodney Sadler, Non-Voting Member.

Absent: Public Members William J. Albanese, Sr., Second Alternate Public Member; and William Layton.

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 Koepp called the meeting to order at 10:10 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 September 9, 2016 meeting minutes. A motion was made to approve the minutes by Mr. Delle Cava and seconded by Mr. Dumont, and was approved by the 12 voting members present.

FOR INFORMATION ONLY: The next item was the presentation of the Chief Executive Officer’s Monthly Report to the Board.
The next item of business was the approval of the September 30, 2016 special meeting minutes. A motion was made to approve the minutes by Mr. Stoller and seconded by Ms. Ferrara, and was approved by the 12 voting members present.

Mr. Alagia entered the meeting at this time.

**INCENTIVE PROGRAMS**

**ITEM:** Contract Award Recommendation for Auditing and Job Certification Review Consulting Services *(President and COO Timothy Lizura stated that in discussions with companies prior to application, EDA staff explains the risks that the company may encounter in receiving the tax credit, including: the performance based nature of the program, changes in the market as well as potential legislative changes).*

**REQUEST:** To consent to the Authority entering into a contract with Mercadien, P.C. to perform independent auditing and job certification review services for EDA’s Incentives Programs.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 1

**Grow New Jersey Assistance Program**

**ITEM:** Qualified Business Facility (QBF) Expansions under Grow NJ

**REQUEST:** To clarify and amend the September 9, 2016 Policy for Expansion of the QBF.

**MOTION TO APPROVE:** Mr. Stoller   **SECOND:** Ms. Kokas   **AYES:** 13

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 2

**ITEM:** Advanced Hydraulic Systems, Inc.   **APPL.#43143**

**REQUEST:** To approve the application of Advanced Hydraulic Systems, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Camden City, NJ. Project location of Camden City, 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 (Manufacturing), Mega/GSGZ Ind. Project w/ Cap. Inv. in excess of Minimum and 2007 Revit. Index greater than 465 in Camden County. The estimated annual award is $405,000 for a 10-year term.

**MOTION TO APPROVE:** Ms. Kokas   **SECOND:** Mr. Huber   **AYES:** 13

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 3

**ITEM:** Appeagle, Inc.   **APPL.#43141**

**REQUEST:** To approve the finding of jobs at risk.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 4
ITEM: Appeagle, Inc.  APPL.#43141
REQUEST: To approve the application of Appeagle, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program’s rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development. Jobs with Salary in Excess of County Average and Targeted Industry (Technology). The estimated annual award is $315,700 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Downes  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Central Jersey CML LLC  APPL.#43182
REQUEST: To approve the application of Central Jersey CML LLC for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Trenton City, NJ. Project location of Trenton City, Mercer 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 (Manufacturing), GSGZ Ind. Project w/ Cap. Inv. In Excess of Min., On Site Solar Generation of ½ of Project’s Elec. Needs. The estimated annual award is $1,890,576 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Downes  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

ITEM: Enroute Computer Solutions, Inc.  APPL.#43202
REQUEST: To approve the finding of a material factor in the decision to make a capital investment and locate in municipality for GROW New Jersey Assistance program project.
MOTION TO APPROVE: Mr. Delle Cava  SECOND: Mr. Huber  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

ITEM: Enroute Computer Solutions, Inc.  APPL.#43202
REQUEST: To approve the application of Enroute Computer Solutions, Inc for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Atlantic City, NJ. Project location of Atlantic City, Atlantic 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, Jobs with Salary in Excess of GSGZ Average, Targeted Industry (Technology), 2007 Revit. Index greater than 465 in Atlantic County. The estimated annual award is $931,500 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller  SECOND: Ms. Kokas  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8
ITEM: The Interpublic Group of Companies, Inc.        APPL.#43164
REQUEST: To approve the application of The Interpublic Group of Companies, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program’s rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development and Jobs with Salary in Excess of County Average. The estimated annual award is $907,500 for a 10-year term.
MOTION TO APPROVE: Mr. Downes    SECOND: Mr. Imperatore AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: JF Hillebrand USA Inc.                     APPL.#43203
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Downes    SECOND: Mr. Huber AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

ITEM: JF Hillebrand USA Inc.                     APPL.#43203
REQUEST: To approve the application of JF Hillebrand USA Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Edison Township, NJ. Project location of Edison Township, Middlesex 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 (Logistics). The estimated annual award is $210,871 for a 10-year term.
MOTION TO APPROVE: Mr. Delle Cava    SECOND: Mr. Stoller AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

ITEM: Resintech, Inc.                           APPL.#42319
REQUEST: To approve the finding of a material factor in the decision to make a capital investment and locate in municipality for GROW New Jersey Assistance program project.
MOTION TO APPROVE: Mr. Delle Cava    SECOND: Mr. Huber AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

ITEM: Resintech, Inc.                           APPL.#42319
REQUEST: To approve the application of Resintech, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Camden City, NJ. Project location of Camden City, 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 to receive per employee as a tax credit the total amount of capital investment for the project divided by the number of employees. The estimated annual award is $13,881,760 for a 10-year term.
MOTION TO APPROVE: Mr. Delle Cava    SECOND: Ms. Kokas AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13
ITEM: Virtua-West Jersey Health System, Inc.  
REQUEST: To approve the finding of jobs at risk.  
MOTION TO APPROVE: Ms. Kokas  
SECOND: Mr. Ferrara  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: Virtua-West Jersey Health System, Inc.  
REQUEST: To approve the application of Virtua-West Jersey Health System, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Pennsauken Township, NJ. Project location of Pennsauken Township, 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 Targeted Industry (Health), and 2007 Revit. Index greater than 465 in Camden County. The estimated annual award is $722,836 for a 10-year term.  
MOTION TO APPROVE: Mr. Stoller  
SECOND: Mr. Downes  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Grow New Jersey Assistance Program – Modifications

ITEM: IPAK, Inc. (“IPAK”)  
REQUEST: To approve the modification request to expand its approved QBFP  
MOTION TO APPROVE: Mr. Downes  
SECOND: Ms. Ferrara  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

BOND PROJECTS

Bond Resolutions

ITEM: NJEDA/School Facilities Construction Refunding Bonds; School Facilities Construction Bonds  
REQUEST: To approve the issuance of one or more series of the 2016 School Facilities Construction Refunding Bonds and one or more series of the 2016 School Facilities Construction Bonds.  
MOTION TO APPROVE: Mr. Downes  
SECOND: Mr. Huber  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

ITEM: Go Realty LLC  
LOCATION: Pennsauken Township, Camden County  
PROCEEDS FOR: Acquisition and renovation of existing building  
FINANCING: $2,900,000  
MOTION TO APPROVE: Ms. Kokas  
SECOND: Mr. Stoller  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PUBLIC HEARING: Yes
PUBLIC COMMENT: None
ITEM: Edison Solutions LLC
LOCATION: Pennsauken Township, Camden County
PROCEEDS FOR: Equipment and Machinery
FINANCING: $2,700,000
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. Huber AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

**Amended Bond Resolutions**

ITEM: Duke Farms Foundation
LOCATION: Hillsborough Township, Somerset County
PROCEEDS FOR: Refunding
FINANCING: $30,250,000
MOTION TO APPROVE: Mr. Stoller SECOND: Ms. Ferrara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: Duke Farms Foundation
LOCATION: Hillsborough Township, Somerset County
PROCEEDS FOR: Refunding
FINANCING: $26,000,000
MOTION TO APPROVE: Mr. Downes SECOND: Ms. Ferrara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: The Job Haines Home For Aged People
LOCATION: Bloomfield Township, Essex County
PROCEEDS FOR: Refunding
FINANCING: $4,500,000
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

ITEM: The Job Haines Home For Aged People
LOCATION: Bloomfield Township, Essex County
PROCEEDS FOR: Refinancing/Renovation/Equipment and Machinery
FINANCING: $4,500,000
MOTION TO APPROVE: Mr. Stoller SECOND: Mr. Huber AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23
Combination Preliminary and Bond Resolutions

ITEM: Hope Academy Charter School, Inc.  APPL.#43068
LOCATION: Asbury Park City, Monmouth County
PROCEEDS FOR: Acquisition
FINANCING: $3,056,250
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Preliminary Bond Resolutions

ITEM: Tidewater North LLC  APPL.#43343
LOCATION: Carteret Borough, Middlesex County
PROCEEDS FOR: Acquisition/ Refinancing/ Renovation/ Equipment and Machinery
FINANCING: Total costs: $7,254,655
MOTION TO APPROVE: Mr. Stoller  SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25

LOANS/GRANTS/GUARANTEES

Petroleum Underground Storage Tank Program

ITEM: Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Huber AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26

PROJECT: Gertrude Gardner  APPL.#42380
LOCATION: Westwood Borough, Bergen County
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: $190,758

PROJECT: Pyramid Oil Company  APPL.#42591
LOCATION: Clifton City, Passaic County
PROCEEDS FOR: Remediation
FINANCING: $156,450

PROJECT: Tim Wallace  APPL.#42734
LOCATION: Somers Point, Atlantic County
PROCEEDS FOR: Remediation
FINANCING: $190,864
November 2016 Board Book - Approval of Previous Month’s Minutes

PROJECT: Saint Joseph Church  
LOCATION: East Orange City, Essex County  
PROCEEDS FOR: Remediation  
FINANCING: $120,803  

PROJECT: St. Anthony’s Church  
LOCATION: Belleville Township, Essex County  
PROCEEDS FOR: Remediation  
FINANCING: $159,417  

PROJECT: William Haase  
LOCATION: Teaneck Township, Bergen County  
PROCEEDS FOR: Upgrade, Closure, Remediation  
FINANCING: $111,884  

PROJECT: Terry McElven  
LOCATION: Shamong Township, Burlington County  
PROCEEDS FOR: Upgrade, Closure, Remediation  
FINANCING: $125,985  

PROJECT: Ronald Walters  
LOCATION: Pennsauken Township, Camden County  
PROCEEDS FOR: Remediation  
FINANCING: $106,561  

**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: Ms. Kokas  
SECOND: Mr. Stoller  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27

PROJECT: Borough of Somerville (BDA Somerville Landfill)  
LOCATION: Somerville Borough, Somerset County  
PROCEEDS FOR: Remedial Investigation  
FINANCING: $392,247  

PROJECT: City of Perth Amboy (BDA Waterfront Park)  
LOCATION: Perth Amboy City, Middlesex County  
PROCEEDS FOR: Remedial Action  
FINANCING: $4,126,929  

PROJECT: Jersey City Redevelopment Agency (Berry Lane Park)  
LOCATION: Jersey City, Hudson County  
PROCEEDS FOR: Remedial Action  
FINANCING: $1,093,052
EDISON INNOVATION FUND

ITEM: Tech Council Ventures II LP
REQUEST: Approval to make a limited partnership investment
MOTION TO APPROVE: Mr. Delle Cava SECOND: Mr. Huber AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 28

OFFICE OF RECOVERY

Stronger New Jersey Business Loan Program

PROJECT: Surfside Casual Corporation APPL.#42745
LOCATION: Somers Point City, Atlantic County
PROCEEDS FOR: Working Capital
FINANCING: $2,200,000

MOTION TO APPROVE: Mr. Downes SECOND: Ms. Ferrara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 29

Stronger New Jersey Business Grant Appeals

ITEM: Riccardi and Sons Painting APPL.#55973
REQUEST: Approve the recommendation to uphold the declination
MOTION TO APPROVE: Mr. Huber SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 30

REAL ESTATE

ITEM: Civil and Environmental Engineering Services Abatement, Demolition and Site Improvements Project Parcel F-I, Fort Monmouth, NJ
REQUEST: Approval to enter into a contract with T&M Associates.
MOTION TO APPROVE: Mr. Huber SECOND: Mr. Delle Cava AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 31

ITEM: Higher Education Public Private Partnership Program Kean University-Amendment to Student Dormitory and Dining Facility
REQUEST: Approve the requested application amendments.
MOTION TO APPROVE: Mr. Alagia SECOND: Ms. Ferrara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 32

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Projects approved under Delegated Authority

Direct Loan Program: The Leaguers, Inc. (P43142)

Premier Lender Program: Charles Plum Corporation (P43230)
Stronger NJ Business Loan Program: 3rd Generation Enterprises Co. (P41270), Our Serenity Enterprise, Inc. DBA North Point Marina (P42690)

NJ Main Street Program-Modification: Broadway Packaging Solutions Inc. and Broadway Kleer-Guard (P43347)

Premier Lender Program-Modification: PSC Floturn Properties, LLC (P41336)

FOR INFORMATION ONLY: Petroleum Underground Storage Tank Program-Delegated Authority Approvals for 3rd Quarter 2016

FOR INFORMATION ONLY: Hazardous Discharge Site Remediation Fund-Delegated Authority Approvals for 3rd Quarter 2016

FOR INFORMATION ONLY: Post Closing Delegated Authority Approvals for 3rd Quarter 2016

FOR INFORMATION ONLY: Incentives Modifications Delegated Authority Approvals for 3rd Quarter 2016

FOR INFORMATION ONLY: Real Estate Division Delegated Authority for Leases, CCIT Grants, and Right of Entry (ROE) Licenses for 3rd Quarter 2016

PUBLIC COMMENT

There were no public comments.

Chairman Koepp advised that board that he will be resigning as Board Chair following the December meeting, in order to spend more time with family.

There being no further business, on a motion by Mr. Delle Cava, and seconded by Mr. Imperatore, the meeting was adjourned at 11:07am.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the New Jersey Economic Development Authority at its meeting.

Erin Gold, Director, Marketing and Public Affairs
Assistant Secretary
(BIRD). Topics covered included new funding models that might change the paradigm, and alternative ways to fund early and emerging commercial biomedical research.

Later in October, the EDA hosted its sixth New Jersey Founders and Funders event, which provided more than two dozen emerging technology and life sciences companies the opportunity to meet with angel and venture capital investors. The program features 10-minute, one-on-one “speed dating” sessions to discuss strategy, business models and funding opportunities. To date, more than 175 entrepreneurs have met with investors through New Jersey Founders and Funders.

Other EDA technology and life sciences news in October included the finalization of awards for companies participating in the State’s Technology Business Tax Certificate Transfer (NOL) Program. 40 companies are set to share a total of $35 million for Fiscal Year 2017. Administered by the EDA and the New Jersey Department of Treasury’s Division of Taxation, this competitive program enables eligible companies to sell New Jersey tax losses and/or research and development tax credits to raise cash to finance their growth and operations. Since the program was established in 1999, more than 500 unique businesses have been approved for awards totaling $905 million.

SUPERSTORM SANDY FOURTH ANNIVERSARY UPDATE

As we mark the fourth anniversary of Superstorm Sandy, we are happy to report that nearly 90 percent of funds available for Stronger New Jersey Business Grants and Loans have been allocated. EDA’s Office of Recovery is diligently reviewing the remaining pipeline of loan applications, and eligible businesses are still receiving funding needed to complete their recovery. To date, more than 1,250 businesses throughout the State have been supported by the grant and loan programs.

CLOSED PROJECTS

Through October 2016, EDA closed on $463 million in traditional lending assistance to support 203 projects, leveraging $806.6 million in public/private investment and the creation of an estimated 981 new permanent jobs and 4,422 construction jobs.

In addition to the assistance provided through traditional lending programs, EDA executed agreements pending certification with 45 incentive projects for $617.1 million, leveraging $716.3 million in public/private assistance, the creation of 5,534 new jobs, 2,169 construction jobs and the retention of 6,420 jobs at risk of leaving New Jersey.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 27 events in October. These included the NRBP’s Regional Economic Outlook in Newark, the Jersey City Summit, and the Passaic County Division of Economic Development Finance Seminar in Wayne.
MEMORANDUM

TO: Members of the Authority
FROM: Melissa J. Orsen
Chief Executive Officer
DATE: November 17, 2016
RE: Monthly Report to the Board

PROJECTS SUPPORTED BY A RANGE OF EDA PROGRAMS HIGHLIGHTED IN OCTOBER

EDA representatives were front and center at several events in October as projects supported by a range of EDA programs hit important milestones.

Automatic Switch Company (ASCO) celebrated the completion of a $44 million renovation of its headquarters in Florham Park, which was supported by Grow NJ tax credits. ASCO’s decision to remain in New Jersey resulted in the retention of 350 jobs.

Earlier in the month, staff visited Jersey City-based Hudson Community Enterprises, Inc. (HCE), which offers a variety of education, training, and employment opportunities to youth and adults with disabilities and other barriers to employment. Through its vocational rehabilitation programs, HCE currently employs more than 700 individuals, 80 percent of whom have disabilities. The EDA has supported the 501(c)(3) with tax-exempt bonds dating back to 1998, when the company used bond financing to expand its footprint in the Garden State. In 2012 and 2015, the organization again utilized this type of bond financing to support its needs.

In Newark, the EDA joined local officials in October for the opening of the new Training Education and Recreation Center (TREC), which will offer career development, education, and recreational facilities for Newark residents. The TREC is owned and operated by the Newark Housing Authority, and was created with support from various entities, including the United States Department of Housing and Urban Development, and a grant from the Stronger New Jersey Neighborhood and Community Development program, which is administered by the EDA.

And finally, a visit to family-owned software and consulting company Tayrex highlighted a loan from the Small Business Fund that is helping the Lindenwold-based company launch a new product.

EDA TECHNOLOGY AND LIFE SCIENCES PROGRAMS

The EDA’s Commercialization Center for Innovative Technology (CCIT) in North Brunswick hosted two exciting events in October, designed to connect start-up companies with funding.

“Foundations are the New VCs” was created to educate New Jersey biotech companies on alternate funding sources. The free event featured presentations from the Michael J. Fox Foundation for Parkinson’s Research and the Israel-U.S. Binational Industrial Research and Development Foundation
MEMORANDUM

TO: Members of the Board

FROM: Tim Lizura, President and Chief Operating Officer

RE: EDA-BPU Clean Energy Program MOU

DATE: November 17, 2016

The Members of the Board are requested to approve the attached Memorandum of Understanding (MOU) between the Board of Public Utilities (BPU) and the Authority regarding the administration of EDA-assisted clean energy finance programs. The MOU, approved by the BPU Board on October 31, 2016, updates respective roles and responsibilities and recognizes that no new project funding approvals under EDA-assisted clean energy programs will be made in the future. The MOU will supersede and replace all prior MOUs between the EDA and the BPU regarding the administration of the Edison Innovation Clean Energy Manufacturing Fund (CEMF); the Edison Innovation Green Growth Fund (EIGGF); and the Large Scale Combined Heat & Power and Fuel Cells (LSCHP/FC) program.

Background:

The BPU Office of Clean Energy (OCE) and the Authority have been administering various New Jersey Clean Energy Programs which are designed to promote the development and installation of renewable energy, energy efficiency, and alternative energy projects statewide. Since 2003, nine interagency MOUs have been developed to memorialize the role of EDA in supporting numerous BPU-funded programs.

A joint decision was made to discontinue the EDA-assisted clean energy programs: CEMF, EIGGF, and, the LSCHP/FC program. As reflected in the BPU’s 2017 OCE Compliance Filing, and the attached MOU, it is the intent of the BPU for the EDA to continue to render administrative and financial services in connection with certain clean energy program initiatives, with the understanding that no new project funding approvals (except modified approvals of currently approved projects) will be made in the future and that the EDA’s role will eventually be limited to monitoring closed projects. As such, the attached MOU sets forth updated roles and responsibilities for the BPU and EDA with regard to administering the various clean energy programs.

