MEMORANDUM

TO: Members of the Authority
FROM: Timothy Sullivan
Chief Executive Officer
DATE: December 10, 2019
SUBJECT: Agenda for Board Meeting of the Authority December 10, 2019

Notice of Public Meeting

Roll Call

Approval of Previous Month’s Minutes

CEO’s Report to the Board

Authority Matters

Office of Economic Transformation

Incentive Programs

Bond Projects

Loans/Grants/Guarantees

Board Memorandums

Executive Session

Public Comment

Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

November 14, 2019

MINUTES OF THE MEETING

Members of the Authority present: Chairman Kevin Quinn, Paul Yuen for Commissioner Robert Asaro-Angelo of Department of Labor and Workforce Development; Jennifer Keyes—Maloney for State Treasurer Elizabeth Muoio; Jane Rosenblatt for Commissioner Catherine McCabe of the Department of Environmental Protection; Rich Mumford for Commissioner Marlene Caride of the Department of Banking and Insurance; Public Members: Charles Sarlo, Vice Chairman; Fred Dumont, and Louis Goetting.

Member present via conference call: Philip Alagia, Public Member.


Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Assistant Attorney General Gabriel Chacon; Stephanie Brown, Governor’s Authorities’ Unit; and staff.

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

Pursuant to the Internal Revenue Code of 1986, Mr. Sullivan 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, Mr. Sullivan announced that notice of this meeting has been sent to the Star Ledger and the Trenton Times at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State’s bulletin board.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the October 8, 2019 meeting minutes. A motion was made to approve the minutes by Mr. Quinn, and seconded by Mr. Dumont, and was approved by the 8 voting members present.

Mr. Goetting abstained from voting because he was absent.

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

ITEM: Brownfields Loan Program
REQUEST: Approve application scoring criteria and changes to program details
MOTION TO APPROVE: Ms. Rosenblatt SECOND: Mr. Sarlo AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: EPA Brownfield Revolving Loan Fund Grant Application
REQUEST: Authorize the CEO to execute a Grant Agreement and any other documents necessary to effectuate the grant, upon approval of the NJEDA’s grant application by US treasury
MOTION TO APPROVE: Ms. Rosenblatt SECOND: Mr. Yuen AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

ITEM: Recommendation for Grant Awards – NJ Opportunity Zone Challenge
REQUEST: Approve Opportunity Zone Challenge Program grants to Cumberland County, City of Hackensack, Borough of Flemington, City of Paterson and the City of Jersey City
MOTION TO APPROVE: Mr. Dumont SECOND: Mr. Yuen AYES: 7
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Mr. Sarlo abstained because he represents one of the awardees.

Mr. Goetting abstained because he is a consultant to some of the awardees.

ITEM: Microbusiness Loan Program – Public Bank Demonstration Project
REQUEST: To approve the Creation of the Microbusiness Loan Program and delegation to Authority Staff to approve individual applications.
MOTION TO APPROVE: Ms. Maloney SECOND: Mr. Dumont AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

ITEM: Recommendation for Contract Award for Board Governance Consulting Services
REQUEST: Staff recommends award of the six-month contract for Board Governance Consulting Services to Funston Advisory Services, LLC
MOTION TO APPROVE: Ms. Maloney SECOND: Mr. Dumont AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

OFFICE OF ECONOMIC TRANSFORMATION

ITEM: NJ CoVest Fund – Early Stage Technology Company Investment Program
REQUEST: Approve the NJ CoVest Fund updates so that the Program continues to meet the needs of the market
MOTION TO APPROVE: Mr. Dumont SECOND: Mr. Yuen AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
INCENTIVES

Economic Redevelopment and Growth (ERG) Grant Program

ITEM: Parking Authority of the City of Paterson
APPL.#00187728
REQUEST: To approve the application of Parking Authority of the City of Paterson for a project located in Paterson, Passaic County for the issuance of tax credits. The recommendation is to award 40% of total eligible costs, not to exceed $5,895,00, in tax credits, based on the budget submitted.

MOTION TO APPROVE: Mr. Dumont  SECOND: Mr. Goetting  AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

NJ Film and Digital Media Tax Credit Program

ITEM: Garden State Film and Digital Media Jobs Program
REQUEST: Approve the proposed readoption of specially adopted new rules and authorize staff to submit the proposal for promulgation in the New Jersey Register

MOTION TO APPROVE: Ms. Maloney  SECOND: Mr. Yuen  AYES: 8

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

Mr. Goetting recused himself because he represents the Motion Picture Association.

PROJECT: Universal Television, LLC
APPL.#00185323
MAX AMOUNT OF TAX CREDITS: $14,369,717
MOTION TO APPROVE: Ms. Maloney  SECOND: Mr. Alagia  AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Universal Television, LLC
APPL.#00187414
MAX AMOUNT OF TAX CREDITS: $11,213,965
MOTION TO APPROVE: Mr. Yuen  SECOND: Mr. Alagia  AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

BOND PROJECTS

Bond Resolution

APPL.#00187940
LOCATION: Elizabeth City, Union County
PROCEEDS FOR: Refunding balance of 2009 bond issuance
MOTION TO APPROVE: Mr. Mumford  SECOND: Mr. Dumont  AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
PROJECT: Princeton Montessori Society
LOCATION: Princeton Borough, Mercer County
PROCEEDS FOR: Refunding of two bonds
MOTION TO APPROVE: Mr. Quinn  SECOND: Mr. Goetting  AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

LOANS/GRANTS/GUARANTEES

Direct Loan

PROJECT: The Newgrange School of Princeton, Inc.
LOCATION: Hopewell Twp., Mercer County
PROCEEDS FOR: Acquisition of Property
FINANCING: $5,500,000 EDA Direct Loan in conjunction with a $3,500,000 First Bank Loan
MOTION TO APPROVE: Ms. Maloney  SECOND: Mr. Dumont  AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

Mr. Mumford recused himself because First Bank is regulated by the New Jersey Dept. of Banking & Insurance.

Hazardous Discharge Site Remediation Fund

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Ms. Rosenblatt  SECOND: Mr. Dumont  AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Lawrence Twp. (Pit Shop Service Station)
LOCATION: Lawrence Twp., Mercer County
PROCEEDS FOR: Remedial Investigation
FINANCING: $239,524

OFFICE OF RECOVERY

Energy Resilience Bank Program- Modification

ITEM: Bergen County Utilities Authority Resiliency Project Funding
REQUEST: Approve the use of the NJ Infrastructure Bank as an additional funding source due to a revised project budget.
MOTION TO APPROVE: Mr. Dumont  SECOND: Mr. Yuen  AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15
REAL ESTATE

ITEM: Milestone Rent Provisions for the NJ Bioscience Center Incubator at North Brunswick
REQUEST: Request to approve updates to the milestone program as well as updates to the related language in the incubator lease.
MOTION TO APPROVE: Ms. Maloney   SECOND: Mr. Dumont   AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Ms. Maloney left the meeting at this time.

ITEM: Bioscience Incubator participation in NJ Ignite
REQUEST: Approve the modified criteria for Bioscience Incubator participation in the NJ Ignite program under the amended criteria.
MOTION TO APPROVE: Mr. Mumford   SECOND: Mr. Dumont   AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

Ms. Maloney returned to the meeting at this time.

ITEM: Fort Monmouth Economic Revitalization Authority (FMERA) Parcel F-1
REQUEST: To authorize the execution of the Second Amendment to the Agreement to Assign among the NJEDA, FMERA and RWJ Barnabas Health for a due diligence extension.
MOTION TO APPROVE: Mr. Dumont   SECOND: Ms. Maloney   AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Projects Approved Under Delegated Authority

Direct Loan Program:

PROJECT: 150 242 Fifth Avenue LLC (PROD-00187933)
LOCATION: Hawthorne Borough, Passaic County
PROCEEDS FOR: Purchase the project property and facilitate expansion
FINANCING: $1,249,600 EDA Direct Loan in conjunction with a $1,562,000 Cross River Bank Loan