EDA Portfolio Management

As outlined in the attached MOU, the EDA will be responsible for the financial management of the portfolio of grants and loans associated with the CEMF, EIGGF, and the LSCHP/FC program. As of 9/30/2016, the EDA’s portfolio included:
CEMF Portfolio

<table>
<thead>
<tr>
<th>Company</th>
<th>Approval Date</th>
<th>Commitment</th>
<th>Outstanding Balance</th>
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<tbody>
<tr>
<td>Princeton Power Systems</td>
<td>May 3, 2010</td>
<td>$3,300,000</td>
<td>$1,785,723.71</td>
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<tr>
<td>Fluitec Wind</td>
<td>August 9, 2012</td>
<td>$2,300,000</td>
<td>$836,105.83</td>
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<tr>
<td>Noveda Technologies</td>
<td>March 5, 2010</td>
<td>$3,300,000</td>
<td>$2,177,697.80</td>
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<tr>
<td>Petra Systems</td>
<td>December 1, 2009</td>
<td>$3,300,000</td>
<td>$904,762.08</td>
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<tr>
<td>MX Solar</td>
<td>June 23, 2011</td>
<td>$3,300,000</td>
<td>$592,599.44</td>
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</table>

On June 29, 2016, ENER-G Rudox received revised approval for a $300,000 grant and $3,000,000 CEMF loan; the commitment letter is pending further clarifications from the company.

EIGGF Portfolio

<table>
<thead>
<tr>
<th>Company</th>
<th>Approval Date</th>
<th>Commitment</th>
<th>Outstanding Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Silicon Carbide</td>
<td>August 2, 2013</td>
<td>$2,000,000</td>
<td>$1,482,749.52</td>
</tr>
</tbody>
</table>

On February 24, 2016 EOS Energy Storage LLC was approved for a $2,000,000 EIGGF loan; the commitment letter is pending further clarification from the company.

LSCHP/FC Portfolio

<table>
<thead>
<tr>
<th>Company</th>
<th>Approval Date</th>
<th>Commitment</th>
<th>Outstanding Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verizon Sourcing, LLC</td>
<td>December 30, 2013</td>
<td>$3,000,000</td>
<td>$3,000,000*</td>
</tr>
</tbody>
</table>

*The grant disbursement expired on 12/30/15, so technically there is no outstanding balance; however, the project is under consideration by BPU for reauthorization and is therefore included in the chart above.

Administrative Fees

As outlined in the attached MOU, beginning with Fiscal Year 2017, the Authority will be eligible for compensation as follows:

**Outstanding Loan Balance Fee:** An outstanding Loan Balance Fee in the amount of 0.5% (one-half percent) will be applied to the CEMF and EIGGF portfolio of loans that have been fully disbursed.

**General Administrative Fee:** A General Administrative Fee of 1% (one percent) will be applied to the approved or commitment amounts of all projects for which funds will be disbursed under EIGGF, CEMF and LSCHP/FC programs as of June 30th of the preceding fiscal year.

Recommendation:

The Members of the Board are requested to approve and authorize the execution of the attached MOU between the BPU and the Authority's Chief Executive Officer, subject to the review and approval of the Office of the Attorney General, concerning administration of the EDA-assisted clean energy finance programs.
This Clean Energy Program Memorandum of Understanding (“CEP MOU”), made as of this ____
day of _________________, 2016 (the “Effective Date”), is by and between the NEW JERSEY
BOARD OF PUBLIC UTILITIES (“BPU” or “Board”) through its Office of Clean Energy
(“OCE”) and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (“EDA” or
“Authority”), both instrumentalities of the State of New Jersey (collectively, the “Parties”) and
replaces the numerous agreements previously entered into by the parties, and amendments thereto
(collectively the “Prior MOUs”; see Schedule A for a complete listing of these documents), setting
forth the respective roles and responsibilities of the Parties in connection with the joint
implementation of several clean energy programs, which are further described in Section I, below.

BACKGROUND

WHEREAS, the State’s Economic Growth Strategy calls for meeting New Jersey’s energy needs
through energy efficiency improvements and conservation gains and, as stated in the New Jersey’s
Energy Master Plan, it is desirable to fund innovative renewable energy (“RE”) and energy
efficiency (“EE”) technologies that will decrease costs, improve reliability and maximize
economic and environmental benefits to New Jersey’s ratepayers; and

WHEREAS, as set forth at N.J.S.A. 48:3-49 et seq., the Electric Discount and Energy Competition
Act (“EDECA” or “Act”), the BPU, through its OCE, is directed to establish, pursuant to a
comprehensive resource analysis of energy programs, funding levels and initiatives that promote
and advance energy efficiency and the use of renewable energy resources; and

WHEREAS, the BPU conducted an initial Comprehensive Resource Analysis (“CRA”), as set
forth in its Order dated March 9, 2001 (Docket Nos. EX99050347 et al.), and several subsequent
CRA proceedings (see Schedule B for a complete list of these proceedings), which have
established the annual funding level for a suite of programs designed to encourage greater
efficiency in the use of fossil fuel-generated energy, as well as promote the employment of
technologies that exploit the advantages of renewable energy resources. Collectively these
programs are commonly known as New Jersey’s Clean Energy Program (“CEP”); and

WHEREAS, as set forth under N.J.S.A. 34:1B-1 et seq., the EDA is authorized to provide
financial assistance to encourage construction and improvement projects that create jobs and
benefit the public, and more specifically, to promote energy saving improvement projects in the
State of New Jersey; and
WHEREAS, because of the EDA’s expertise in financial matters, the BPU has asked the EDA to assist the OCE by rendering administrative and financial services for certain clean energy program initiatives since October 2003; and

WHEREAS, in response to market demand and a desire to build the NJ Clean Energy economy, the EDA and the BPU co-created the Edison Innovation Clean Energy Manufacturing Fund (CEMF) and the Edison Innovation Green Growth Fund (EIGGF) to encourage the growth of companies that qualify as a RE/EE business; and

WHEREAS, the EDA, as the bank for the State of New Jersey, is a secured lender and is fully versed in performing the due diligence and underwriting necessary to assess and manage risk associated with clean energy finance; and

WHEREAS, pursuant to the New Jersey’s Clean Energy Program FY17 Program Descriptions and Budgets for the Office of Clean Energy (more commonly referred to as the “Fiscal Year 2017 OCE Compliance Filing”), dated June 29, 2016, and approved by the BPU Board in its Order dated and signed June 29, 2016, (Docket No. QO16040353; QO106040525) (“2017 Order”), the BPU has established the Fiscal Year 2017 budgets for the CEP energy efficiency and renewable energy programs; and

WHEREAS, as reflected in the 2017 OCE Compliance Filing and 2017 Order, it is the intent of the BPU for the EDA to continue to render administrative and financial services in connection with certain clean energy program initiatives, with the understanding that no new project funding approvals (excepting modified approvals of currently approved projects) will be made in the future and that the EDA’s role will eventually be limited to monitoring closed projects; and

WHEREAS, as a result thereof, the Parties wish to update their respective roles and responsibilities as set forth in the Prior MOUs with regard to administering the various clean energy programs; and

WHEREAS, the Parties agree that the Prior MOUs shall hereby be deemed terminated and this CEP MOU shall serve to supersede and replace all such Prior MOUs between the EDA and the BPU regarding the administration of the clean energy finance programs referenced therein, except as expressly set forth herein.

NOW THEREFORE, in consideration of the promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:
I. EDA-ASSISTED BPU CLEAN ENERGY FINANCE PROGRAMS

The Parties agree that the EDA will administer, as more fully described in Section III hereof and except as noted below, the following three clean energy programs and the portfolio of grants and loans associated with these programs, as follows:

i) The Edison Innovation Clean Energy Manufacturing Fund (CEMF) - providing up to $3.3 million in grants (up to $300,000) and loans (up to $3 million) to qualified manufacturers of Class I renewable energy or energy efficiency systems, products or technologies for project assessment and design, and project construction and operation, associated with a new manufacturing line or the material expansion of an existing line of a New Jersey manufacturing facility. New applications are no longer being accepted.

ii) The Edison Innovation Green Growth Fund (EIGGF) - extends one-to-one match funded loans of up to $2 million, with a performance grant component, to support technology companies with Class I renewable energy or energy efficiency products or systems that have achieved “proof of concept” and successful independent beta results, and that have begun to generate commercial revenues. New applications are no longer being accepted.

iii) Large Scale Combined Heat & Power and Fuel Cells (LSCHP/FC) - a grant program that has closed and is no longer accepting new applications through the EDA. For existing projects where the BPU has provided incentives for the construction of on-site power generation systems that recover and use waste heat productively, thereby reducing existing and new demands to the electric power grid, BPU will monitor power generations performance. Any previously approved applications being negotiated by BPU will be administered by the EDA. The EDA will forward to the contact person designated by the BPU all electronic files related to the projects approved in this program, regardless of the status of each project.

Collectively the programs listed in (i) through (iii) above are referred to as the “EDA-Assisted BPU Clean Energy Finance Programs.”

With respect to EDA-Assisted BPU Clean Energy Finance Programs or any clean energy program referenced in any Prior MOU, including but not limited to the Renewable Energy Business Venture Financing program and the Renewable Energy Grants and Financing program, the BPU will no longer approve new applications for these EDA-Assisted programs. The EDA’s administration will be limited to continued monitoring and collecting of loan/grant repayments, reporting or other obligations on the part of the EDA as set forth in Section III below.

The Parties further agree that effective immediately upon the signing of this CEP MOU, the EDA will no longer provide assistance to the OCE in connection with the administration of the following programs for which no projects were approved:
BPU-EDA MOU

i) The Energy Efficiency Revolving Loan Fund (EERLF)
ii) CHP program using Retail Margin Funds
iii) Renewable Energy Grid Connected program

II. PROGRAM CRITERIA

The Parties agree that the EDA will administer the EDA-Assisted BPU Clean Energy Finance Programs consistent with the BPU approved Program Criteria (See Schedule C) that will be included in the Annual Compliance Filing. The OCE Compliance Filing is updated and approved by the BPU Board periodically, but no less than annually.

III. DUTIES OF THE PARTIES

The Parties agree that effective immediately upon the signing of this CEP MOU, the EDA will continue to work on all EDA-Assisted BPU Clean Energy Finance Programs. The EDA shall be responsible for underwriting any loan modifications and preparation of credit and risk analysis, preparation and maintenance of loan documents, portfolio management including milestone approval and the disbursement of loans/grants, loan/grant monitoring, collections or recapture of defaulted loans/grants, and reporting to the BPU.

The BPU’s responsibilities include review of all modifications which may require approval by the BPU Board, as indicated in Section VII hereof, as well as review documentation of any outstanding approvals and/or modifications which have not yet been documented and closed.

Administrative Review: For the CEMF and EIGGF programs, the EDA performs administrative review, which includes general compliance with terms and conditions of the program, and other tasks as specified in the relevant Solicitation.

Financial/Business Review: In the event of proposed changes to BPU Board-approved active CEMF or EIGGF projects, the EDA shall apply the applicable business/financial criteria to determine whether EIGGF and CEMF program requirements have been met. The EDA will prepare due diligence and credit underwriting analysis and determine whether the proposed change is financially feasible and based on the analysis will evaluate the business risk associated with the loan. To the extent authorized under Section VII hereof, the EDA will determine whether to approve the proposed change. Otherwise, the EDA will present its analysis to the BPU for its approval.

Execution of Documents; Approval and Execution of Amendments

The BPU shall execute the approved Funding Loan Agreement and other loan documents, as necessary, and the EDA is fully responsible for loan closing, distribution, repayment and loan
administration through the life of the loan. To the extent a change or amendment is subject to Section VII hereof, any changes or amendments to the Funding Loan Agreement will be the responsibility of the EDA to execute. Any changes that fall outside the EDA delegated authority set forth in Section VII must be submitted to the BPU Board for consideration and execution.

ADDITIONAL BPU DUTIES:

A. Support the EDA in drafting press releases and any other public announcements relating to BPU Board-approved active projects.

B. Approve modifications to agreements not delegated pursuant to Section VII of this CEP MOU.

C. Prepare annual compliance for EDA-Assisted BPU Clean Energy Finance Program.

ADDITIONAL EDA DUTIES:

In addition to the administration discussed above, the EDA shall:

A. Disburse funds to grant/loan recipients and borrowers upon a review of milestone achievement and a satisfactory financial review.

B. Draft press releases and any other public announcements relating to BPU Board-approved active projects in consultation with the BPU. All press releases relating to BPU Board-approved projects shall recognize the BPU and New Jersey Clean Energy Program as the funding agent.

C. For BPU Board-approved projects, monitor milestone activity and advise the BPU of changes that may impact the recovery of loan/or grant funds.

D. Seek BPU Board approval if milestones need to be adjusted in a way that could have a materially adverse impact on the repayment of the loan or the achievements realized under the loan and notify the BPU in conjunction with notifying customers of any approved milestones via email.

E. Work in collaboration with the BPU to facilitate all aspects of the program delivery, including annual review of all financial reporting by applicants receiving funding. For grants, financial statement collection and monitoring will be provided for the years in which grant funds are disbursed or subject to ongoing covenants, whichever is longer; for loans, financial statement collections and monitoring will be provided until the loan is repaid or determined to be uncollectible, as evidenced by the EDA sending a memorandum to the BPU recommending that the loan be written off.
F. Provide the use of an EDA-assigned Deputy Attorney General to assist the EDA’s Special Loan Management in the legal aspects of the collection and restructure efforts of defaulted loans and grants.

G. Subject to Section VII hereof, settle, restructure and/or enter into forbearance agreements, or otherwise collect defaulted loans and grants.

IV. EDA PORTFOLIO MANAGEMENT

The EDA shall be responsible for the financial management of the portfolio of grants and loans associated with the CEMF and EIGGF programs. These balances shall be reflected in the Available Cash Report described below. As of 9/30/2016, the EDA’s portfolio included the following loans/grants:

<table>
<thead>
<tr>
<th>CLEAN ENERGY MANUFACTURING FUND PORTFOLIO1:</th>
<th>Funded Till 09/30/16</th>
<th>Outstanding balance 09/30/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Approval Date</td>
<td>Commitment</td>
</tr>
<tr>
<td>Princeton Power Systems</td>
<td>3-May-10</td>
<td>$3,300,000</td>
</tr>
<tr>
<td>Fluitec Wind</td>
<td>9-Aug-12</td>
<td>$2,300,000</td>
</tr>
<tr>
<td>Noveda Technologies</td>
<td>5-Mar-10</td>
<td>$3,300,000</td>
</tr>
<tr>
<td>Petra Systems</td>
<td>1-Dec-09</td>
<td>$3,300,000</td>
</tr>
<tr>
<td>MX Solar</td>
<td>23-Jun-11</td>
<td>$3,300,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$12,200,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GREEN GROWTH FUND PORTFOLIO2:</th>
<th>Funded Through 09/30/16</th>
<th>Outstanding balance 09/30/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Approval Date</td>
<td>Commitment</td>
</tr>
<tr>
<td>United Silicon Carbide</td>
<td>2-Aug-13</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$2,000,000</td>
</tr>
</tbody>
</table>

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1 On June 29, 2016, ENER-G Rudox received revised approval for $300,000 grant and $3M CEMF loan for its advanced CHP manufacturing facility in East Rutherford, NJ. The Commitment letter is pending further clarifications from ENER-G Rudox.

2 On February 24, 2016 EOS Energy Storage LLC was approval for $2M EIGGF loan for its advanced battery storage business development. The Commitment letter is pending further clarifications from EOS Energy Storage.
GRANT TO BE FUNDED:

**LARGE SCALE COMBINED HEAT AND POWER – FUEL CELL**:

<table>
<thead>
<tr>
<th>Company</th>
<th>Approval Date</th>
<th>Commitment</th>
<th>Funded through 09/30/16</th>
<th>Outstanding balance 09/30/16</th>
<th>NJ Jobs 09/30/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verizon Sourcing, LLC*</td>
<td>30-Dec-13</td>
<td>$3,000,000</td>
<td>0</td>
<td>0</td>
<td>NA</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$3,000,000</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

While the grant disbursement period expired 12/30/15, the project is under consideration by BPU for reauthorization, and is shown above.

The Parties further agree that as of September 30, 2016, the EDA held in its accounts cash allocated to the EDA-Assisted Clean Energy Programs in the amounts shown in Table 1 below.

<table>
<thead>
<tr>
<th>EDA-Assisted Clean Energy Program</th>
<th>Allocated Available Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edison Innovation Clean Energy Manufacturing Fund</td>
<td>$245,949.98</td>
</tr>
<tr>
<td>Edison Innovation Green Growth Fund</td>
<td>$73,799.20</td>
</tr>
<tr>
<td>Large Scale Combined Heat &amp; Power and Fuel Cells</td>
<td>$3,175,780.38</td>
</tr>
<tr>
<td><strong>Total Available Cash</strong></td>
<td><strong>$3,495,529.56</strong></td>
</tr>
</tbody>
</table>

These amounts represent the cash balances held in the EDA’s bank accounts, not the budget amounts approved by the BPU Board for the management of the three EDA-Assisted BPU Clean Energy Programs. They are comprised of funds transferred to the EDA directly from the Clean Energy Trust Fund as approved by various BPU Orders, interest earned on funds held in the EDA’s accounts and intended for use in the EDA-Assisted BPU Clean Energy Programs, and loan repayments made by EDA-Assisted BPU Clean Energy Program participants.

No further funding has been requested by the EDA and available cash as reported will be disbursed to close out the remaining BPU Board-approved projects and for administrative costs incurred by the EDA as defined in Section V, EDA Compensation.

Repayment proceeds shall revolve to the CEMF and EIGGF to fund any requested and approved milestone disbursements or administrative costs, as applicable.

The EDA shall prepare and provide a copy of its Available Cash Report to the BPU Fiscal Officer, NJCEP Program Administrator and BPU-EDA Contract Manager on a quarterly basis. The Parties agree that the EDA will continue to provide the Available Cash Report in a timely manner and cooperate with the BPU Fiscal Officer and NJCEP Program Administrator each month to reconcile the report with the data reported in IMS.
The Parties further agree that beginning in the month immediately following the month in which this MOU is fully-executed, the EDA will show on the Available Cash Report cash allocated to each EDA-Assisted BPU Clean Energy Program in an amount not less than the then-current approved budget less any expenses already approved for the then-current Fiscal Year.

V. EDA COMPENSATION

The Parties agree that beginning with Fiscal Year 2017 (i.e., July 1, 2016), the EDA will be eligible for compensation, as follows:

Outstanding Loan Balance Fee:

An outstanding Loan Balance Fee in the amount of 0.5% (one-half percent) shall be applied to the CEMF and EIGGF portfolio of loans that have been fully disbursed. For purpose of this calculation, the outstanding loan balance shall be determined at the end of the Fiscal Year (“FY”), based on the preceding fiscal year loan balance, and to be applied each Fiscal Year during the term of this MOU. For example:

- FY17 = .5% of the outstanding loan balance at the end of FY16 (June 30, 2016)
- FY18 = .5% of the outstanding loan balance at the end of FY17 (June 30, 2017)

This fee shall cover all services required on any outstanding loans, as well as support and process for new program activity.