Premier Lender Program:

PROJECT: DRB Property Management (PROD-00187920)
LOCATION: Pennsauken Twp., Camden County
PROCEEDS FOR: Purchase the project property
FINANCING: $1,305,000 Provident Bank loan with a $652,000 EDA participation
PROJECT: Hope Academy Charter School, Inc. (PROD-00187745)
LOCATION: Asbury Park, Monmouth County
PROCEEDS FOR: Purchase the project property and facilitate expansion
FINANCING: $890,000 TD Bank N.A. loan with a $180,000 EDA participation

FOR INFORMATION ONLY: Incentives Modifications Delegated Authority Approvals – 3rd Quarter 2019

FOR INFORMATION ONLY: Post Closing Credit Delegated Authority Approvals – 3rd Quarter 2019

FOR INFORMATION ONLY: Technology and Life Sciences Delegated Authority Approvals – 3rd Quarter 2019

PUBLIC COMMENT

Rosemari Hicks, CoWork Street, Inc., Camden, NJ, addressed the board to share her perspective on the Microbusiness Loan and the NJ Ignite programs.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to receive attorney-client advice regarding ongoing legal inquiries.

MOTION TO APPROVE: Mr. Quinn        SECOND: Mr. Mumford        AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

The Board returned to Public Session.

The next item of business was the approval of the amended April 9, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Mr. Alagia, and was approved by the 7 voting members present.

Chairman Quinn abstained because he was not a member of the Board at the time.

Ms. Rosenblatt abstained because she was not a designee.

The next item of business was the approval of the May 14, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Ms. Maloney, and was approved by the 8 voting members present.

Ms. Rosenblatt abstained because she was not a designee.
The next item of business was the approval of the June 11, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Yuen, and seconded by Mr. Alagia, and was approved by the 7 voting members present.

*Ms. Rosenblatt abstained because she was not a designee.*

*Mr. Sarlo abstained because he was absent.*

The next item of business was the approval of the July 16, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Ms. Maloney, and was approved by the 7 voting members present.

*Ms. Rosenblatt abstained because she was not a designee.*

*Mr. Alagia abstained because he was absent.*

The next item of business was the approval of the August 13, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Mr. Yuen, and was approved by the 7 voting members present.

*Ms. Rosenblatt abstained because she was not a designee.*

*Mr. Goetting abstained because he was absent.*

The next item of business was the approval of the September 12, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Mr. Yuen, and was approved by the 8 voting members present.

*Mr. Goetting abstained because he was absent.*

The next item of business was the approval of the October 8, 2019 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Mr. Yuen, and was approved by the 8 voting members present.

*Mr. Goetting abstained because he was not present for the call.*
There being no further business, on a motion by Mr. Dumont, and seconded by Mr. Yuen, the meeting was adjourned at 11:39am.

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

[Signature]

Patience Purdy, Program Manager
Marketing & Stakeholder Outreach
Assistant Secretary
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan

DATE: December 10, 2019

RE: Monthly Report to the Board

INVESTING IN PEOPLE

The Co-Co Collaborative LLC is a co-working space in Summit that exemplifies Governor Murphy’s vision for investing in people by offering coworking and colearning space for women entrepreneurs and solopreneurs. I recently visited the Co-Co, which has been approved to participate in the NJEDA’s NJ Ignite Program. The program provides up to nine months of rent support for startup technology and life sciences businesses that are moving into a collaborative workspace such as an incubator, an accelerator, or a coworking space.

The Co-Co opened its doors in 2019, and currently has 175 members, including a life sciences attorney, a technology marketer and investor in several startups, a computer analyst at a customer relationship management company, an employee working remotely for a major pharmaceutical company, and several independent consultants. In addition to office space and networking opportunities, the co-working space also serves as a co-learning space, hosting six to eight events per month.