General Administrative Fee:

A General Administrative Fee of 1% (one percent) shall be applied to the approved or commitment amounts of all projects for which funds will be disbursed under EIGGF, CEMF and LSCHP programs as of June 30th of the preceding fiscal year. Beginning at the earlier of the end of the disbursement period or the date when the last disbursement has been made on a project, compensation will be made based on 0.5% of outstanding loan balances only. The general administrative fee will compensate the EDA for general reporting provided on all projects by all departments including but not limited to quarterly pipeline and portfolio reports, distribution of monthly accounting financial package, workbook updates, ongoing ad-hoc requests, and meeting updates.

Compensation Draw

For FY 2017, based upon compensation formulas for Outstanding Loan Balance Fee and General Administrative Fee stated herein, the EDA may draw down $10,968.43 monthly from its available Clean Energy funds. The monthly fee in future fiscal years will be determined at the end of each fiscal year based upon the compensation formulas.
VI. EDA-ASSISTED BPU CLEAN ENERGY PROGRAM REPORTING

EDA staff will provide quarterly portfolio reports to the BPU staff in similar style and substance as has been done historically.

The EDA will submit the following regular reports to the BPU to assist in the administration and oversight of the programs:

- Quarterly Available Cash Report & Financial Package
- Quarterly Report for the Edison Innovation Clean Energy Manufacturing Fund (CEMF) & The Edison Innovation Green Growth Fund (EIGGF) including Available Cash Report
- Monthly Record of and Annual Summary of Compensation for Administrative Fees

The BPU shall prepare a draft of the Annual Compliance Filing: EDA-Assisted Clean Energy Finance Program, which EDA will review and update, as needed.

Each quarter, the EDA shall prepare and provide a Financial Package Report which includes a copy of its Available Cash Report to the CEP MOU Contract Manager and the NJCEP Program Administrator. The Financial Package Report shows for each EDA-Assisted BPU Clean Energy Program income in the form of funds received from the Clean Energy Trust Fund, loan repayments (principal and interest), and late fees and interest earned. It also shows for each program expenditures in the form of loan and grant disbursements, as well as paid administrative fees. The difference between the income and expenditures is the available cash balance for each program. The difference between this balance and the approved commitment amount also shown for each program is designated as Residual Funds Available.

In addition, each Quarter the EDA agrees to prepare and submit to BPU a Quarterly Report on Portfolio Status on the CEMF portfolio of companies and the EIGGF for which the EDA is the principal program administrator. The report shall include a summary of all companies within the portfolio under management and a description of the project/milestones and the status of the grant/loan.

The Monthly Record of Compensation shall include a statement of the funds to be withdrawn and the formula and balances used to determine Monthly Compensation consistent with the terms noted above.

Annual Compliance Filing shall include the full description of EDA-Assisted BPU Clean Energy Finance Programs, budgets, solicitations and anything else deemed relevant for the NJCEP Program Administrator and the BPU Contract Manager. In the case when there is no change in the Annual Compliance Filing from the previous year, the EDA will affirm no change has occurred in writing or by email.
In addition, all loan documents, backups for disbursements and programmatic expenditures will be uploaded on a monthly basis in the IMS system for tracking and budgeting. Information uploaded to the IMS portal will be on a consolidated basis with the EDA. The EDA will maintain all subrecipient CEMF and EIGGF awardees’ loan files (including financials and progress reports) for audit purposes.

VII. PROJECT CHANGES AFTER BPU APPROVAL

A. The BPU hereby agrees that the EDA may take the following actions and make the following determinations or approve, in a timely manner, the following proposed changes to a BPU Board-approved project for which approval the Authority shall not be entitled to receive any additional compensation other than as set forth in Section V of this MOU. Such approval shall be made by the appropriate level of EDA staff, as indicated herein and shall be made in accordance with EDA’s standard underwriting guidelines. The EDA shall notify the BPU within thirty (30) days of any approvals it makes in connection with this provision, and such delegated approvals will be presented to the BPU Board in a timely manner.

The following shall be approved and executed by any two Directors with the recommending project officer:

a. eligibility for Grant conversion, consistent with the criteria in the loan agreement;
b. approval of relocation to a new project facility, provided the new location is financially and operationally viable;
c. waiver of the requirement for landlord waiver for CEMF and EIGGF if equipment is valued at zero;
d. amendment to project milestones, provided that the revised milestones provide for the advancement of the business plan presented in the application without extending the end date for all milestones and do not have a materially adverse impact on the repayment of the loan or the achievements realized under the loan;
e. deviation from the approved milestone budget and adjustments between cost categories of up to 25%, provided that they do not result in an increase in program financing;
f. review and approval of additional indebtedness as long as the fair market value of the collateral has grown from the original approval in an amount equal or greater to the collateral value when approved while layering on additional proposed indebtedness;
g. approval of collateral releases provided that the provided that: a) the loan to value ratio after the release is not greater than the loan to value indicated in the original or most recent project approval, or b) the collateral being released represents less than 10% of the current collateral value;
h. approval of payment moratoriums not to exceed six months;
i. approval of collateral substitutions provided that the value of the substitute collateral is equal to or greater that the value of the collateral to be substituted;
j. determination of commencement of commercial operations (For CEMF projects only);
BPU-EDA MOU

k. review and approval of recipient requests to issue additional stock, or declare company dividends that does not result in that a new owner having more than a 10% interest in the business;

l. determination to call an event of default or to exercise any rights and/or remedies set forth in the financing documents, preparation and transmittal of appropriate notice(s) to recipient;

m. approval of routine business/financial decisions involving little risk of loss (e.g. waiving non-financial covenants; consenting to additional subordinate debt);

n. review and approval of a change of business address for the collateral along with a new landlord’s waiver upon an approved relocation of the business within New Jersey;

o. approval of an intercreditor agreement with a senior secured lender as long as the BPU’s collateral position is equal to the value assigned in the original approval;

p. release, substitute or subordination of liens on pledged assets/collateral if the assets/collateral to be released are not essential to the operation of the business (i.e. ancillary intellectual property that is not integral to the business and is not being funded by the BPU financing or was assigned no value at closing);

q. approval of a recipient’s request to merge with another entity or transfer most of its assets, and whether to approve a recipient’s request to change the operating control or ownership of the company, provided the net worth of the remaining company is the same as before the merger, transfer or change in control, the remaining company assumes the obligations under the agreements, there is no litigation outside the ordinary course of business and any key person remains with the remaining company;

r. modification of repayment terms of loan, including re-amortization of the principal provided maximum term does not exceed the original loan amortization, with debt service coverage of one times and loan-to-value of the lesser of loan-to-value at original approval or 100%; and

s. approval of a forbearance agreement provided the loan maturity is not extended.

B. The EDA hereby agrees that the following decisions must be referred to the BPU for consideration, upon recommendation by the EDA. The BPU authorizes the President of the BPU or the President’s designee to review and approve matters in the scope of this section, subject to review by the full BPU Board as necessary.

a. If there is damage to or destruction of the project, determination of whether insurance proceeds should be used to repair the project or pay down the loan provided the loan will be paid down if a majority of the proceeds are allocable to the project;

b. Approval of a recipient’s request to move collateral from the project site out of the ordinary course of business;

c. Approval of a recipient’s request to pledge a security interest in the project facility to a third party provided such third party’s interest is on a subordinated basis;

d. Approval of a recipient’s request to merge with another entity or transfer most of its assets; and approval of a recipient’s request to change the operating control or ownership of the company when such merger, transfer, or change in operating control and ownership does not comply with the requirements set forth in Section VIIA(q); and
**BPU-EDA MOU**

e. Determination of whether to settle, restructure and/or enter into forbearance agreement provided the maximum loss of principal will not exceed $500,000 and, the settlement, compromise or forgiveness has been approved by the Attorney General's office and any remaining debt will be satisfied or paid in full.

VIII. MISCELLANEOUS

a. This CEP MOU is being entered into for the sole purpose of evidencing the mutual understanding and intention of the Parties. There are no third-party beneficiaries of the CEP MOU.

b. Each Party shall have the right to terminate this CEP MOU upon 30 days prior written notice to the other Party. In the event of such termination, all responsibilities for administering and enforcing the terms and conditions of the EDA-Assisted Clean Energy Programs shall be with the BPU.

c. This CEP MOU shall be effective as of the date hereinabove written and, unless terminated sooner as set forth in Subsection b, above, shall continue until terminated upon mutual written agreement of both Parties.

d. The Parties may modify or amend this CEP MOU only by a writing signed by both of the Parties. The staff of the Parties may modify the Program Guidelines for specific programs, consistent with their delegated authority, only upon a writing signed by the authorized staff from each Party.

e. The recitals appearing in the Background Section are made part of this CEP MOU and are specifically incorporated herein by reference.

f. The BPU and the EDA shall provide to each other any and all documents requested by the other Party in connection with the specific awards made under this CEP MOU, subject to claims of attorney-client and/or deliberative privilege.

g. The BPU and the EDA shall administer their responsibilities under this CEP MOU consistent with New Jersey Department of Treasury requirements, to the extent applicable.

h. This CEP MOU may be executed in duplicate parts, each of which shall be an original, but all of which shall together constitute one (1) and the same instrument.

i. The captions appearing in this CEP MOU are inserted and included solely for convenience and shall not be considered or given effect in construing this MOU, or its provisions, in connection with the duties, obligations, or liabilities of the Parties or in ascertaining intent, if a question of intent arises. The preambles are incorporated into this paragraph as though set forth in verbatim.

j. This CEP MOU and its attachments represent the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations, and agreements, whether written or oral. No modification or termination hereof shall be effective, unless in writing and approved as required by law. The doctrine that a document is to be construed against its preparer does not apply to this CEP MOU and cannot be utilized with reference to any claim or dispute arising out of or related to this CEP MOU.
k. This CEP MOU shall not be assignable, but shall bind and inure to the benefit of the Parties hereto and their respective successors.

l. By execution of this CEP MOU, the Parties represent that they are duly authorized and empowered to enter into this CEP MOU and to perform all duties and responsibilities established in this CEP MOU.

m. This CEP MOU and the rights and obligations of the Parties shall be interpreted, construed, and enforced in accordance with the laws of the State of New Jersey.

[SIGNATURE PAGE FOLLOWS]
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

BY: ____________________________

Printed Name: ____________________________

Date: ____________________________

NEW JERSEY BOARD OF PUBLIC UTILITIES

BY: ____________________________

Printed Name: ____________________________

Date: ____________________________
<table>
<thead>
<tr>
<th>DATE</th>
<th>NAME/PURPOSE</th>
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</thead>
</table>
| 22-Oct-03  | MEMORANDUM OF UNDERSTANDING, ENERGY EFFICIENCY AND RENEWABLE ENERGY LOANS  
Transfers $28.6 M from BPU CEP initial funding to EDA for financing assistance programs, not specifically named |
| 28-Aug-08  | MEMORANDUM OF UNDERSTANDING BETWEEN THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES  
Amendment for EDA administration of new CEMF program |
| 19-Mar-09  | AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES  
Amendment outlines transfer of funds, admin fee, duties, was to include other programs as developed |
| 15-Jul-09  | AMENDMENT TO AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES  
Amendment-to include Retail Margin Fund CHP Program |
| 1-Nov-09   | AMENDMENT TO AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES  
Amendment is for the transfer of duties – gives EDA authority in handling matters to expedite process |
| 25-Aug-10  | SECOND AMENDMENT TO AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES (GRID CONNECTED PROGRAM)  
Second amendment to account for Grid Connected Program |
| 24-Mar-11  | CLEAN ENERGY PROGRAM MEMORANDUM OF UNDERSTANDING BETWEEN NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES  
Terminates all prior MOUs and limits the EDA’s assistance to the Edison Innovation Clean Energy Manufacturing Fund (CEMF), Edison Innovation Green Growth Fund (EIGGF) and Clean Energy Solutions Energy Efficiency Revolving Loan Fund (EERLF) programs |
| 1-Mar-12   | AMENDMENT TO CLEAN ENERGY PROGRAM MEMORANDUM OF UNDERSTANDING BETWEEN NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES  
Amendment to include the joint implementation of the Large Scale CHP/Fuel Cell program and to modify the EDA’s delegated authority with regard to commitment extensions |
| 31-Dec-12  | SECOND AMENDMENT TO CLEAN ENERGY PROGRAM MEMORANDUM OF UNDERSTANDING BETWEEN NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND NEW JERSEY BOARD OF PUBLIC UTILITIES |
### SCHEDULE B

**LISTING OF COMPREHENSIVE RESOURCE ANALYSIS (CRA) PROCEEDINGS**

<table>
<thead>
<tr>
<th>DATE</th>
<th>PROCEEDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-Mar-01</td>
<td><strong>Board Order (Docket Nos. EX99050347 et al.)</strong></td>
</tr>
<tr>
<td></td>
<td>Concluded initial CRA and set funding levels for the years 2001 through 2003,</td>
</tr>
<tr>
<td></td>
<td>established the programs to be funded and budgets for those programs</td>
</tr>
<tr>
<td>7-May-04</td>
<td><strong>Board Order (Docket Nos. EX03110945 et al.)</strong></td>
</tr>
<tr>
<td></td>
<td>Finalized funding for 2004 and established the programs to be funded and budgets for those programs</td>
</tr>
<tr>
<td>7-May-04</td>
<td><strong>Board Order (Docket Nos. EX03110946 and EX0400276)</strong></td>
</tr>
<tr>
<td></td>
<td>Initiated second CRA and established procedural schedule for the determination of funding levels,</td>
</tr>
<tr>
<td></td>
<td>allocations and programs for 2005 through 2008</td>
</tr>
<tr>
<td>23-Dec-04</td>
<td><strong>Board Order (Docket No.EX0404276)</strong></td>
</tr>
<tr>
<td></td>
<td>Concluded second CRA, set funding levels for the years 2005 through 2008, and</td>
</tr>
<tr>
<td></td>
<td>approved 2005 programs and budgets</td>
</tr>
<tr>
<td>27-Apr-07</td>
<td><strong>Board Order (Docket No. EO07030203)</strong></td>
</tr>
<tr>
<td></td>
<td>Directed the Office of Clean Energy (OCE) to initiate the third CRA and to schedule</td>
</tr>
<tr>
<td></td>
<td>public hearings on program funding and funding allocations for the years 2009 through 2012</td>
</tr>
<tr>
<td>30-Sep-08</td>
<td><strong>Board Order (Docket No. EO07030203)</strong></td>
</tr>
<tr>
<td></td>
<td>Concluded third CRA and set funding levels 2009 through 2012</td>
</tr>
<tr>
<td>7-Oct-11</td>
<td><strong>Board Order (Docket No. EO11050324V)</strong></td>
</tr>
<tr>
<td></td>
<td>Directed the OCE to initiate a fourth CRA proceeding and to schedule public hearings on funding</td>
</tr>
<tr>
<td></td>
<td>allocations for the energy efficiency and renewable energy programs for calendar years 2013 through</td>
</tr>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>20-Nov-12</td>
<td><strong>Board Order (Docket No. EO07030203 and EO11100631V)</strong></td>
</tr>
<tr>
<td></td>
<td>Approved a six month funding level for the period from January 1 through June 30, 2013</td>
</tr>
<tr>
<td>22-Aug-12</td>
<td><strong>Draft Straw Proposal</strong></td>
</tr>
<tr>
<td></td>
<td>The Office of Clean Energy (OCE) issued a Draft Straw Proposal dated August 21, 2012 that set out</td>
</tr>
<tr>
<td></td>
<td>proposed goals and funding levels for Fiscal Years 2014 through 2017</td>
</tr>
<tr>
<td></td>
<td>and requested comments on the proposal</td>
</tr>
<tr>
<td>20-Nov-12</td>
<td><strong>Board Order (Docket No. EO11050324)</strong></td>
</tr>
<tr>
<td></td>
<td>Established a procedural schedule for finalizing the fourth CRA proceeding, specifically indicating</td>
</tr>
<tr>
<td></td>
<td>that BPU Staff would issue a final straw proposal by December 3, 2012,</td>
</tr>
<tr>
<td></td>
<td>schedule a public hearing for January 14, 2013, and accept comments on the final straw proposal</td>
</tr>
<tr>
<td></td>
<td>through the date of the hearing</td>
</tr>
<tr>
<td>21-Jun-13</td>
<td><strong>Board Order (Docket No. EO11050324V)</strong></td>
</tr>
<tr>
<td></td>
<td>Set funding level for FY2014 only and directed Staff to develop working groups to improve</td>
</tr>
<tr>
<td></td>
<td>coordination between NJCEP and utility-run programs</td>
</tr>
</tbody>
</table>
A. Edison Innovation Clean Energy Manufacturing Fund

Program Description
The Edison Innovation Clean Energy Manufacturing Fund (CEMF) program offers assistance in the form of low-interest loans and grants to companies manufacturing renewable energy, clean and energy-efficiency products in New Jersey. The CEMF will ultimately provide New Jersey consumers with greater access to these products by developing manufacturing facilities in New Jersey.

Products manufactured under this program ultimately benefit the New Jersey consumer by providing long-term energy products locally, thereby reducing environmental impact through reduced transportation and by facilitating competitive and diverse electricity supply for New Jersey. The program provides support for manufacturing of energy efficient products and renewable energy products that will assist Class I renewable energy in becoming competitive with traditional sources of electric generation.

Background
The New Jersey Board of Public Utilities Office of Clean Energy (OCE) and the New Jersey Economic Development Authority (EDA) have been administering New Jersey’s Clean Energy Programs including Renewable Energy Programs, which are designed to promote the development and installation of renewable energy projects statewide. The OCE will be able to leverage the financial expertise of the EDA that provides funding for manufacturers in New Jersey and to early stage technology companies specializing in clean technologies via its Edison Innovation Fund Programs.

Target Market/Eligibility
The recipients of the CEMF are companies manufacturing renewable energy and energy-efficiency products in New Jersey with their target markets including investor-owned utilities, municipalities, co-operatives, system integrators, installers and private-label customers/original equipment manufacturers or out of state or out of country manufacturers looking to start a manufacturing facility in NJ given the states robust clean energy community. Renewable Energy products under the CEMF must contribute to the cost-competitiveness of renewable energy in New Jersey, and other tangible ratepayer benefits such as economic development, environmental benefits, etc. from either the production or the direct use of the applicant’s products.

Eligible technologies for funding under the CEMF include energy efficiency equipment and technology that reduce electric or natural gas consumption, such as furnaces, boilers, and air conditioning systems with higher efficiencies than energy codes or standards, as well as lighting systems, including LED lights and energy monitoring and control systems, limited to those which conserve the end use of gas or electricity. Eligible renewable energy technologies are: photovoltaic technologies, wind energy, renewably fueled fuel cells, wave, tidal, renewably generated hydrogen, sustainable harvested biomass and other technologies that can demonstrate their integral
nature to the development of Class I renewable energy technologies that produce or support the production of renewable or clean electricity generation.