INVESTING IN COMMUNITIES

NJEDA joined the New Jersey Department of Environmental Protection (NJDEP) Commissioner Catherine R. McCabe and Paterson Mayor Andre Sayegh at the Great Falls Visitor Center last week to launch the Community Collaborative Initiative (CCI) program in Paterson. The CCI program embeds NJDEP staff at the ground-level within communities, where they use their expertise to help local leaders address environmental concerns effectively and appropriately. The NJEDA recently partnered with the NJDEP to expand the program into five new communities, including Paterson. The CCI representative in Paterson will help City leadership overcome complex obstacles and open pathways to successful remediation and redevelopment of contaminated sites, including the Allied Textile Printing (ATP) site and Hinchcliffe Stadium.

Environmental remediation was also in the spotlight in this month’s edition of the NJEDA’s ECONversations podcast. The November episode featured NJEDA Senior Brownfields Advisor Elizabeth Limbrick discussing the NJEDA’s enhanced brownfields loan program, the proposed brownfields tax credit, and other efforts to support contaminated site revitalization. EConversations is hosted by NJEDA Senior Vice President, Policy and Communications Tai Cooper. Listen to the latest episode and all our past episodes here https://podcasts.apple.com/us/podcast/econversations-episode-5-elizabeth-limbrick/id1479092247?i=1000457572804. Don’t forget to subscribe!

MAKING NEW JERSEY THE STATE OF INNOVATION

Early in November the NJEDA connected more than two dozen New Jersey entrepreneurs with investors from around the Mid-Atlantic region during its latest New Jersey Founders & Funders event at Princeton Innovation
Center Biolabs (PICb). PICb is also one of 17 incubators, accelerators, and coworking spaces participating in the NJEDA’s NJ Ignite Program.

New Jersey Founders & Funders enables early-stage New Jersey technology and life sciences companies to meet potential investors in 10-minute, one-on-one “speed dating” sessions to discuss strategy, business models, and funding opportunities. These events provide an excellent opportunity for the investor community to see the exciting pipeline of up-and-coming companies in the Garden State and serve as an important reminder of why we continue to work with our partners in the public and private sectors to bring investment dollars to New Jersey technology and life sciences businesses.

NJEDA staff recently visited one successful New Jersey life sciences company, Onkos Surgical, at the company’s headquarters in Parsippany. Onkos takes advantage of New Jersey’s highly-skilled talent pool and robust innovation ecosystem to pioneer new treatments for some of the most difficult to treat cancers. During the visit, we learned how the company is pioneering innovation to deliver patient-specific solutions, including 3D printed offerings. This work has made it possible for surgeons to complete procedures that used to require amputations or the installation of clunky implants with virtually no long-term effects.

Although Onkos now has more than 40 employees, when the company launched in October 2015 it was only seven people. During this early stage, Onkos attracted nearly $1 million in investments through New Jersey’s Angel Investor Tax Credit Program. Over the summer, Governor Murphy signed legislation expanding the New Jersey Angel Investor Tax Credit, increasing the amount of tax credits investors can receive for investments into early-stage companies in the Garden State. Under the expanded program, there will also be a bonus for investors that infuse funding into minority- or women-owned businesses. These enhancements to the program take effect for investments made after January 1, 2020.

Creating the most diverse innovation ecosystem in the nation and doubling venture capital investment in New Jersey by 2025 is one of the key goals of Governor Murphy’s economic development strategic plan. As indicated in the Governor’s plan, New Jersey’s business environment has historically proven challenging for entrepreneurs and small businesses to navigate. Today you will learn about our plan to create NJ Boost, a pilot program which will equip early-stage New Jersey-based entrepreneurs, and those considering starting a business, with the knowledge, tools, and skills necessary to grow innovative businesses, hire local employees, and contribute to the development of New Jersey’s innovation ecosystem. Through this pilot program the NJEDA will procure and contract with a vendor to establish and launch a series of eight events, beginning in 2020, that will bring together diverse entrepreneurs to rapidly build new businesses and skill sets. Events are expected to include activities such as: working in teams to create business plans, build prototypes, and pitch ideas, learning foundational business and entrepreneurial principles and skills, understanding the customer development process, and receiving tailored guidance on the development of businesses from experienced advisors. The information and tools gained from completion of these events are expected to encourage entrepreneurship in various key sectors, while helping to reduce the failure rates for early stage companies.

MAKING GOVERNMENT EASIER TO DO BUSINESS WITH

Representatives from the NJEDA visited Tavarez Distributors, LLC in Passaic to showcase the impact of NJEDA resources on small businesses. Tavarez provides wholesale and retail grocery services, with a particular focus on Dominican products. The company recently used the NJEDA’s Small Business Lease Assistance Program, to expand its footprint from a 7,000-square-foot facility on Market Street in Passaic to a 12,000-square-foot facility at 100 8th Street. The new location includes a larger refrigeration unit and more space for stock.

The Small Business Lease Assistance Program reimburses small businesses a portion of annual lease payments for new or additional leased space in designated commercial corridors. In addition to Passaic, businesses in Atlantic City, Bridgeton, Camden, Jersey City, Millville, Mt. Holly, Paterson, Phillipsburg, Plainfield, Salem, Trenton, and Vineland may be eligible for assistance through the program.
The NJEDA recently added a new feature to our website. The “Economist’s Corner” will delve into economic data, policies, and issues impacting New Jersey’s economy. Through bi-monthly blog posts, the Economist’s Corner will provide accessible, in-depth data analysis for non-economists interested understanding what’s happening in the Garden State. The Economist’s Corner is curated by the NJEDA’s Chief Economist Richard Kasmin. The first post, entitled The Impact of Small Business on the New Jersey Economy, is available here www.njeda.com/EconomistCorner.

NJEDA FORMALIZES PROCEDURE FOR SUBMITTING COMPLAINTS

As part of its overall efforts to ensure proper oversight and transparency, the NJEDA recently created a new Standard Operating Procedure to handle both internal and external complaints. A dedicated phone line with voicemail, a generic email address, and a web-based intake form for complaints have been established, which will allow people to log complaints anonymously. We designed these resources in a way that demonstrates the NJEDA’s commitment to confidentiality throughout the process. Complaints will be logged, tracked, and followed up on until we achieve a final resolution. NJEDA employees are protected against retaliation through the Conscientious Employee Protection Act of 1986 (aka “Whistleblower” Act). The new process will also include quarterly reports to the Audit Committee, which has historically had oversight of the complaints process.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

NJEDA representatives participated as speakers, attendees, sponsors, or exhibitors at a record 73 events in November, including 29 speaking roles and 12 informational exhibits. This included an Opportunity Zone panel at the League of Municipalities, a sports betting conference and investor summit, a PSE&G Power Lunch, and a Small Business Resources event in Passaic.
To: Members of the Authority

From: Tim Sullivan, Chief Executive Officer

Date: December 10, 2019

Subject: FY 2020 Fiscal Plan

Enclosed for your review and consideration is the proposed FY20 Fiscal Plan. It is the result of a collaborative effort by senior management and staff. Collectively, we believe our discussions have yielded a fiscally responsible plan which will support the Authority’s continued evolution into a comprehensive development agency and best position the organization to support the four strategic priorities of the statewide economic development plan, including investing in people, investing in communities, making New Jersey the State of Innovation, and making government work better to improve the State’s competitiveness and business climate.

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

The proposed 2020 Fiscal Plan represents an investment year, of sorts, in terms of staffing up for exciting, new initiatives; and, at the same time, a transition year, as older programs have expired, and new ones are anticipated. Taking into consideration the Authority’s ongoing organizational transformation, as well as the Murphy Administration’s prioritized initiatives, we are projecting total revenue to surpass 2019 Plan by approximately 3%. Relative to administrative expenses, the Authority is committed to accomplishing its strategic objectives and alignment with the statewide economic development plan in the most efficient manner possible. This includes the continued build out of new divisions of the Authority, including the Office of Economic Transformation, Strategic Initiatives & Operations, and Portfolio Management and Compliance. To that end, EDA core headcount will reflect an increase from 196 projected for FY19 to 221 for FY20, including recruiting for positions related to the implementation of new projects and initiatives, and specific programmatic activity.