For the CEMF, applicants must be a for-profit company that currently, or plans to, manufacture eligible renewable energy or energy efficient technology products in New Jersey and is entering or expanding with the manufacturing stage of commercial development. Proposals to manufacture products that are not beyond the prototypes or pre-commercialization phase are not eligible. Modifications to existing manufacturing lines will not be considered (however, material expansions to current manufacturing lines may be considered). Funding for prototype or beta stage manufacturing will also not be considered. Funds will be used for identifying and securing a site and to obtain the necessary permits and regulatory approvals, and for capital equipment, leasehold improvements, and engineering and construction services related to such equipment and improvements, and, potentially, increase in inventory. The use of NJ contractors, suppliers, labor and products are preferred. Non-project costs - such as interest expense on loans - are not considered to be eligible under this program. All projects must be in compliance with all applicable laws.

This program requires a firm commitment of a minimum 1:1 cash match demonstrating funding of total project costs from other non-State third party sources of funding for cost sharing, either from grants, loans, or equity, for meeting the total renewable energy/energy efficiency project expenditures. If the matching funds are not reported on the applicant’s balance sheet at the time of application, a written letter of interest (LOI) must be provided for the 1:1 cash match. This policy is intended to encourage applicants to seek collaborators that can provide additional resources and expertise that will increase the likelihood of commercial success.

Program Offering and Incentives
Total funds awarded are subject to a maximum of $3,300,000 per each company project with funds advanced under two tranches. This program offers traditional grants – up to 10% of total CEMF funds requested not to exceed $300,000 to be funded under Tranche I as well as performance grants of $1 million or one-third of a 2% interest loan up to a maximum $3 million per project to be funded under Tranche II. The former is funded according to the applicant meeting pre-determined employment and production or sales milestones during the disbursement period subsequent to the closing of the CEMF funding.

Tranche I - Project Assessment and Design (A&D)
These funds are to be advanced to identify and secure a site (either a lease or purchase), complete initial project facility design, and to obtain the necessary permits and regulatory approvals to operate the facility. Funds are to be allocated up to $300,000 per each company project with a minimum of a 1:1 cash match of total project costs from other financial sources. Up to 10% of the total CEMF funds requested – not to exceed $300,000 - will be funded under this specific A&D tranche. At closing of the grant, twenty (20%) percent of the approved funds will be advanced for upfront seed money with the remainder paid after work has been completed upon submission of invoices.

Tranche II - Project Construction and Operation (C&O) 2% Interest Loan with Performance Grant
These funds are to support site improvements, equipment procurement and facility construction and completion. A preference will be given to those projects that demonstrate a greater percentage of the project being designed, manufactured, processed, assembled or made ready for commercial sale at the applicant’s facilities within New Jersey. The total amount awarded under this tranche is up to a maximum $3 million per each company project with a minimum 1:1 match of these total project costs from firmly committed, non-state-derived matching support. No more than 50% of funds requested may be advanced prior to commercial production.

Up to a maximum $3 million 2% interest loan as evidenced by a loan note shall be repaid with repayment starting on the first month of year four, with interest accruing in the prior periods. The loan will fully amortize in equal monthly payments over the remaining periods of the 2% interest loan repayment period. Any unpaid balance will be due at the 10-year anniversary if not previously paid in the course of amortization. One-third or 33.33% of the C&O 2% interest loan not exceeding $1 million may be converted to a performance grant with no terms of repayment. This condition is subject to the applicant meeting all pre-determined milestones during the 36-month disbursement period subsequent to the closing of the CEMF funding. These milestones will be deemed satisfactorily completed, in their sole discretion, by the BPU or designated market managers monitoring the project.

Program Delivery
The award of grants and low interest loans from the Edison Innovation Clean Energy Manufacturing Fund shall include: advertisement inviting qualified applicants to submit proposals, a defined process for receiving such proposals and an evaluation process based on established criteria by an objective and disinterested advisory committee.

The EDA will accept the program applications on a rolling basis. There will be a pre-application intake form for technical screening followed by a full application for those successful pre-applicants. Applicants that submit a complete application and meet the evaluation criteria will be asked to make a project presentation to a Clean Technology Advisory Committee comprised of EDA, BPU, and representatives from other government entities and industry volunteers with EE and/or RE and business technology subject matter expertise. The Clean Technology Advisory Committee will review and advise based upon the Applicant’s presentation and ability to meet the evaluation criteria.

Applicants successfully meeting all the program criteria, receiving a positive review from the clean technology advisory committee based on the program eligibility and conditions, the evaluation criteria and successfully completing the due diligence process, will be underwritten and presented to the BPU Board for consideration. Both the EDA and the BPU will jointly notify all applicants.

CEMF Proposals must document the approach, plans and strategies intended to meet project goals including:

- Technical project information and benefits
- Business plan including financial projections
- Proposing team and qualifications (including manufacturing experience)
- Project procedural steps to accomplish the project milestones
• Project Budget including schedule of matching funds

Applications will be subject to an extensive financial and technical due diligence. Final approval of the project grants and 2% interest loans will be by BPU’s Board. EDA will arrange for the issuance of all 2% interest loans and grants to award recipients and will perform the documentation closing of all CEMF 2% interest loans and grants.

**Quality Control Provisions**

The OCE and/or its market managers with expertise in renewable energy and energy efficiency technologies will assist in prescreening the applications and have the authority to reject all applications that do not meet the technical eligibility guidelines for technologies promoting energy efficiency and renewable energy programs as set forth at N.J.S.A., 48:3-49 et seq, the Electric Discount and Energy Competition Act.

As part of the final evaluation committee, the OCE and/or its market managers will conduct a full application review of meeting requirements of technical criteria. Subsequent to this technical review, a Clean Technology Advisory Committee comprised of EDA, BPU, and representatives from other government entities and industry volunteers with EE and/or RE and business technology subject matter expertise will attend individual presentations by the applicants and advise based upon the Applicant’s presentation and ability to meet the evaluation criteria.

The OCE and/or its designated market managers will be consulted to conduct field inspections and monitor the project and its milestone deliverables for compliance with program technical requirements.

**Program Goals and Performance Indicators**

The goals of this program include leveraging public and private resources for advancing the technologies and services necessary to support vibrant energy efficiency and renewable energy industries in New Jersey in accordance with the NJ Governor’s Energy Master Plan and the “Global Warming Response Act”, P.L. 2007, c.112, which sets long-term goals for reducing greenhouse gas emissions in New Jersey. The State of New Jersey Energy Master Plan goal is to maintain support for the renewable energy portfolio standard of 22.5% of energy from renewable sources by 2021. It is therefore the mission of the Clean Energy Manufacturing Fund to decrease electricity and heating costs, improve electric reliability and maximize economic and environmental benefit to New Jersey’s ratepayers by driving down the cost of key market-transforming efficiency and renewable energy technologies.

Achieving this mission includes:

- Providing a range of tools to integrate policies across programs for research and development support, gap funding, equity investments, and stimulating market demand
- Developing a balanced clean energy industry cluster
- Supporting technologies that will provide the most benefit to New Jersey ratepayers
- Building upon consumer choice

Expected benefits of the CEMF are to include: increasing the number of renewable energy and energy efficiency manufacturing jobs in New Jersey by encouraging expansion of current
manufacturers and to provide sufficient incentive to other manufacturers to locate in New Jersey; stimulating economic development in the New Jersey renewable energy and energy efficiency sector through demand for goods and services by manufacturers; and increasing the volume of renewable energy and energy efficient products manufactured in New Jersey to New Jersey consumers.

Performance Indicators
- Number of jobs created in the renewable energy and energy efficiency sector in NJ
- EDA to work with BPU to develop a form for addressing technical specified criteria.

II. Edison Innovation Green Growth Fund

Program Description
The Edison Innovation Green Growth Fund (EIGGF) program offers assistance in the form of loans and grants to Class I Renewable or Energy Efficient clean technology companies that have achieved ‘proof of concept’ and have achieved successful, independent beta results and are seeking funding to grow and support their technology business. The EIGGF will ultimately provide New Jersey consumers with greater access to these products by developing emerging technologies in New Jersey.

Products and services under this program will ultimately benefit the New Jersey consumer by providing long-term alternative energy needs in an environmentally sound manner and by facilitating competitive and diverse electricity supply for New Jersey. The program provides support for businesses looking to launch newly discovered energy efficient, renewable energy of supply chain products that will assist Class I renewable energy or energy efficient technologies in becoming competitive with traditional sources of electric generation.

Expected benefits of the EIGGF are to include: increasing the number of renewable energy and energy efficiency businesses in New Jersey by encouraging expansion of the current pool of clean energy companies and development of clean energy technology products; providing sufficient incentive to other clean energy companies to locate in New Jersey; and stimulating economic development in the New Jersey renewable energy and energy efficiency sector. It is also to be certain that the businesses which are creating the newest technology have adequate capital resources to penetrate the commercial markets and survive “the valley of death.”

Background
The New Jersey Board of Public Utilities Office of Clean Energy (OCE) and the New Jersey Economic Development Authority have been administering New Jersey’s Clean Energy Programs including Renewable Energy Programs, which are designed to promote the development and installation of renewable energy projects statewide. The OCE will be able to leverage the financial expertise of the EDA to provide funding to growth stage clean technology companies.

Target Market/Eligibility
The recipients of the EIGGF will be New Jersey clean technology companies that have achieved ‘proof of concept’ and have achieved successful, independent beta results, developing renewable energy and/or energy-efficiency products which are proprietary to the company and protected via
a patent, trademark or license. Renewable Energy products under the EIGGF must contribute to the cost-competitiveness of renewable energy in New Jersey, and other tangible ratepayer benefits such as economic development, environmental benefits, etc. from either the production or the direct use of the applicant’s products.

Eligible technologies for funding under the EIGGF include energy efficiency equipment and technology that reduce electric or natural gas consumption, such as furnaces, boilers, and air conditioning systems with higher efficiencies than energy codes or standards, as well as lighting systems, including LED lights and energy monitoring and control systems, limited to those which conserve the end use of gas or electricity. Eligible renewable energy technologies are: photovoltaic technologies, wind energy, renewably fueled fuel cells, wave, tidal, renewably generated hydrogen, sustainable harvested biomass and other technologies that can demonstrate their integral nature to the development of Class I renewable energy technologies that produce or support the production of renewable or clean electricity generation.

For the EIGGF, Company must be a developer/owner of protected proprietary technology. Companies will be required to employ 75% of its W-2 employees in New Jersey or will commit to growing 10 high paying jobs over two years (minimum salary of $75k). Further, the company must be willing and able to create high skill, high paying jobs in New Jersey. The company will be required to have a management team that works full time only at that company and has applicable industry experience, as well as a management team or working founders with a financial investment in the company. The Company must have an independent third party who can serve as a positive beta reference and must have generated revenues from the EE or RE technology.

This program requires a firm commitment of a 1:1 cash match of equity or very deeply subordinated debt from arms-length third party sources. This policy is intended to encourage applicants to seek collaborators that can provide additional resources and expertise that will increase the likelihood of commercial success as well as serving as another vetting/due diligence source on the business and management team.

Program Offering and Incentives
Total funds awarded are subject to a maximum of $2,000,000 per each company in the form of deeply subordinated debt, which is partially convertible to a performance grant at the end of the five year term. Any companies that have been awarded $1,000,000 under the EIGGF program are eligible for the increase to $2,000,000 with fresh matching funds. The EDA will subordinate its lien position to any current senior bank debt, file a UCC 1 filing statement on the assets of the company, and require a negative pledge and a “springing lien” on the Intellectual Property. With the positive performance of the company (to be determined upon specific benchmarks prior to closing and may include, but may not be limited to employee and revenue hurdles), 50% of the funding may be converted to a performance grant at the end of year five. In addition, the EDA will allow future automatic subordination of 25% of the commitment amount for new senior debt. Any amounts above this 25% require the prior written consent of the EDA.

Interest rates for this program will be fixed at 2% for a five-year term. Repayment terms will be customized, based upon the stage of the Company and the pro-forma financials, with the ability to defer principal and/or interest up to two years, with a back ended full payout of principal plus
interest by maturity in year five. Once approved, financing is staged in over the first 12 months and is based upon business milestones that are specific to each Company. Financing also includes a negative pledge on the intellectual property, with a “springing lien” in the event of a default. Outside funding is required to cover business expenses beyond the Edison Green Growth Fund.

Program Delivery
The award loans from the Edison Innovation Green Growth Fund shall include: completion of an EDA application for financial assistance from the applicant, a technical review of the technology by an established Clean Technology Advisory Committee, and a complete underwriting of the applicant company.

The EDA will accept the program applications on a rolling basis. There is no application deadline as applications are reviewed as received. All potential applicants should be speaking with an EDA representative prior to applying for funding to determine eligibility. There will be no application fee. EDA’s online application will be utilized. The EDA, with the aid of the Evaluation committee will be reviewing the business plan and financial model of the company for competitive advantage, business execution, ability to grow high paying jobs in NJ and to support the renewable and energy efficient industry in NJ.

After the EIGGF review process is completed and is deemed positive by the Evaluation Committee, an underwriting proposal prepared by the EDA will be submitted to the BPU Board for approval. EDA will jointly notify all applicants.

The EIGGF application will be the standard application for financial assistance utilized by the EDA. EIGGF applications must include the following information (other additional information may be requested):

- Company business plan
- Historical Financial Statements including balance sheet, cash flow projections & capitalization chart
- 5 year- monthly pro-forma financial statements including balance sheet, income statement and cash flow
- Technology and business commercialization plan with fully articulated milestones
- Patent(s) and Documentation of Ownership by Applicant
- Evidence of committed Applicant Matching Funds, received within 90 days prior to the application date to the EDA
- Complete Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis
- Resumes or bios for all key personnel

Once approved, financing will be staged in over the first 12 months and will be based upon business-based milestones that are specific to each Company.
Applications will be subject to an extensive financial and technical due diligence. Final approval of the project loans will be by BPU’s Board. EDA will arrange for the issuance of all loans to award recipients and will perform the documentation closing of all EIGGF loans. EDA will also manage the loan portfolio post-closing.
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: LBU Inc. P43388

PROJECT LOCATION: 293-309 Marshall Street Paterson City Passaic County

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

APPLICANT BACKGROUND:
LBU Inc. (LBU), established in 1993, is a manufacturer and designer of a variety of sewn products for promotional uses. The company offers items including environmental totes, cosmetic and packaging bags, and mesh, vinyl and cotton backpacks. Partnering with marketing professionals and promotional products distributors across the country it provides just in time service for various consumer products companies and globally recognized brands. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
LBU currently has all headquarters, design, and production activities located in a leased facility in Passaic, NJ that it will need to vacate prior to a 2018 lease expiration to accommodate the building’s redevelopment by the landlord. LBU is evaluating moving all operations to a larger facility to accommodate expected growth and to optimize operational efficiencies through a newly configured space. It’s evaluating potentially moving to a 35,330 SF facility in Paterson, NJ to be purchased and renovated. This would represent the retention of 30 existing jobs and the creation of 30 new positions. Alternatively, it would move to a comparable leased facility in Northeast Philadelphia, PA requiring considerably less renovation and representing proximity to an extensive existing customer base in the Philadelphia Metro.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of LBU 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 Jeffrey Mayer, the CEO of LBU 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 $7.4 million over the 30-year period required by the Statute.
FINDING OF JOBS AT RISK:
The applicant has certified that the 30 New Jersey jobs listed in the application are at risk of being located outside the State on or before August 1, 2017 as this is the date upon which the alternate non-New Jersey facility will be operational. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

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

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

<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 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>$471,067</td>
<td>$2,350,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>8</td>
<td>30</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>19</td>
<td>30</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>
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>
</tbody>
</table>
- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * $14,000 = $7,000) or
- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($2,350,000/ 10 / (30+30) = $3,916)

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
- Transit Oriented Development: $2,000
- Targeted Industry (Manufacturing): $500
- GSGZ Ind. Project w/ Cap. Inv. In Excess of Min: $5,000

**INCREASE PER EMPLOYEE:** $9,000

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

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:** $14,000

**AWARD:**
- New Jobs: 30 Jobs X $14,000 X 100% = $420,000
- Retained Jobs: 30 Jobs X $14,000 X 100% = $420,000

**Total:** $840,000

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

**TOTAL ANNUAL AWARD** $840,000

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

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** $2,350,000

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

**SIZE OF PROJECT LOCATION:** 35,330 sq. ft.

**NEW BUILDING OR EXISTING LOCATION?** Existing

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

**CONSTRUCTION:** (X) Yes  ( ) No
NEW FULL-TIME JOBS: 30
RETAINED FULL-TIME JOBS: 30
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER, 2015): 30
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: Passaic City
MEDIAN WAGES: $22,332
GROSS BENEFIT TO THE STATE (OVER 30 YEARS, PRIOR TO AWARD): $15,806,479
TOTAL AMOUNT OF AWARD: $8,400,000
NET BENEFIT TO THE STATE (OVER 30 YEARS, NET OF AWARD): $7,406,479

ELIGIBILITY PERIOD: 10 years

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

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before August 1, 2017; 2) approve the proposed Grow New Jersey grant to encourage LBU 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: Christina Fuentes
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: Pepco Manufacturing Co. P43369

PROJECT LOCATION: 210 E. Evergreen Avenue Somerdale Borough Camden County

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

APPLICANT BACKGROUND:
Pepco Manufacturing Co., established in 1960, is a sheet metal fabrication company. The company manufactures various sheet metal products for use in televisions, cameras, transmitters, video recorders and computers. The company also specializes in the design, fabrication and assembly of chassis, panels, doors and data/telecommunications enclosures. The company’s proprietary product, the Pepco cabinet, is a customized telecommunication enclosure configured to exact specifications that the company has been producing for over 25 years. The company’s skylight and solar division, Fiore Skylights and BIPV Solar Systems, provides skylight and solar system designs supported by job specific structural calculations for custom and standard metal framed skylights and solar systems for both commercial and residential projects. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Pepco Manufacturing Co. is seeking to expand its product lines to include high-speed punching and laser capabilities. To accomplish this, the company will renovate and appropriately fit-out its 81,520 sq. ft. facility in Somerdale, NJ or relocate all of its operations to a 90,000 sq. ft. facility in Spartanburg, SC. It plans to create 11 new full-time manufacturing jobs at the selected project facility.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Pepco Manufacturing Co. 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 M. Kennedy, the CEO of Pepco Manufacturing Co. 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 $17.9 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 70 New Jersey jobs listed in the application are at risk of being located outside the State on or before December 31, 2017 due to an upcoming lease expiration in 2018. 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 in Camden 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>$1,086,934</td>
<td>$1,462,500</td>
</tr>
<tr>
<td>New Jobs</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>19</td>
<td>70</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>Somerdale Borough is a designated Priority Area</td>
</tr>
</tbody>
</table>

Increase(s) Criteria
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 ($\frac{1}{2} \times 4,500 = 2,250$) or  
- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($\frac{1,462,500}{10} / (11 + 70) = 1,805$) |

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

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

**INCREASES PER EMPLOYEE:**  
Capital Investment in Excess of Minimum (non-Mega): $1,000  
Targeted Industry (Manufacturing): $500

**INCREASE PER EMPLOYEE:**  
$1,500

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

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**  
$4,500

**AWARD:**  
- **New Jobs:** 11 Jobs X $4,500 X 100% = $49,500  
- **Retained Jobs:** 70 Jobs X $1,805 X 100% = $126,350  

**Total:** $175,850

**ANNUAL LIMITS:**  
Priority Area (Est. 90% Withholding Limit) $4,000,000 / ($117,697)

**TOTAL ANNUAL AWARD**  
$175,850
Pepco Manufacturing Co. Grow New Jersey

PROJECT IS: (X) Expansion () Relocation

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $1,462,500

EXPECTED PROJECT COMPLETION: December 31, 2018

SIZE OF PROJECT LOCATION: 81,520 sq. ft.

NEW BUILDING OR EXISTING LOCATION? Existing

INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Industrial

CONSTRUCTION: (X) Yes () No

NEW FULL-TIME JOBS: 11

RETAINED FULL-TIME JOBS: 70

STATEWIDE BASE EMPLOYMENT (AS OF MARCH 31, 2016): 70

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

MEDIAN WAGES: $33,500

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): $19,674,019

TOTAL AMOUNT OF AWARD: (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS) $1,758,500

NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $17,915,519

ELIGIBILITY PERIOD: 10 years

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

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

DEVELOPMENT OFFICER: J. Kenyon APPROVAL OFFICER: S. Novak
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: Superflex Ltd.  
PROJECT LOCATION: 401-403 South First Street  
GOVERNOR’S INITIATIVES: (X) NJ Urban Fund  
APPLICANT BACKGROUND:  Superflex Ltd., established in 1981, is a manufacturer of flexible spiral reinforced hoses and electrical conduit. The company’s products have multiple applications used by, but not limited to the marine craft, aquatic, pond, spa, electrical conduit, agricultural, recreational vehicle, and industrial sectors. The company’s products have been approved or recognized by Underwriter Laboratories, Canadian Standard Association, International Association of Plumbing and Mechanical Officials, U.S.D.A. for meat & poultry industries, 3A for the dairy industry and FDA compliance for the food & beverage industry. The company is located in Brooklyn, NY. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:  
The applicant has submitted an economic analysis detailing the cost differential between locating the project in Elizabeth, NJ and Islandia, NY. Should the applicant choose Elizabeth, NJ it would lease a 75,000 sq. ft. facility. If the applicant were to locate its project in Islandia, NY it would also lease a 75,000 sq. ft. facility. 

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Superflex Ltd. 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 Yigal Elbaz, the CEO of Superflex Ltd., 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 $16.3 million over the 20 year period required by the Statute.

ELIGIBILITY AND GRANT CALCULATION:  
Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program’s rules, N.J.A.C. 19:31-18, the applicant must:
• Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industrial/Warehouse/Logistics/R&amp;D - Rehabilitation Projects</strong></td>
<td>$ 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><strong>Tech start ups and manufacturing businesses</strong></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 Industrial - Rehabilitation Project for a manufacturing 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>$1,500,000</td>
<td>$2,415,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>10</td>
<td>100</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>Elizabeth City is a designated Urban Transit Hub Municipality</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deep Poverty Pocket or Choice Neighborhood</td>
<td>An increase of $1,500 per job for a project locating in a Deep Poverty Pocket or Choice Neighborhood</td>
</tr>
<tr>
<td>Capital Investment in Excess of Minimum (non-Mega)</td>
<td>An increase of $1,000 per job for each additional amount of capital investment in an industrial premises that</td>
</tr>
</tbody>
</table>
Superflex Ltd. | Grow New Jersey | Page 3

| Targeted Industry | An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business | The applicant is a Manufacturing business. |

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

<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:  
  - $5,000 (1/2 * $10,000 = $5,000) or  
  - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($2,415,000 / 10 / (100 + 0) = $2,415) |

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

BASE GRANT PER EMPLOYEE:
Urban Transit HUB Municipality $ 5,000

INCREASES PER EMPLOYEE:
Deep Poverty Pocket: $ 1,500
Capital Investment in Excess of Minimum (non-Mega): $ 3,000
Targeted Industry (Manufacturing): $ 500

INCREASE PER EMPLOYEE: $ 5,000

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

LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT: $ 10,000

AWARD:
New Jobs: 100 Jobs X $10,000 X 100% = $ 1,000,000
Retained Jobs: 0 Jobs X $2,415 X 100% = $ 0,000
Total: $ 1,000,000

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

TOTAL ANNUAL AWARD $ 1,000,000
Superflex Ltd.  Grow New Jersey  Page 5

PROJECT IS:  (X) Expansion  () Relocation
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:  $ 2,415,000
EXPECTED PROJECT COMPLETION:  July 1, 2017
SIZE OF PROJECT LOCATION:  75,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION?  Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY?  Industrial
CONSTRUCTION:  (X) Yes  () No

NEW FULL-TIME JOBS:  100
RETAINED FULL-TIME JOBS:  0
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015):  N/A
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:  N/A
MEDIAN WAGES:  $ 32,760

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):  $ 26,315,183
TOTAL AMOUNT OF AWARD:  $ 10,000,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):  $ 16,315,183

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 Superflex Ltd. 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:  S. Novak
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: Tory Burch, LLC P43126

PROJECT LOCATION: 499 Washington Boulevard Jersey City Hudson County

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

APPLICANT BACKGROUND:
Tory Burch, LLC, established in 2004, is an American lifestyle brand that produces clothing and accessories which it sells online, in its freestanding boutiques and in department and specialty stores. The company also publishes original content in an online magazine, The Tory Blog, and an app, Tory Daily. The company is headquartered in Manhattan and maintains its central corporate offices there. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The applicant’s current lease for 36,883 SF of office space in Manhattan expired on October 31, 2016 following which time the employees at the location were accommodated in other existing space until the applicant selects and renovates a new space. The applicant will also locate a customer call center in the selected location; a function which was previously outsourced and will be brought in-house. Should the applicant select the NJ location for its project it would lease and renovate 92,720 SF of office space in Jersey City. Similarly, if the applicant selects the NY location for its project it would lease and renovate 93,417 SF of office space in Brooklyn. The applicant would relocate 102 positions previously located in Manhattan to the selected project facility, and create 37 new positions at the selected location.

The location analysis submitted to the Authority shows New Jersey to be the less expensive option, however with the inclusion of the incentives available at the alternate location, it is estimated that the New Jersey location would be the more expensive location. As a result, the management of Tory Burch, 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 Roger Farah, the Co-CEO of Tory Burch, 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 $30.1 million over the 20 year period required by the Statute.
ELIGIBILITY AND GRANT CALCULATION:

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

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

<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 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>$3,708,800</td>
<td>$12,190,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>35</td>
<td>139</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>50</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>
</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>
</tr>
<tr>
<td>Increase(s) Criteria</td>
<td></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 \times $7,750 = $3,875) 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 ($12,190,000 / 10 / (139 + 0) = $8,769)</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:**
- Urban Transit HUB Municipality: $5,000

**INCREASES PER EMPLOYEE:**
- Transit Oriented Development: $2,000
- Jobs with Salary in Excess of County Average: $750

**INCREASE PER EMPLOYEE:**
- $2,750

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

**LESSEVER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**
- $7,750

**AWARD:**
- New Jobs: 139 Jobs X $7,750 X 100% = $1,077,250
- Retained Jobs: 0 Jobs X $7,750 X 50% = $0
- **Total:** $1,077,250

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

**TOTAL ANNUAL AWARD:**
- $1,077,250

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

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:**
- $12,190,000

**EXPECTED PROJECT COMPLETION:**
- May 15, 2017

**SIZE OF PROJECT LOCATION:**
- 92,720 sq. ft.

**NEW BUILDING OR EXISTING LOCATION?**
- Existing

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

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

**NEW FULL-TIME JOBS:**
- 139

**RETAINED FULL-TIME JOBS:**
- 0

**STATEWIDE BASE EMPLOYMENT (AS OF JANUARY 2, 2016):**
- 106

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

**MEDIAN WAGES:**
- $110,000

**GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):**
- $40,944,762

**TOTAL AMOUNT OF AWARD:**
- $10,772,500

**NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):**
- $30,172,262

**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 applicant will maintain the 14 current positions it has within the State that will be relocated to the qualified business facility for the duration of the Grow NJ award. The number of new positions that are subject to this Grow NJ award will only be counted above and beyond the first 14 positions employed by the applicant at the project site.

APPROVAL REQUEST:
The Members of the Authority are asked to approve the proposed Grow New Jersey grant to encourage Tory Burch, LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: M. Peters  APPROVAL OFFICER: D. Poane
GROW NEW JERSEY ASSISTANCE PROGRAM (GROW NJ) MODIFICATIONS
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura  
President and Chief Operating Officer

DATE: November 17, 2016

SUBJECT: Fidessa Corporation (“Fidessa”)  
Grow New Jersey Assistance Program (“Grow NJ”) Modification – P43031

Request:
Consent to the applicant’s request to increase the size of its approved qualified business facility (“QBF”) at 70 Hudson Street, Jersey City by 26,174 (50.5%) sf from 51,824 sf to 77,998 sf to accommodate organic growth of the business. The change will not result in an increase in incented jobs or the amount of Grow NJ award approved by the members.

Background:
Fidessa Corporation provides software systems and services to clients in the financial services sector. On September 9, 2016, the Members approved a $30,600,000, 10 year Grow NJ tax credit to incent the creation of 340 new jobs at 70 Hudson Street, Jersey City.

The company is anticipating future organic growth and recognized that it would eventually outgrow the approved 51,824 sf QBF. In order to secure proximate space for the anticipated future growth, the company is seeking to exercise a time-sensitive option with its current landlord to lease an additional 26,174 sf within the same building.

On September 9, 2016, the Board adopted a policy whereby applicants could expand a QBF if they could demonstrate organic growth and if the following conditions were met: 1) the expansion has the same characteristics as the original approved QBF; 2) the additional space would have been considered a complex of buildings should the additional space had been contemplated in the original approval; 3) the expansion to the original QBF is within the same municipality as approved; 4) the expansion is directly related to business growth and new jobs; and 5) the minimum capital investment for the expansion is met.

The proposed expansion meets the first policy requirement as the additional space is in the same municipality, is non-industrial premises and has the same bonus criteria as the original QBF. As the increased square footage is located within the same building, 2) above regarding qualifying as a complex of buildings if considered at the time of original approval is not applicable. It meets the third criteria because the site is in the same municipality as the original QBF (physically located one floor above the approved QBF) and it supports business continuity through the expansion of business operations between the two spaces. It meets the fourth criteria as this expansion will be directly related to Fidessa’s ability to grow new jobs in the future. While that job growth is not imminent, the business has represented that its ability to secure the larger space is instrumental in facilitating natural growth over the next few years. Finally, it meets the fifth criteria in that the applicant will meet the minimum capital investment requirement for the overall facility of $3,119,920.
As cited above, the approval of this expanded QBF will not increase the original $30,600,000 Grow award by its action.

**Summary of Project Changes**

<table>
<thead>
<tr>
<th></th>
<th>Original Approval</th>
<th>Modification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of Project Location</td>
<td>51,824 sq. ft</td>
<td>77,998 sq. ft</td>
</tr>
<tr>
<td>Minimum Capital Investment</td>
<td>$2,072,960</td>
<td>$3,119,920</td>
</tr>
<tr>
<td>Eligibility Requirement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Recommendation:**
Consent to the applicant’s request to expand its approved QBF to include an additional 26,174 sf at 70 Hudson Street, Jersey City.

Prepared by: John Shanley
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: November 17, 2016

SUBJECT: Grocery Delivery E-Services USA Inc. d/b/a HelloFresh (“HelloFresh”)
Grow New Jersey Assistance Program (“Grow NJ”) Modification – P41345

Request:
Consent to change the location of the QBF from 60 Lister Avenue and 2 Gateway Center, Newark to 60 Lister Avenue and 3 Gateway Center, Newark. Note that all changes to approved projects with awards greater than $25MM must be considered by the Board.

Background:
HelloFresh, is a meal kit company that was founded in Germany in 2011. HelloFresh delivers ingredients to the door through a subscription plan along with step-by-step recipes to create meals.

In October, 2015, the Members approved a $37,102,420, 10 year Grow NJ tax credit to incent the creation of 443 new jobs and the retention of 122 jobs.

The approved QBF consisted of two locations; a 20,000 sq. ft. call center located at 2 Gateway Center, Newark and a 217,802 sq. ft. warehouse distribution facility located at 60 Lister Avenue, Newark. The two sites were deemed a “complex of buildings” as the buildings were part of the same financing and operational plans to expand in Newark and were the basis of one location decision by the business. Under the program regulations, the company had to meet the capital investment eligibility requirement separately for each site but can aggregate the jobs for purposes of the job eligibility requirement.

The company entered into a lease for the 60 Lister Avenue, with a modest increase in its footprint by roughly 8% (217,802 sq. ft. to 235,100 sq. ft.) to include a mezzanine to the site. The company was unable to reach terms with the landlord for 2 Gateway Center for the 20,000 sq. ft. call center and signed a lease for a 13,231 sq. ft. site at the adjacent 3 Gateway Center.

Staff has confirmed that the number of new and retained jobs, 443 and 122 respectively, will remain unchanged from the original approval.

On July 14, 2016, the Board approved delegated authority for changes to the QBF location before the company executes the incentive agreement and the new site control document if the company meets the following criteria: 1) the new location is in the same municipality or a municipality treated the same under Grow; 2) the new location has less than a 25% change in size or capital investment; 3) the number of incented jobs remains the same; 4) the modified project does not meet the criteria for a bonus that was not contained in the approval; 5) the total project costs of the new location has less than a 10% change from the costs of the original location, as shown on a cost-benefit analysis; and 6) the new location does not...
the costs of the original location, as shown on a cost-benefit analysis; and 6) the new location does not change the minimum capital investment eligibility requirement per square foot, the mega project status, or industrial or non-industrial category.

Here, the company did not seek approval from the Authority for the new location until after the company had signed the lease for the 3 Gateway office space for the Authority’s approval. Although the Authority considers the execution of a lease without any contingency for a Grow award before Board approval as an indication that a company is committed to the project in the State, HelloFresh had already demonstrated to the Authority that the grant of the tax credits is a material factor to completing the project in the State. As is EDA’s policy for QBF location changes, the Authority does not undertake a new determination of material factor determination unless the project costs of the new location are materially lower than the project costs of the original location as shown on a cost-benefit analysis. As described below, the project costs of the new location are higher.

With regard to the specific delegated authority criteria, staff has concluded the following:

1. The new location is in the same municipality as the original location.

2. The change in size can be calculated in two different ways. The proposed change from 2 Gateway to 3 Gateway results in a 33.8% reduction of the call center space. However, the company increased the size of the warehouse distribution facility at Lister to include additional office space for its existing operations. When the space of the two sites is aggregated, the square footage change is 10,529 sq. ft., or 4.2%. Staff proposes that the determination of whether the change in size can be approved under delegated authority should be done in the aggregate for a complex of buildings.

3. Staff has confirmed that the number of new jobs and retained jobs, 443 and 122 respectively will remain the same as at original approval.

4. There is no change in the per-employee base credit or related increases, as 3 Gateway Center has the same bonus criteria as 2 Gateway Center (Transit Oriented Development and Deep Poverty Pocket). The applicant will also continue to qualify for the Large Number of Employees bonus because there is no change in the number of new and retained jobs since the time of approval.

5. Staff reviewed a cost benefit analysis comparing the project costs of new complex with the original NJ complex. Although the project costs of the new complex is more than 10% different from the original complex, the concern regarding material factor does not exist because the project costs of the new complex are more and thus make New Jersey more expensive.

6. The new complex is classified the same as the prior complex, as a renovation of non-industrial premises (3 Gateway) with a minimum capital investment of $40/psf and as a rehabilitation of warehouse space (60 Lister) with a minimum capital investment of $20 psf.

The square footage of the new complex is 4.2% larger (248,331 sq. ft. vs. 237,802 sq. ft. for the original site). Due to the change in square footage, the minimum capital investment eligibility requirement would increase from $4,356,040 to $4,702,000 at the Lister Avenue site and would decrease from $800,000 to $529,240 at 3 Gateway Center. Nonetheless, the applicant is proposing to make a capital investment at each site that exceeds the amount proposed at approval.
Although the total estimated eligible capital investment at both locations has increased to $16,497,094, the per job award for retained jobs is capped at the approved amount of $2,086 per employee. In the event the applicant spends less than the originally approved estimated capital investment of $11,789,045, the retained job calculation will be re-run and the applicant will receive the lesser of the two amounts.

**Summary of Project Changes**

<table>
<thead>
<tr>
<th>Original Approval</th>
<th>Modification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Location:</strong></td>
<td>2 Gateway Center (Office Operations)</td>
</tr>
<tr>
<td>60 Lister Ave. (Warehouse Facility)</td>
<td>60 Lister Ave. (Warehouse Facility)</td>
</tr>
<tr>
<td><strong>Size of Project Location:</strong></td>
<td>20,000 sq. ft (2 Gateway Ctr.)</td>
</tr>
<tr>
<td>217,802 sq. ft (60 Lister Ave.)</td>
<td>235,100 sq. ft (60 Lister Ave.)</td>
</tr>
<tr>
<td><strong>Minimum Capital Investment Eligibility Requirement:</strong></td>
<td>$800,000 (2 Gateway Ctr.)</td>
</tr>
<tr>
<td>$4,356,040 (60 Lister Ave.)</td>
<td>$4,702,000 (60 Lister Ave.)</td>
</tr>
<tr>
<td><strong>Estimated Eligible Capital Investment:</strong></td>
<td>$825,000 (2 Gateway Ctr.)</td>
</tr>
<tr>
<td>$10,964,045 (60 Lister Ave.)</td>
<td>$15,198,351 (60 Lister Ave.)</td>
</tr>
</tbody>
</table>

**Recommendation:**
Consent to the applicant’s request to change the location of the QBF from 60 Lister Avenue and 2 Gateway Center, Newark to 60 Lister Avenue and 3 Gateway Center, Newark for the approved Grow NJ based on the applicant’s continued commitment to create 443 new jobs and retain 122 jobs from relocating out of New Jersey to Palmer, Pennsylvania. Notwithstanding this location change, the overall 10-year tax credit will remain unchanged at $37,102,420.

Prepared by: John Shanley
BOND RESOLUTIONS
APPROVAL REQUEST:
Authority assistance will enable the Applicant to finance substantial renovations at four existing Camden school facilities: East Camden Middle, McGraw Elementary, Molina Elementary and Pyne Poynt High School. Renovations include replacement or major repair to building systems and life and safety upgrades as well as work to update and increase the number of classrooms and meeting spaces.

In the event that there are remaining funds after completion of renovations to the four existing schools, an additional renovation project may be completed at a fifth site, Molina Annex located at 700 N. Stevens St., which houses overflow students. Renovations would be comprised primarily to classrooms and bathrooms.