The FY 20 Plan is presented with a planned deficit of $3.75 million which, although highly unusual for the Authority, can be supported by 2019 NOE expected to exceed $12 million due to the success of Authority venture fund investments in the current year. While legacy financing program activity continues to taper from the high volume received in recent years, it will still provide an important revenue source in 2020. Other significant revenue categories include real estate development fees related to the Authority’s work in connection with the replacement of
the State’s Health/Agriculture and Taxation buildings, and important new initiatives related to the State’s participation in the regional greenhouse gas initiative, as well as new Authority efforts such as Offshore Wind and NJ Forward tax credit programs.

Also reflected are the following benefit expense items:

- The EDA contribution to PERS is based on billing information from the Division of Pensions. Any amount that can be attributable to dedicated Office of Recovery staff will be sought as a reimbursable fringe item;
- Estimated post-employment benefit of $2,000,000 is actuarially established per governmental accounting standards;
- Health insurance premiums reflect a decrease of 3-5% below 2019, depending on plan and level of coverage selected, as the State consolidated certain plan options to achieve savings. Approx 30% of total premiums are expected to be paid by employees, enabling the Authority to recapture nearly $1,000,000 of this cost.

Program Costs represent expenditures that align with specific programs, projects, and initiatives. At $11,572,000, the FY20 Plan provides an increase over FY19 Plan, and is attributable largely to new initiatives within the Office of Economic Transformation, including those related to technology, life sciences and advanced manufacturing, as well as the Incubator Funding Competition (NJ Ignite), and the Innovation Challenge, while continuing important incentive program audits and providing for necessary outreach expenditures. At the same time, there are external counsel costs related to the ongoing state Task Force, which should be short-term in duration. Other costs such as property & liability insurance premiums, legal representation through the Division of Law, and asset management expenditures are generally consistent with the prior year Plan.

Consistent with prior years, the Plan also includes cash transactional items that may or may not be reimbursable; do not represent costs and expenses related specifically to current year production; or may not be within the scope of what the Authority typically does. These items are presented below the NOE for informational purposes. Included here are the reimbursable personnel expenses related to administration of both Fort Monmouth and Office of Recovery activity (which comprise 10 and 13 budgeted staff positions, respectively, resulting in an aggregate expected headcount of 249). Also reflected here are long-term projects such as the ERP software upgrade, New Jersey Bioscience Center re-design and pre-development costs associated with the Myer Center property at Fort Monmouth.

The compilation of the 2020 Fiscal Plan has been a collective process that interrelates with and supports the Authority’s key strategic imperatives. At its meeting of November 22nd, the Plan was reviewed by the Audit Committee which concurred it is fiscally responsible and supports the Authority’s mission; accordingly, the Board’s approval is requested.

Prepared by:

Richard LoCascio, CPA
Controller
## NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

### 2020 FISCAL PLAN

#### Operating Revenue:

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing Fees</td>
<td>$10,185,000</td>
<td>$6,619,500</td>
<td>($3,565,500)</td>
<td>-25%</td>
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<td>Lease Revenue</td>
<td>7,259,000</td>
<td>7,679,600</td>
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<td>Interest from Notes</td>
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<td>4,706,000</td>
<td>206,000</td>
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<td>Agency Fees</td>
<td>548,000</td>
<td>544,600</td>
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<td>Program Services</td>
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<td>4,137,200</td>
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<td>Venture Fund Distributions/Warrants</td>
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<td>20,044,100</td>
<td>17,394,100</td>
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<td>Real Estate Development Fees</td>
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<tr>
<td>Sale of Assets</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Late Fees and Other</td>
<td>100,000</td>
<td>80,000</td>
<td>(20,000)</td>
<td>-20%</td>
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<tr>
<td>Total Operating Revenue</td>
<td>32,954,000</td>
<td>45,998,200</td>
<td>13,044,200</td>
<td>35.9%</td>
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#### Non Operating Revenue:

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<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
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</thead>
<tbody>
<tr>
<td>Interest from Cash Investments</td>
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<td></td>
<td></td>
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<tr>
<td>Total Non Operating Revenue</td>
<td>6,600,000</td>
<td>6,593,000</td>
<td>(7,000)</td>
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#### Total Revenue