FINANCING SUMMARY:
BOND PURCHASER: MCSF Lender II LLC (Direct Purchase)
AMOUNT OF BOND: $34,433,634.34 Taxable Qualified School Construction Bond
TERMS OF BOND: The tax credit rate and the term will be determined prior to issuance of the QSCB based on the tax credit rate and term published by the U.S. Treasury. As of 11/7/16, the tax credit rate is 4.17% for 42 years.
ENHANCEMENT: N/A

PROJECT COSTS:
Renovation of existing building $25,245,000
Original Issue Discount $10,960,000
Finance fees $1,075,000
Purchase of equipment & machinery $700,000
Legal fees $575,000
Interest during construction $425,000
TOTAL COSTS $38,980,000

JOBS: At Application 97 Within 2 years 53 Maintained 0 Construction 209

PUBLIC HEARING: N/A
DEVELOPMENT OFFICER: D. Benns
BOND COUNSEL: Chiesa, Shahinian & Giantomasi,
APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Tidewater North LLC  P43343

PROJECT USER(S): New York Popular, Inc. *

PROJECT LOCATION: 400 Federal Blvd. Carteret Borough (T/UA) Middlesex

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

APPLICANT BACKGROUND:
Tidewater North LLC ("Tidewater North") is an entity formed to facilitate a real estate transaction for New York Popular, Inc. ("NY Popular"). NY Popular was formed in New York in 2002 and manufactures and wholesales apparel, including branded merchandise utilizing licenses such as Lifeguard, NYPD, FDNY, Marilyn Monroe, and I Love NY. Key segments are resort retailers and theme parks around the US, souvenir stores in the NYC area and mass merchandise chain stores across the US and Canada. NY Popular owns trade names including Popular Sports, Popularity Products, and Miss Popular. The President of New York Popular, Inc. is Albert Tebele.

NY Popular was approved in September of 2016 for a $9.75 million Grow New Jersey Award related to the relocation of its operations from Brooklyn, NY to Carteret, NJ.

APPROVAL REQUEST:
Authority assistance will enable the Applicant to purchase and renovate an existing 55,560 sq. ft. industrial building, construct an approximately 9,000 sq. ft. addition, acquire production equipment, and pay costs incurred in connection with the issuance of the bonds.

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

AMOUNT OF BOND: $5,400,000 Tax-Exempt Bond

TERMS OF BOND: 20 years, Fixed interest rate equal to the 10-year treasury rate at closing plus .68% resetting on the 10th anniversary of the Bond purchase. Indicative rate as of 11/8/16 was 2.54%.

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>$5,142,500</td>
</tr>
<tr>
<td>Construction of new building or addition</td>
<td>$1,579,655</td>
</tr>
<tr>
<td>Purchase of equipment &amp; machinery</td>
<td>$150,000</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$100,000</td>
</tr>
<tr>
<td>Furniture &amp; Fixtures</td>
<td>$100,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$57,500</td>
</tr>
<tr>
<td>Accounting fees</td>
<td>$50,000</td>
</tr>
<tr>
<td>Other</td>
<td>$50,000</td>
</tr>
<tr>
<td>Engineering &amp; architectural fees</td>
<td>$20,000</td>
</tr>
<tr>
<td>Environmental Investigation and Remedit</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

TOTAL COSTS $7,254,655
JOBS: At Application 0 Within 2 years 0 Maintained 0 Construction 0
Jobs on Related P043024 150 0 11

PUBLIC HEARING: 11/17/16 (Published 11/03/16)  BOND COUNSEL: Chiesa, Shahinian & Giantomasi,
DEVELOPMENT OFFICER: M. Athwal  APPROVAL OFFICER: K. DeSmedt
AMENDED BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: The Kintock Group of New Jersey, Inc. and The Kintock Group, P43349

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

PROJECT LOCATION: 4 S Industrial Blvd Bridgeton City (T/UA) Cumberland

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

APPLICANT BACKGROUND:
The Kintock Group of New Jersey, Inc., established in 1987, is a 501(c)(3) not-for-profit organization that contracts with federal, state and county law enforcement agencies to provide alternatives to incarceration and re-entry services for individuals transitioning from the criminal justice system to the community. Diane DeBarri is the Chairman of the Board and Chief Executive Officer of The Kintock Group.

A previous request by the applicant for a tax-exempt bond in the amount of $3,377,500 with a guarantee of $844,375 closed in December, 1999 (Appl. P10563). The 1999 bond enabled the applicant to construct and equip a community release facility in Bridgeton. The interest rate was 6.37% and Summit Bank was the bond purchaser. The Authority also provided a loan in the amount of $500,000, which closed in February, 2000, to supplement the tax-exempt bond for the Bridgeton facility (Appl. P11122). The interest rate on the loan was 5.00%. The Authority provided a guarantee of $1,000,000 on a $4,000,000 conventional loan through Crown Bark, which closed in February, 2004 (Appl. P15265), for the construction and equipping of a facility to be used as an alternative to re-incarceration in Bridgeton. In 2010, The Authority refinanced the outstanding balances of the applicants existing $3.4 million tax-exempt bond, $500,000 direct loan, and $4,000,000 conventional loan through the issuance of a tax-exempt bond in the amount of $3,215,000 (Appl. P31130).

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 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 advance refund the 2010 Bond to reduce the borrowing costs to the applicant plus pay costs of issuance. The difference between the bond amount and the project costs will be funded by a $1,000,000 direct loan from the EDA (Appl. P42691) and a $2,000,000 LDFF loan (P42692).

FINANCING SUMMARY:

BOND PURCHASER: Municipal Capital Markets Group, Inc. (Underwriter)

AMOUNT OF BOND: $1,631,268 (Tax Exempt Bond). Part of a $20,205,000 Tax Exempt Bond with P42759.

TERMS OF BOND: 30 year term; Term bond at the municipal market data yield plus 350 basis points with a floor of 5.0%. The indicative rate is in place at 7.0% as of November 3, 2016.

ENHANCEMENT: N/A

PROJECT COSTS:

- Principal amount of bond(s) to be refund $1,450,000
- Refinancing $177,200
- Cost of Issuance $4,068
APPLICANT: The Kintock Group of New Jersey, Inc. and The Kintock Group,  

TOTAL COSTS: $1,631,260

PUBLIC HEARING: 11/17/16 (Published 11/03/16)  
BOND COUNSEL: Chiesa, Shahinian & Giantomasi,  
DEVELOPMENT OFFICER: K. Durand  
APPROVAL OFFICER: D. Poane
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: The Kintock Group of New Jersey, Inc. and The Kintock Group. P42759
PROJECT USER(S): Same as applicant
PROJECT LOCATION: Various Statewide () Multi Count
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
The Kintock Group of New Jersey, Inc., established in 1987, is a 501(c)(3) not-for-profit organization that contracts with federal, state and county law enforcement agencies to provide alternatives to incarceration and re-entry services for individuals transitioning from the criminal justice system to the community. Diane DeBarri is the Chairman of the Board and Chief Executive Officer of The Kintock Group.

A previous request by the applicant for a tax-exempt bond in the amount of $3,377,500 with a guarantee of $844,375 closed in December, 1999 (Appl. P10563). The 1999 bond enabled the applicant to construct and equip a community release facility in Bridgeton. The interest rate was 6.37% and Summit Bank was the bond purchaser. The Authority also provided a loan in the amount of $500,000, which closed in February, 2000, to supplement the tax-exempt bond for the Bridgeton facility (Appl. P11122). The interest rate on the loan was 5.00%. The Authority provided a guarantee of $1,000,000 on a $4,000,000 conventional loan through Crown Bank, which closed in February, 2004 (Appl. P15265), for the construction and equipping of a facility to be used as an alternative to re-incarceration in Bridgeton. In 2010, The Authority refinanced the outstanding balances of the applicants existing $3.4 million tax-exempt bond, $500,000 direct loan, and $4,000,000 conventional loan through the issuance of a tax-exempt bond in the amount of $3,215,000 (Appl. P31130).

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 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 finance a portion of the cost related to the acquisition and renovation of properties located at 3 W. Industrial Blvd., Bridgeton, 19-27 Meeker Ave., Newark, 37-47 Legal St., Newark, 40-58 Fenwick St., Newark, 32-38 Fenwick St., Newark, 13-17 Fenwick St., Newark, and 4 S. Industrial Blvd. Bridgeton to be used by The Kintock Group of New Jersey, Inc. Proceeds of the bond will also pay the cost of issuance. The difference between the bond amount and the project costs will be funded by a $1,000,000 direct loan from the EDA (Appl. P42691) and a $2,000,000 LDFF loan (P42692).

FINANCING SUMMARY:
BOND PURCHASER: Municipal Capital Markets Group, Inc. (Underwriter)
AMOUNT OF BOND: $18,573,732 (Tax-Exempt Bond). Part of a $20,205,000 Tax-Exempt Bond with P43349.
TERMS OF BOND: 30 year term. Term bond at the municipal market data yield plus 350 basis points with a floor of 5.0%. The indicative rate is in place at 7.0% as of November 3, 2016.
APPLICANT: The Kintock Group of New Jersey, Inc. and The Kintock Group

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
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<tr>
<td>Acquisition of existing building</td>
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<td>Underwriter Discount</td>
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JOBS: At Application 350 Within 2 years 50 Maintained 0 Construction 0

PUBLIC HEARING: 11/17/16 (Published 11/03/16) BOND COUNSEL: Chiesa, Shahinian & Giantomasi

DEVELOPMENT OFFICER: K. Durand APPROVAL OFFICER: D. Poane
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - LOCAL DEVELOPMENT FINANCING FUND PROGRAM

APPLICANT: The Kintock Group of New Jersey, Inc. and The Kintock Group, P42691

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 32-58 Fenwick St., 37-47 Legal Newark City (T/UA) Essex

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

APPLICANT BACKGROUND:
The Kintock Group, Inc. was established in 1987 as a 501c-3 not-for-profit community corrections providers, and is currently headquartered in Fort Washington, PA. Kintock is one of the largest community corrections providers in the northeast and has facilities located in New Jersey and Pennsylvania. The Kintock Group of New Jersey, Inc. ("the Company") is a wholly owned subsidiary that serves as the New Jersey operations while the parent company, The Kintock Group, Inc. operates the Pennsylvania operations.

The project involves the purchase of two properties located on four lots in Newark, NJ that the Company currently leases from a third party lessor. The transaction will be financed by a $20.205 million tax exempt bond underwritten by Municipal Capital Markets Group, Inc. and $3 million in funding from the Urban Plus Program, split between a $2 million NJEDA LDFF Loan and a $1 million NJEDA Direct loan (separate project summary) to be approved at the NJEDA’s November 17th board meeting. It should be noted that the proceeds of the NJEDA LDFF loan and Direct loan will be used towards the purchase price of the properties along with a portion of the bond proceeds. The remaining bond proceeds will be used to refinance an existing bond, finance a debt service fund required for the bond, and fund costs of issuance.

APPROVAL REQUEST:
Approval is requested for a $2,000,000 direct loan (LDFF).

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $2,000,000
TERMS OF LOAN: Fixed rate at the greater of the 5 year Treasury or 2.0% + 50 bps (indicative rate of 2.5%). Rate reset at the end of 5 years based on the same index, spread and floor. 10 year term. 20 year amortization.

PROJECT COSTS:

<table>
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JOBS: At Application Within 2 years Maintained Construction
Jobs on Related P042759 350 50 0 0

DEVELOPMENT OFFICER: K. Durand APPROVAL OFFICER: A. Lipton
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - DIRECT LOAN PROGRAM

APPLICANT: The Kintock Group of New Jersey, Inc. and the Kintock Group, P42692
PROJECT USER(S): Same as applicant *
PROJECT LOCATION: 32-58 Fenwick St., 37-47 Legal Newark City (T/UA) Essex
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:
The Kintock Group, Inc. was established in 1987 as a 501c-3 not-for-profit community corrections providers, and is currently headquartered in Fort Washington, PA. Kintock is one of the largest community corrections providers in the northeast and has facilities located in New Jersey and Pennsylvania. The Kintock Group of New Jersey, Inc. ("the Company") is a wholly owned subsidiary that serves as the New Jersey operations while the parent company, The Kintock Group, Inc. operates the Pennsylvania operations.

The project involves the purchase of two properties located on four lots in Newark, NJ that the Company currently leases from a third party lessor. The transaction will be financed by a $20,205 million tax exempt bond underwritten by Municipal Capital Markets Group, Inc. and $3 million in funding from the Urban Plus Program, split between a $2 million NJEDA LDFF Loan (separate project summary) and a $1 million NJEDA Direct loan to be approved at the NJEDA's November 17th board meeting. It should be noted that the proceeds of the NJEDA LDFF loan and Direct loan will be used towards the purchase price of the properties along with a portion of the bond proceeds. The remaining bond proceeds will be used to refinance an existing bond, finance a debt service fund required for the bond, and fund costs of issuance.

APPROVAL REQUEST:
Approval is requested for a $1,000,000 Direct loan.

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $1,000,000
TERMS OF LOAN: Fixed rate at the greater of the 5 year Treasury or 2.0% + 50 bps (indicative rate of 2.5%). Rate reset at the end of 5 years based on the same index, spread and floor. 10 year term. 20 year amortization.

PROJECT COSTS:

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<th>Quantity</th>
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<tr>
<td>Within 2 years</td>
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<tr>
<td>Maintained</td>
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<tr>
<td>Construction</td>
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DEVELOPMENT OFFICER: K. Durand
APPROVAL OFFICER: A. Lipton
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: The Seeing Eye, Inc. P43483
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 10 Washington Valley Road Morristown Town (N) Morris
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
The Seeing Eye, Inc., a 501(c)(3) not-for-profit organization, is a pioneer and innovator in guide dog services. It was founded in 1929 by Dorothy Harrison Eustis and Morris Frank with his first Seeing Eye dog, Buddy. Since then, the school has provided 16,200 specially bred and trained dogs to guide thousands of blind people throughout the United States, Puerto Rico and Canada. The Seeing Eye operates from three facilities: the main campus in Morris Township, a training center in downtown Morristown and a breeding facility in Chester. James A. Kutsch, Jr. is the President.

The Authority issued tax-exempt bonds for The Seeing Eye in 1999 to finance the acquisition of land and the construction of its breeding facility in Chester Twp. In 2014, the Authority issued a $14,085,000 tax-exempt bond (Appl. P40315) to refund prior bonds originally issued in 1999 and subsequently refunded in 2005 (Appl. P16465). The 2014 Bond was underwritten by Morgan Stanley & Co. LLC as a fixed rate term bond at 5% for 20 years.

The Applicant also modernized and expanded the main campus with the issuance by the Authority of $19,140,000 in tax-exempt bonds in 2012 (Appl. P37370). The 2012 Bond was underwritten by Morgan Stanley & Co. LLC as a fixed rate term bond at 5% for 10 years.

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 Internal Revenue Code of 1986, 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 advance refund the 2012 Bonds to reduce the borrowing costs to the Applicant plus pay costs of issuance. The Bonds are expected to be rated A by Standard & Poor's.

This project is being presented in conjunction with Appl. P43484 to finance the construction of an addition to its kennels and pay costs of issuance for a total tax-exempt bond financing not to exceed $27.3 million.

FINANCING SUMMARY:
BOND PURCHASER: Morgan Stanley & Co. LLC (Underwriter)
AMOUNT OF BOND: $22,000,000 (est.) Tax-exempt Bond (Part of a $27,300,000 total tax-exempt bond financing with Appl. P43484)
TERMS OF BOND: 16 years; Maximum fixed interest rate not to exceed 9.5%; Estimated initial interest rate will range between 2.5% and 3%.
ENHANCEMENT: N/A

PROJECT COSTS:
 Principal amount of bond(s) to be refund $19,140,000
 Escrow Interest $2,410,000
**APPLICANT:** The Seeing Eye, Inc.  

<table>
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<th>Service</th>
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**TOTAL COSTS**  

$22,000,000

**PUBLIC HEARING:** 11/17/16 (Published 10/26/16)  
**BOND COUNSEL:** McCarter & English, LLP  
**DEVELOPMENT OFFICER:** M. Athwal  
**APPROVAL OFFICER:** T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: The Seeing Eye, Inc. P43484
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 10 Washington Valley Road Morristown Town (N) Morris
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
The Seeing Eye, Inc., a 501(c)(3) not-for-profit organization, is a pioneer and innovator in guide dog services. It was founded in 1929 by Dorothy Harrison Eustis and Morris Frank with his first Seeing Eye dog, Buddy. Since then, the school has provided 16,200 specially bred and trained dogs to guide thousands of blind people throughout the United States, Puerto Rico and Canada. The Seeing Eye operates from three facilities: the main campus in Morris Township, a training center in downtown Morristown and a breeding facility in Chester. James A. Kutsch, Jr. is the President.

The Authority issued tax-exempt bonds for The Seeing Eye in 1999 to finance the acquisition of land and the construction of its breeding facility in Chester Twp. In 2014, the Authority issued a $14,085,000 tax-exempt bond (Appl. P40315) to refund prior bonds originally issued in 1999 and subsequently refunded in 2005 (Appl. P16465). The 2014 Bond was underwritten by Morgan Stanley & Co. LLC as a fixed rate term bond at 5% for 20 years.

The Applicant also modernized and expanded the main campus with the issuance by the Authority of $19,140,000 in tax-exempt bonds in 2012 (Appl. P37370). The 2012 Bond was underwritten by Morgan Stanley & Co. LLC as a fixed rate term bond at 5% for 10 years.

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 Internal Revenue Code of 1986, 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 construct an 11,744 sq. ft. addition to its canine kennels which will provide housing for up to an additional 80 dogs in training. The Bonds are expected to be rated A by Standard & Poor’s.

This project is being presented in conjunction with Appl. P43483 to advance refund the 2012 Bond and pay costs of issuance for a total tax-exempt bond financing not to exceed $27.3 million.

FINANCING SUMMARY:
BOND PURCHASER: Morgan Stanley & Co. LLC (Underwriter)
AMOUNT OF BOND: $5,300,000 Tax-exempt Bond (Part of a $27,300,000 total tax-exempt bond financing with Appl. P43483)
TERMS OF BOND: 16 years; Maximum fixed interest rate not to exceed 9.5%; estimated initial interest rate will range between 2.5% and 3%.
ENHANCEMENT: N/A

PROJECT COSTS:
- Renovation of existing building: $4,468,000
- Engineering & architectural fees: $516,000
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<td>Purchase of equipment &amp; machinery</td>
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<td>Legal fees</td>
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<td><strong>TOTAL COSTS</strong></td>
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**JOBS:**
- At Application: 152
- Within 2 years: 2
- Maintained: 0
- Construction: 33

**PUBLIC HEARING:** 11/17/16 (Published 10/26/16)
**BOND COUNSEL:** McCarter & English, LLP
**DEVELOPMENT OFFICER:** M. Athwal
**APPROVAL OFFICER:** T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: Services for Children with Hidden Intelligence, Inc. P43552

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 345 Oak St. Lakewood Township Ocean County

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

APPLICANT BACKGROUND:
Services for Children with Hidden Intelligence, Inc. ("SCHI") is a therapeutic and educational center meeting the unique needs of over 300 severely-disabled, medically fragile, and socially-emotionally challenged & underprivileged children & young adults ranging in age from birth to over 21 years of age. The Executive Director of SCHI is Mark A. Seigel.

The prior bond, a $13,290,000 variable rate private placement closed in 2008, P20075, had a term of 25 years, and an initial interest rate of 3.20%. The proceeds were used to refinance existing conventional debt and related costs plus costs of issuance.

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 Series 2008 EDA bonds, finance the termination amount of an interest rate swap related to the EDA bonds, pay costs of issuance, and allow the organization to continue with its mission of assisting severely disabled and underprivileged children and young adults.

This project is being presented in conjunction with P43551, to payoff an existing conventional mortgage and related costs of issuance.

FINANCING SUMMARY:

BOND PURCHASER: Fulton Bank of New Jersey (Direct Purchase)

AMOUNT OF BOND: Series A
$11,562,000 Tax-Exempt Bond

TERMS OF BOND:
Series A
25 years; 12 months interest only and then 288 months of principal and interest payments; Fixed rate for 7 years at the tax-exempt fixed rate of 75% of the seven (7) year LIBOR SWAP. Following the initial seven (7) year period (unless a new fixed rate is renegotiated by the Borrower and the Bank) the loan will convert to a variable rate equal to 75% of 1 month LIBOR plus 235 basis points, with a floor of 3.00%. Call option on the 10th anniversary and every tenth anniversary thereafter. The estimated interest rate as of 11/09/2016 is 2.92%.

Series B
25 years; 12 months interest only and then 288 months of principal and interest payments; Seven (7) year fixed rate at the seven (7) year LIBOR SWAP. Following the seven (7) year period (unless a new fixed rate is renegotiated by the Borrower and the Bank) the loan will convert to a variable rate equal to 1 month LIBOR plus 235 basis points, with a floor of 3.00%. Call option on the 10th anniversary and every tenth anniversary thereafter. The estimated interest rate as of 11/09/2016 is 3.89%.
ENHANCEMENT:  N/A

PROJECT COSTS:

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<td>Closing Fees</td>
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<td><strong>TOTAL COSTS</strong></td>
<td><strong>$13,550,000</strong></td>
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PUBLIC HEARING: 11/17/16 (Published 11/03/16)  BOND COUNSEL: Chiesa, Shahinian & Giantomasi,
DEVELOPMENT OFFICER: K. Durand  APPROVAL OFFICER: M. Chierici
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Services for Children with Hidden Intelligence, Inc. P43551
PROJECT USER(S): Same as applicant *
PROJECT LOCATION: 345 Oak Street

Lakewood Township (T/UA) Ocean
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Services for Children with Hidden Intelligence, Inc. ("SCHI") is a therapeutic and educational center meeting the unique needs of over 300 severely-disabled, medically fragile, and socially-emotionally challenged & underprivileged children & young adults ranging in age from birth to over 21 years of age. The Executive Director of SCHI is Mark A. Seigel.

The prior bond, a $13,290,000 variable rate private placement closed in 2008, P20075, had a term of 25 years, and an initial interest rate of 3.20%. The proceeds were used to refinance existing conventional debt and related costs plus costs of issuance.

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 payoff its existing conventional mortgage, pay costs of issuance, and allow the organization to continue with its mission of assisting severely disabled and underprivileged children and young adults.

This project is being presented in conjunction with P43552 to refund the Series 2008 EDA tax-exempt bond.

FINANCING SUMMARY:

BOND PURCHASER: Fulton Bank of New Jersey (Direct Purchase)

AMOUNT OF BOND: Series A
$10,450,000 Tax-Exempt Bond

TERMS OF BOND:
Series A
25 years; 12 months interest only and then 288 months of principal and interest payments; Fixed rate for 7 years at the tax-exempt fixed rate of 75% of the seven (7) year LIBOR SWAP. Following the initial seven (7) year period (unless a new fixed rate is renegotiated by the Borrower and the Bank) the loan will convert to a variable rate equal to 75% of 1 month LIBOR plus 235 basis points, with a floor of 3.00%. Call option on the 10th anniversary and every tenth anniversary thereafter. The estimated interest rate as of 11/09/2016 is 2.92%.

ENHANCEMENT: N/A

PROJECT COSTS:

Payoff Existing Mortgage $10,000,000
Legal fees $225,000
Finance fees $225,000
APPLICANT: Services for Children with Hidden Intelligence, Inc.

TOTAL COSTS

$10,450,000

JOBS: At Application 405 Within 2 years 35 Maintained 0 Construction 0

PUBLIC HEARING: 11/17/16 (Published 11/03/16) BOND COUNSEL: Chiesa, Shahinian & Giantomasi,

DEVELOPMENT OFFICER: K. Durand APPROVAL OFFICER: M. Chierici
COMBINATION PRELIMINARY AND BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Yeshiva Shvilay Hatalmud, Inc. P42760

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 961 County Line Road Lakewood Township (T/UA) Ocean

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

APPLICANT BACKGROUND:
Yeshiva Shvilay Hatalmud, Inc. doing business as Yeshiva Gedolah Be’er Hatorah is an all boys school founded by Rabbi Avrohom Grubner in September 2010. The school offers post-high school education, which is equivalent to college level courses. A select group of boys are chosen who seek a smaller and more individualized Talmudic form of studies. Enrollment for the 2014/2015 school year was 46 students. The school is currently able to accommodate a total student body of 65 boys. Students of Yeshiva Gedolah Be’er Hatorah go on to study in Israel. Upon their return, students continue the program and graduate with a degree in Talmudic studies.

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 refinance conventional debt which was used to finance the acquisition of land and the renovation of a building in Lakewood, NJ, for use as a school, and to pay costs of issuance.

FINANCING SUMMARY:

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

AMOUNT OF BOND: $1,900,000 Tax-Exempt Bond

TERMS OF BOND: 25 years; Variable interest rate equal to 70.0 percent (70%) of the 1 month LIBOR plus 235 basis points (2.35%). The applicant may enter into a swap to a fixed rate for 10 years with a call option at the expiration of the swap. The estimated rate for the 10 year swap is 2.97%, as of October 31, 2016.

ENHANCEMENT: N/A

PROJECT COSTS:

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<tbody>
<tr>
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<tr>
<td>Closing Costs</td>
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<td><strong>TOTAL COSTS</strong></td>
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November 2016 Board Book - Bonds
JOBS:  At Application  8 Within 2 years  12 Maintained  0 Construction  0

PUBLIC HEARING: 09/09/16 (Published 08/23/16)  BOND COUNSEL:  Chiesa, Shahinian & Giantomasi,
DEVELOPMENT OFFICER:  M. Athwal  APPROVAL OFFICER:  M. Chierici
PRELIMINARY BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM - (PREMIER LENDER)

APPLICANT: Trans-Packers Services Corp.  P43675

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

PROJECT LOCATION: 4100 New Brunswick Ave   Piscataway (T)   Middlesex

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

APPLICANT BACKGROUND:
Trans-Packers Services Corp., established in 1969 by Daniel Wiess, now also owned and operated by Lester, Monica, and Selma Weiss, is a privately held contract packaging company located in Brooklyn, NY. The applicant is primarily engaged in the business of blending, packaging, pouching, bottling and canning dry food and non-food products, powders, particulates and liquids for retail, institutional, industrial and military customers.

Trans-Packers Services Corp. will relocate its entire existing operation from its current location on Brooklyn to Piscataway, NJ. The project will include the purchase and renovation of a building. The applicant has also applied for a direct loan from the EDA in the amount of $2,000,000.

APPROVAL REQUEST:
Authority assistance will enable the applicant to acquire and renovate a 95,483 sq. ft. building on 11.72 acres of land. Proceeds of the bond will also pay the cost of issuance.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT:  N/A

PROJECT COSTS:

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JOBS:  At Application  120  Within 2 years  20  Maintained  0  Construction  7

PUBLIC HEARING:

DEVELOPMENT OFFICER: M. Athwal

BOND COUNSEL: Chiesa, Shahinian & Giantomasi,

APPROVAL OFFICER: D. Poane
Governor shall approve the same in which case such action shall become effective upon such approval, as provided by the Act.
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Yeshiva Gedola Na'os Yaakov Inc
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 911 Somerset Avenue Lakewood Township (T/UA) Ocean
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Yeshiva Gedola Na'os Yaakov Inc is a post-high school educational institution founded by Rabbi Shlomo Felvel Schustal in August 2014. The school offers a four-year undergraduate program in Talmudic Studies. The students of the program graduate with a Bachelor of Talmudic Studies degree. Enrollment for the 2016/2017 school year is 130 students.

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

The applicant is a 501(c)(3) not-for-profit entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 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 the balance of an outstanding conventional loan.

FINANCING SUMMARY:
BOND PURCHASER: 
AMOUNT OF BOND: 
TERMS OF BOND: 
ENHANCEMENT: N/A

PROJECT COSTS:

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JOBS: At Application 21 Within 2 years 35 Maintained 0 Construction 0

PUBLIC HEARING: 11/17/16 (Published 11/03/16)
BOND COUNSEL: Chiesa, Shahinian & Giantomasi,
DEVELOPMENT OFFICER: M. Athwal
APPROVAL OFFICER: S. Novak
LOAN MODIFICATIONS
MEMORANDUM

TO: Members of the Authority

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

DATE: November 17, 2016

SUBJECT: Housing and Neighborhood Development Services, Inc. ("HANDS") and Villita Artes, LLC ("VA") – MODIFICATION
Aggregate Exposure: $1,697,224

Request:
Subordinate the Authority’s lien position on property located at 351 South Jefferson Street, Orange to new financing from New Jersey Community Capital ($1.6 million) and Valley National Bank ($500,000) to refinance the organization’s maturing NMTC debt.

Background:
Housing and Neighborhood Development Services, Inc. is a 501(c)(3) not-for-profit organization established in 1986 to provide affordable housing to help stabilize neighborhoods and promote economic opportunity in New Jersey. HANDS is a chartered organization of the Neighbor Works America, certified by the State of New Jersey Department of Community Affairs and the City of East Orange as a Community Housing Development Organization. Revenues are mainly grants and contributions from the State of New Jersey and Essex County. In addition, HANDS receives support from other federal and local government entities, corporations, financial institutions and foundations. The organization operates out of leased space in Orange and employs seven people full-time.

In June 2008, the Authority provided a $555,000 Fund for Community Economic Development ("CED") loan to HANDS and a $1,195,000 Direct loan to Villita Artes, LLC, to supplement a $3.2 million New Markets Tax Credit loan from The Reinvestment Fund (TRF) for the redevelopment of six mixed use properties. The redevelopment is now complete and the properties are fully leased. VA is a special purpose entity established for the NMTC loan and will be dissolved as part of the refinance. All its assets and liabilities will be assumed by HANDS, which guarantees the debt.

In March 2014, the Authority provided a $581,250 CED loan to HANDS to refinance additional properties. All loans have been handled as agreed.

In June 2015, TRF provided a 1-year bridge loan in the amount of $2.2 million to refinance the matured NMTC loan while the borrower pursued securing long term financing. HANDS has arranged permanent financing including a $1.6 million term loan from New Jersey Community Capital (NJCC) and a $500,000 term loan from Valley National Bank ("VNB") to repay TRF’s bridge loan. Both loans have a 10-year term and 30-year amortization.

In September 2016, the Members approved the restructure of the subject EDA loans for 10 years with a
20-year amortization to align with senior loans and rental income on the properties. At the time, staff negotiated an improved first lien on all properties shared pro-rata with the senior lenders.

Subsequently, new appraisals on four properties reported significantly reduced values and as a result VNB is unable to share its first mortgage position. To allow the refinance to proceed, HANDS has requested the Authority’s consent to subordinate EDA’s first mortgage on 351 South Jefferson Street, and to retain its current junior lien position on other collateral. HANDS has been unable to secure low-interest long-term financing from any other lender and needs the Authority’s consent to stabilize the project financing.

**Recommendation:**
Subordinate EDA’s lien on 351 South Jefferson Street to new financing from NJCC and VNB based on satisfactory repayment history and DSCR. The Member’s approval will support the stabilization of the long term financing for the mixed use projects in an urban aid community.

Prepared by: Mansi Naik
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: November 17, 2016

SUBJECT: New Jersey Community Development Entity-5, LLC (“NJCDE-5”) $10,300,000 New Market Tax Credit (“NMTC”) Sub-allocation Exit and Dissolution

Request:
Consent to the following actions needed to unwind NJCDE-5’s sub-allocation of New Markets Tax Credits (“NMTC”):

- Redemption of USB Landis Investment Fund, LLC’s (“Fund”) 99.99% interest in NJCDE-5 in exchange for the assignment of the three (3) loans made by NJCDE-5 to Landis Theater Properties, LLC (“LTP”), and assignment of NJCDE-5’s interest in Landis Theater Master Tenant, LLC (“Master Tenant”).
- Assignment by the Fund of all, or a portion of, NJCDE-5’s three (3) loans receivable to Vineland UEZ (“Vineland UEZ”), Cumberland Empowerment Zone (“CEZ”) and Landis Theater Foundation (“LTF”) to satisfy the Fund’s debts to these lenders.
- Dissolution of NJCDE-5 and Master Tenant.

In addition, the Members are asked to authorize NJEDA’s CEO and President and COO, or designee, to execute documents and agreements needed to finalize the wind-up of the NMTC allocation to NJCDE-5 and dissolution of NJCDE-5.

Background:
In 2004, the U.S. government awarded a $125 million New Markets Tax Credit allocation to New Jersey Community Development Entity, an affiliate of the New Jersey Economic Development Authority, to promote economic development in low-income communities throughout New Jersey. NMTCs may be used as a credit against federal income taxes over 7 years in return for qualifying capital investments in low income areas.

In April 2008 the Members approved a sub-allocation of $8,000,000 in NMTCs to NJCDE-5 to fund the renovation of the historic Landis Theater and Mori Brothers Building complex in Vineland, New Jersey. In 2009 the Members approved an increase of the sub-allocation to $10,300,000 to cover additional costs. Under the NMTC structure, US Bank Community
Development Corporation ("Investor") provided equity of $5,520,341 in return for the $10,300,000 in NMTCs. Additionally, Vineland UEZ loaned $3,000,000, CEZ loaned $750,000, and LTF loaned $1,079,559 to the Fund, a special purpose affiliate owned by Investor. In turn, the Fund advanced net loan and tax credit equity proceeds of $9,785,000 to NJCDE-5 to fund the renovation project via a $3,325,000 loan ("Note A"), a $1,504,659 loan ("Note B"), a $2,802,832 loan ("Note C") and $2,152,509 of equity to LTP. The remainder of proceeds was used to establish reserves and pay administrative fees.

The renovations were completed and the theater opened in 2010. Over the last 7 years the theater has struggled to generate sufficient cash flow and has had several operators lease the facility and then close. Additionally, several restaurant operators have leased the restaurant space and then closed. Presently, the project is managed by the Vineland Development Corporation. Recently, the Bay Atlantic Symphony announced the theater will serve as its Cumberland County venue for its 2016-17 season, and a new restaurant operator has opened in the restaurant space.

On December 2, 2016 the 7 year NMTC compliance period will end and the Landis Theater project will be eligible to exit the NMTC structure as follows:

1. The Fund’s 99.99% interest in NJCDE-5 will be redeemed by NJCDE-5 in exchange for the assignment by NJCDE-5 of its notes A, B and C due from LTP, and assignation of its interest in Master Tenant.
2. The Fund will then satisfy its loans due to UEZ, CEZ and LTF by assignment of, all or a portion of, notes A, B and C to those entities.

Once these transactions are completed, NJCDE-5, the Fund and Master Tenant will be dissolved, as there will no longer be a purpose for these entities, and Vineland UEZ, CEZ and LTF will become direct lenders to LTP. It is anticipated that Notes A and B will be restructured while note C is cancelled.

**Recommendation:** Consent to unwind the NJCDE-5 NMTC structure as cited above and authorize NJEDA’s CEO and President and COO, or designee, to execute the documents and agreements needed to finalize the unwind of the NMTC allocation to NJCDE-5 and dissolution of NJCDE-5, subject to NJCDE Board approval.

Prepared by: J. Maticka
MEMORANDUM

TO: Members of the Board

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: November 17, 2016

SUBJECT: New Jersey Community Development Entity-7, LLC (“NJCDE-7”) $5,619,151 New Markets Tax Credit (“NMTC”) Sub-Allocation Exit and Dissolution

Request:
Consent to the following actions needed to unwind NJCDE-7’s sub-allocation of New Markets Tax Credits (“NMTC”):
• Redemption of VDC New Markets Investment Fund LLC’s (“Fund”) membership interest in NJCDE-7 in exchange for the assignment of NJCDE-7’s $5,619,151 loan, and
• Dissolution of NJCDE-7.

In addition, the Members are asked to authorize NJEDA’s CEO, and/or President and COO, or designee, to execute the documents and agreements needed to finalize the wind up of the NMTC allocation to and the dissolution of NJCDE-7.

Background:
In 2004, the U.S. Government awarded a $125 million New Markets Tax Credit allocation to New Jersey Community Development Entity (“NJCDE”), an affiliate of the New Jersey Economic Development Authority, to promote economic development in low-income communities throughout New Jersey. NMTCs may be used as a credit against federal income taxes over 7 years in return for qualifying capital investments in low income areas.

In 2009, the Members approved a sub-allocation of $5,619,151 NMTCs to NJCDE-7 to create a food marketplace in Vineland. Under the NMTC structure, The Bank (now Fulton Bank) made an equity investment of $1,619,151 in exchange for the NMTCs, which supplemented a $4,000,000 loan from Enterprise Zone Development Corp. of Vineland and Millville (“UEZ”) to the Fund, an affiliate of Vineland Development Corporation. The Fund advanced these proceeds to NJCDE-7 which loaned $5,619,151 to Landis Marketplace Urban Renewal LLC which operates the market.
On December 1, 2016, the 7-year NMTC compliance period will end and the NJCDE-7 project will be eligible to exit the NMTC structure as follows:

- Fulton Bank will exit the transaction by exercising its (investment fund) Put and Call Agreement under which the Fund will buy the Bank’s membership interest in the Fund for $1,000.
- NJCDE-7 will redeem the Fund’s membership in NJCDE-7 in consideration for assignment of its $5,619,151 loan due from Landis Marketplace.
- The Fund will satisfy the UEZ loan by assignment of the $5,619,151 loan to the UEZ.
- NJCDE-7 will be dissolved.
- At completion of these actions, Vineland Development Corp. will dissolve and liquidate the Fund.

Vineland Development Corp. and the UEZ, and Landis Marketplace, are expected to collaborate on the planned sale of Landis Marketplace following completion of the NMTC exit.

**Recommendation:**
Consent to unwind the NJCDE-7 NMTC structure as cited above, and authorize NJEDA’s CEO, and/or President and COO, or designee, to execute the documents and agreements needed to finalize the wind-up of the NMTC sub-allocation and dissolution of NJCDE-7, subject to CDE Board approval.

Prepared by: H. O’Connell
PETROLEUM UNDERGROUND STORAGE TANK PROGRAM
MEMORANDUM

TO: Members of the Authority
FROM: Timothy J. Lizura, President/Chief Operating Officer
DATE: November 17, 2016
SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

The following commercial, not-for-profit 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 Grants:**
Leopold L. Otway $ 117,648

**UST Not-for-Profit Grant:**
The Presidential Condominium Association $ 689,015

**UST Residential Grants:**
Robert Binns $ 135,614
Claudine Galbreith $ 167,309
Justin Arno Phoenix $ 268,282
Maria T. Rivera $ 134,084
$ 705,289

**Total UST Funding – November 2016** $ 1,511,952

Prepared by: Reneé M. Krug
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Leopold L. Otway
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 3860 Rt. 27 South Brunswick Township (M)iddlesex
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Between May 1998 and January 2013, Leopold L. Otway, owner of the project site which is operated as a gasoline service station, received an initial grant in the amount of $33,500 under P09934 and supplemental grants totaling $456,174 under P10949, P10949s, P17126, P33680 and P37480 to close three underground storage tanks (USTs), and perform soil and groundwater remediation. The NJDEP has determined that aggregate supplemental project costs are technically eligible to perform extensive groundwater remediation. Financial statements provided by the applicant demonstrate that the applicant's financial condition conforms to the financial test for a conditional hardship grant.

APPROVAL REQUEST:
The applicant is requesting aggregate supplemental grant funding in the amount of $117,648 to perform the approved scope of work at the project site. The aggregate supplemental grant funding for this project is $573,822. Total grant funding including this approval is $607,322. The project site is located in a Suburban Planning Area and is eligible for funding up to $1 million.

The NJDEP oversight fee of $11,765 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: $117,648
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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<th>Description</th>
<th>Amount</th>
</tr>
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<tr>
<td>Remediation</td>
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</tbody>
</table>

APPROVAL OFFICER: K. Junghans
APPLICANT: The Presidential Condominium Association

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 1615 Park Ave. Asbury Park City (T/UA) Monmouth

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

APPLICANT BACKGROUND:
In October 2006, The Presidential Condominium Association ("Presidential"), which is a not for profit corporation formed for the purpose of administering, operating and managing the Condominium improvements, received a grant in the amount of $310,375 under P17319. Presidential is seeking to perform additional soil remediation and groundwater delineation associated with a former underground storage tank (UST) at the project site, which is a multi-family residential dwelling. The tank was decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform extensive groundwater remediation 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 $689,015 to perform the approved scope of work at the project site. Total grant funding including this approval is $999,390. The project site is located in a Metropolitan Planning area and is eligible for funding up to $1 million, which will be reached with this supplemental grant funding.

The NJDEP oversight fee of $68,902 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: $689,015
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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APPROVAL OFFICER: K. Junghans
APPLICANT: Robert Binns

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 13 William Street South River Borough (T) Middlesex

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

APPLICANT BACKGROUND:
Between April 2012 and November 2013, Robert Binns received an initial grant in the amount of $71,761 under P37306 and a supplemental grant in the amount of $13,033 under P38571 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 had previously determined that the project site posed an immediate environmental threat to human health and 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 aggregate supplemental grant funding in the amount of $135,614 to perform the approved scope of work at the project site. The aggregate supplemental grant funding for this project is $148,647. Total grant funding including this approval is $220,408.

The NJDEP oversight fee of $13,561 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: $135,614

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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

APPLICANT: Claudine Galbraith
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 81 Tallowood Drive Medford Township (N) Burlington
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Claudine Galbraith is the operator of the tank at the project site since the passing of her sister Lucille Galbraith. In December 2011, Lucille Galbraith received an initial grant in the amount of $16,330 under P36743 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 aggregate 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 aggregate grant funding in the amount of $167,309 to perform the approved scope of work at the project site. Total grant funding including this approval is $183,639.

The NJDEP oversight fee of $16,731 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: $167,309
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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APPROVAL OFFICER: K. Junghans
APPLICANT: Justin Arno Phoenix
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 140 King Avenue Deptford Township (T) Gloucester
GOVERNOR’S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Justin Arno Phoenix is the operator of the project site, 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 to perform extensive soil remediation and site restoration.

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

APPROVAL REQUEST:
The applicant is requesting grant funding in the amount of $268,282 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $26,828 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: $268,282
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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APPROVAL OFFICER: W. Wisniewski
APPLICANT: Maria T. Rivera

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 132 Summer Avenue Newark City (T/UA) Essex

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

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

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

APPROVAL REQUEST:
The applicant is requesting grant funding in the amount of $134,084 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $13,408 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: $134,084

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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<td>Upgrade, Closure, Remediation</td>
<td>$134,084</td>
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<td>NJDEP oversight cost</td>
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<td>EDA administrative cost</td>
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<td><strong>TOTAL COSTS</strong></td>
<td><strong>$147,742</strong></td>
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APPROVAL OFFICER: K. Junghans
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: November 17, 2016

SUBJECT: NJDEP Hazardous Discharge Site Remediation Fund Program

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

**HDSRF Municipal Grants:**

- Township of Bordentown (Proposed Waterfront Community) $881,113
- City of Plainfield (BDA Central Business District) $841,129
- City of Plainfield (BDA Central Business District) $122,641

**Total HDSRF Funding – November 2016** $1,844,883

Prepared by: Renee Krug
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Township of Bordentown (Proposed Waterfront Comm) P43035
PROJECT USER(S): Same as applicant *
PROJECT LOCATION: Bordentown Waterfront Bordentown City (N) Burlington
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
The project site, identified as Block 140 and Block 141, Lots 1-3, 5.01, 5.02, 10-16, 18 & 19; Lot 4 is the former North American Marine Salvage Company (NAMSCO) which has potential environmental areas of concern (AOCs). The Township of Bordentown 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 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.

APPROVAL REQUEST:
The Township of Bordentown is requesting grant funding to perform (RA) in the amount of $881,113 at the Proposed Waterfront Community project site.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $881,113
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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<thead>
<tr>
<th>Remedial Action</th>
<th>$1,174,817</th>
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<tr>
<td>EDA administrative cost</td>
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<td>$1,175,317</td>
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APPROVAL OFFICER: K. Junghans
APPLICANT: City of Plainfield (BDA Central Business Dist)  
PROJECT USER(S): Same as applicant  
PROJECT LOCATION: Central Business District 10 sites Plainfield City (T/UA) Union  
GOVERNOR'S INITIATIVES: (X) Urban  
APPLICANT BACKGROUND: City of Plainfield, identified as Block 612, Lots 5, 7.01, 7.02, 7.03 and 7.04 is a former auto sales and auto body industrial facility which has potential environmental areas of concern (AOCs). The City of Plainfield 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 mixed use. 
NJDEP has approved this request for Preliminary Assessment (PA), Site Investigation (SI) and 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: City of Plainfield is requesting grant funding to perform PA, SI and RI in the amount of $841,129 at the BDA Central Business District project site. 
FINANCING SUMMARY: 
GRANTOR: Hazardous Discharge Site Remediation Fund  
AMOUNT OF GRANT: $841,129  
TERMS OF GRANT: No Interest; No Repayment  
PROJECT COSTS:  
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<thead>
<tr>
<th>Description</th>
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<td>Preliminary assessment</td>
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<td>Remedial investigation</td>
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<td><strong>$841,629</strong></td>
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APPROVAL OFFICER: K. Junghans
APPLICANT:  City of Plainfield (BDA Central Business Dist)  

PROJECT USER(S):  Same as applicant  

PROJECT LOCATION:  Central Business District 10  Plainfield City (T/UA) Union  

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

APPLICANT BACKGROUND:  
City of Plainfield, identified as Blocks 836 and 313, Lots 15 & 16; and 14 is a former auto sales and auto body industrial facility which has potential environmental areas of concern (AOCs). The City of Plainfield 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 mixed 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 within a BDA. The grant has been awarded based on a calculation equal to 75% of the RA costs ($163,521). The balance of funds is being provided by the USEPA Assessment Grant ($40,880).  

APPROVAL REQUEST:  
City of Plainfield is requesting grant funding to perform RA in the amount of $122,641 at the BDA Central Business District project site.  

FINANCING SUMMARY:  
GRANTOR:  Hazardous Discharge Site Remediation Fund  
AMOUNT OF GRANT:  $122,641  
TERMS OF GRANT:  No Interest; No Repayment  

PROJECT COSTS:  

<table>
<thead>
<tr>
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<tbody>
<tr>
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<td>$163,521</td>
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APPROVAL OFFICER: K. Junghans
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

Date: November 17, 2016

Subject: Newark Venture Partners Fund, LP

Request: Approval is requested to make a limited partnership investment in Newark Venture Partners Fund, LP for 3% of the total committed fund size up to $1.5 million. Funding for the investment will be made from the Economic Recovery Fund (ERF) or other available funding sources.

Background: Newark Venture Partners Fund, LP ("NVP" or the "Fund"), a Delaware limited partnership formed in 2015 seeks to raise $50 million. The Fund will make direct investments to grow technology companies in New Jersey, primarily located in Newark, and provide investors with long-term capital appreciation. NVP is a social impact venture fund with a "double bottom line". NVP seeks to generate measurable positive social and economic outcomes in the form of jobs, tax-based expansion, new residents, and foot traffic in addition to the financial return. The effort includes set up of a state-of-the-art tech accelerator based in NVP’s One Washington Park location. More than 25% of the fund will be invested in technology start-ups that will participate in the Accelerator program. The balance will be invested in pre-seed to series-A round investment of tech startups.

NVP is led by Managing Partners Thomas Wisniewski and Daniel Borok. Other members of the management team currently in place include: Tal Lev (CFO) and Dimitris Kouvaros (Accelerator Director). The team is newly formed for this initiative. They bring together over 50 years of collective experience in identifying, analyzing, structuring and managing technology start-up investments.

The Fund’s initial close occurred in early 2016 with commitments of $23 million. Investors include individuals and institutions, such as, Audible, Prudential Financial, Dun & Bradstreet and Fidelco Realty Group. Over the five-year investment period, more than 80 companies are expected to participate in the Accelerator. The Fund will make 40+ seed stage investments (average investment of $350K) and 12 series-A investments (average investment of $1 million). NVP focuses on capital efficient, software and technology-enabled businesses in sectors such as B2B, SaaS, consumer internet and e-Commerce and marketplace models. NVP launched its inaugural Accelerator cohort in September 2016. This Accelerator cohort is comprised of nine companies selected from hundreds of applicants. In addition, the fund has made seed and series A investment in four portfolio companies.
The EDA’s strategic plan includes assisting in the growth of technology companies in the State through funding direct loans and investing in venture capital funds. To date, the EDA has approved investments in 14 venture capital funds for over $50 million. The proposed investment in NVP for 3% of the total committed fund size up to $1.5 million, is consistent with the EDA’s strategic plan as it will assist in developing employment in the State by supporting the growth of technology companies located in New Jersey and a New Jersey-based, early stage venture fund, in-line with EDA’s investment policy.

**Recommendation:**

Approval of the investment for 3% of the total committed fund size up to $1.5 million, for a $50 million targeted fund, including EDA is recommended based upon NVP’s dedicated management team and the strong commitment to Northern New Jersey-based, early stage technology company growth. This approval will authorize the CEO or President to execute all documents required, subject to the review of the New Jersey Attorney General's office.

Conditions of Investment:
1. LP Advisory Board seat

Prepared by: Madhavi Bhatia
Timothy B. Rollender
STRONGER NJ BUSINESS LOAN PROGRAM

November 2016 Board Book - Office of Recovery
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STRONGER NJ BUSINESS LOAN PROGRAM PROGRAM

APPLICANT: LBI Recreation Center, Inc. P42219

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 806 N Bay Avenue Beach Haven Borough (N) Ocean

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

APPLICANT BACKGROUND:
Established in 2006, DMM Associates ("DMM") is the real estate holding company that owns the property in which the operating company, Thundering Surf - Settler's Mill aka Thundering Surf Water Park aka LBI Recreation Center, Inc. ("LBI Recreation Center" or the "Company") leases. DMM is owned by three corporate entities having 33.33% interest each - Adventure Golf Development Corp., Fransa Corp and Morey Development Beach Haven, Inc.

Founded in 1990, LBI Recreation is a large seasonal entertainment venue featuring a water park, a miniature golf course and casual eateries. LBI Recreation operates from Memorial Day weekend through Labor Day weekend of each year.

APPROVAL REQUEST:
Approval of a $450,000 working capital loan under the Stronger NJ Business Loan Program. The Company previously received a $50,000 EDA grant under the stronger New Jersey Grant Program. This loan is related to a $2,123,233 construction loan under P#41354 granted to related business, DMM Associates.

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $450,000
TERMS OF LOAN: Up to 7-year term. Up to 24 months of 0% interest followed by 60 months of interest payments based on the 5 year US Treasury rate. 0% interest period to expire on same ending date of 0% interest period for construction loan under P#41354. During 0% interest period, no principal payments are due followed by 60 months of principal payments in an amount adequate to fully amortize the loan.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working capital</td>
<td>$2,859,736</td>
</tr>
</tbody>
</table>

TOTAL COSTS $2,859,736

JOBS: At Application 43 Within 2 years 0 Maintained 43 Construction 0

DEVELOPMENT OFFICER: J. Lora
APPROVAL OFFICER: K. Black
BOARD MEMORANDUM
MEMORANDUM

TO: Members of the Authority  
FROM: Timothy J. Lizura, President and COO  
DATE: November 17, 2016  
SUBJECT: Projects Approved Under Delegated Authority – For Informational Purposes Only

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

Direct Loan Program:

1) Go Realty LLC & Edison Solutions, LLC (P42970 & P42969) are located in Pennsauken Township, Camden County. Go Realty LLC is a real estate holding company formed to own the project property. To consolidate operations formerly operating out of Marietta, GA and Moonachie, NJ, the subject property will house the operations of Edison Solutions, LLC, a subsidiary of Edison Lithographing & Printing Corp. Edison Lithographing prints on rolls of lightweight and heavyweight paper and Edison Solutions prints and designs advertisements and cardboard displays for globally recognized brands. The Company was approved for a $1,100,000 direct loan to purchase the project property, and a $900,000 direct loan to purchase new printing equipment. TD Bank will also provide two tax exempt bonds in the amount of $2,900,000 and $2,700,000 toward the purchase of the property and new printing equipment respectively. The Company plans to create 95 new positions within the next two years.

2) Hope Academy Charter School, Inc. (P43068), located in Asbury Park City, Monmouth County, was established in 2001 and operates as a charter school for grades K-8 to provide regular and special education, basic skills instruction, and English as a second language program. TD Bank approved a $3,056,250 direct purchase of an EDA issued tax-exempt bond (P43068) subject to the Authority providing a $1,018,250 direct loan. Proceeds will be used to purchase the building they have leased for the past eight years. Currently, the Company has 33 employees and plans to create two new positions over the next two years.
NJ Main Street Program:

1) Persian Area Rugs LLC (P43344), located in Piscataway, Middlesex County, was established in 2013 as a floor coverings company which offers area rugs for interior and exterior spaces throughout the entire home. The Company sells and distributes merchandise via its online subsidiary, Adorablerugs.com, and other popular websites. Provident Bank approved a $250,000 line of credit contingent upon a one year, 50% guarantee of principal outstanding, not to exceed $125,000. Proceeds will be used for working capital. Currently, the Company has 13 employees and plans to create five new jobs over the next two years. SSBCI funds will be utilized for this project.

2) Kovid, Inc. and Tetrus Corp. (P43389) are located in Princeton Borough, Mercer County. Kovid, Inc. is a newly formed entity that merged with Tetrus Holding Corporation Inc. & Subsidiary, and now serves as the parent company of Tetrus Corp. Tetrus Corporation provides information sharing and analysis products and services to Public Safety, Homeland Security, Justice and Corrections and other industries. Provident Bank approved a $300,000 line of credit contingent upon a one year, 50% guarantee of principal outstanding, not to exceed $150,000. Proceeds will be used for working capital purposes. The Company currently has 20 employees and plans to create 15 new jobs within the next two years.

Premier Lender Program:

1) 6 S. Holmdel Rd LLC and Gorsegner Brothers & Company, Inc. (P43403) are located in Holmdel Township, Monmouth County. 6 S. Holmdel Rd LLC is a real estate holding company formed to purchase the project property. The operating company, Gorsegner Brothers & Company, is a family-owned and operated installer of hardwood floors since 1951, serving both residential and commercial customers throughout Central NJ. Ocean First Bank approved a $432,000 commercial mortgage contingent upon a 16.67% ($72,000) Authority participation. Proceeds will be used to purchase commercial property to relocate from their current leased office/showroom in Atlantic Highlands. Currently, the Company has 28 employees and plans to create three new positions over the next two years. SSBCI funds will be utilized for this project.

NJ Main Street Program - Modification:

1) Patella Construction Corporation (P43482), located in Passaic City, Passaic County, was founded in 1987 as a fabricator of premium grade architectural woodwork for Fortune 500 firms, law practices, financial institutions, upscale restaurants and high end residences. Valley National Bank approved a renewal of a one-year, 50% Authority guarantee of principal outstanding, not to exceed $500,000 in a $1,000,000 line of credit. Proceeds will be used for working capital and soft costs. The Company plans to create 70 new positions within the next two years.
Stronger NJ Business Loan Program - Modification:

1) Sleepable Sofas Ltd. of New Jersey (P41450 & P41623), located in Moonachie Borough, Bergen County, was established in 1971 as a manufacturer of convertible sofas. On November 24, 2015, the Company was approved for a $450,000 working capital loan and a $50,000 forgivable loan. Superstorm Sandy destroyed all the Company’s raw materials and was shut down for eight months. To further assist them with their 2014 working capital needs, the Authority approved an increase in the working capital loan from $450,000 to $1,200,000. All other terms and conditions of the original approval remain unchanged.

Prepared by: G. Robins
/gvr
MEMORANDUM

TO: Members of the Authority

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

DATE: November 17, 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 third quarter ending on September 30, 2016:

**PUST:**
As of September 30th, remaining cash and unfunded appropriations net of commitments was $19.9 million available to support an estimated $28.3 million pipeline of projects, of which approximately $13.2 million are under review at EDA.

**HDSRF:**
As of September 30th, remaining cash and unfunded appropriations net of commitments was $24.4 million available to support an estimated $36.4 million pipeline of projects, of which approximately $8.5 million are under review at EDA.

 Prepared by: Wendy Wisniewski
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura, President and Chief Operating Officer

DATE: November 17, 2016

SUBJECT: Technology & Life Sciences - Delegated Authority Approvals for Q3 2016
For Informational Purposes Only

In the 3rd quarter of 2016, 31 investments totaling $1,568,286 in tax credits were approved. These approvals represent $20,682,876 in private investments in 13 unique technology and life science companies.

The following Angel Investor Tax Credit (ATC) applications were approved under delegated authority during the third quarter of 2016:

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<th>Investor</th>
<th>Technology Company</th>
<th>Investment amount</th>
<th>Tax Credit amount</th>
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</thead>
<tbody>
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<td>SIP Sungal BioVenture</td>
<td>Admera Health LLC</td>
<td>$1,000,000</td>
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<tr>
<td>Venture Capital Investment</td>
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<td></td>
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<tr>
<td>SIP Sungal BioVenture</td>
<td>Admera Health LLC</td>
<td>$3,000,000</td>
<td>$300,000</td>
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<td>Venture Capital Investment</td>
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<td>Charles W Simmons</td>
<td>Chromis Fiberoptics, Inc.</td>
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<td>JDA Partners Limited</td>
<td>Edge Therapeutics, Inc.</td>
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<td>Partnership</td>
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<td>electroCore LLC</td>
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<td>Chafetz Group LLC</td>
<td>Energy Technology Savings Inc.</td>
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<td>Hawthorne II Investment LP</td>
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<td>Thomas Malcolm McAVity</td>
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<td>Fortuna 303, LLC</td>
<td>Inspirit Group, LLC</td>
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<td>McHugh and Mazzatta</td>
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<td>Samuel L. Schatz</td>
<td>Just Greens, LLC</td>
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<td>John Habeck</td>
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* Denotes tax credit amount capped at $500,000 program limit

Prepared by:
Kathleen Coviello
Alec Tripodi