<table>
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<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>39,554,000</td>
<td>52,551,200</td>
<td>12,997,200</td>
<td>32.9%</td>
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#### Administrative Expenses

<table>
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<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel and Benefits</td>
<td>26,304,000</td>
<td>24,293,000</td>
<td>(1,911,000)</td>
<td>-7.2%</td>
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<td>General and Administrative</td>
<td>4,880,000</td>
<td>4,522,800</td>
<td>(357,200)</td>
<td>-7.3%</td>
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<td>Total Administrative Expenses</td>
<td>31,184,000</td>
<td>28,815,800</td>
<td>(2,368,200)</td>
<td>-7.9%</td>
</tr>
</tbody>
</table>

#### Program Costs

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Assets Sold Program</td>
<td>8,470,000</td>
<td>16,654,100</td>
<td>2,184,100</td>
<td>26.3%</td>
</tr>
<tr>
<td>Total Costs</td>
<td>8,470,000</td>
<td>16,654,100</td>
<td>2,184,100</td>
<td>25.8%</td>
</tr>
</tbody>
</table>

#### Total Expenses & Costs

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>39,554,000</td>
<td>39,660,000</td>
<td>(84,100)</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

#### Net Operating Earnings

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$13,381,300</td>
<td>$13,081,300</td>
<td>($29,900)</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

#### CASH TRANSACTIONAL ITEMS

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FMERO Staff Reimbursement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss recoveries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Administrative Expenses         |                  |             |                |            |

| Program Costs                  |                  |             |                |            |

| Total Expenses & Costs         |                  |             |                |            |

#### Net Cash Transactional Items

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Fiscal Plan</th>
<th>2019 Actual</th>
<th>Over/(Under) %</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($5,338,000)</td>
<td>($4,087,500)</td>
<td>($1,250,500)</td>
<td>-23.4%</td>
</tr>
</tbody>
</table>

*Note: Reimbursement due for Core EDA staff devoting time to OR activity is reflected as an increase to net assets upon receipt, as is full reimbursement for dedicated OR personnel & benefits.
<table>
<thead>
<tr>
<th>Financing Fees</th>
<th>2019 Fiscal Plan</th>
<th>2019 Projected</th>
<th>2019 Actual</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Closing Fees-Private</td>
<td>450,000</td>
<td>450,000</td>
<td>450,000</td>
<td>0%</td>
</tr>
<tr>
<td>Bond Closing Fees-State</td>
<td>300,000</td>
<td>150,000</td>
<td>300,000</td>
<td>0%</td>
</tr>
<tr>
<td>Bond refunding Fees-Private</td>
<td>100,000</td>
<td>254,000</td>
<td>154,000</td>
<td>-35%</td>
</tr>
<tr>
<td>Bond refunding Fees-State</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>0%</td>
</tr>
<tr>
<td>Commitment Fees Credit</td>
<td>193,000</td>
<td>110,000</td>
<td>240,000</td>
<td>110%</td>
</tr>
<tr>
<td>Loan Closing Fees Credit</td>
<td>70,000</td>
<td>60,000</td>
<td>150,000</td>
<td>150%</td>
</tr>
<tr>
<td>Guarantee Closing Fees</td>
<td>5,000</td>
<td>(5,000)</td>
<td>5,000</td>
<td>0%</td>
</tr>
<tr>
<td>Commitment Fees ERGG</td>
<td>328,000</td>
<td>193,700</td>
<td>400,000</td>
<td>0%</td>
</tr>
<tr>
<td>Closing Fees ERGG</td>
<td>985,000</td>
<td>392,600</td>
<td>350,000</td>
<td>-10%</td>
</tr>
<tr>
<td>Aspire Tax Credit Approval Fees</td>
<td>100,000</td>
<td>100,000</td>
<td>150,000</td>
<td>50%</td>
</tr>
<tr>
<td>Angel Tax Credit Approval Fees</td>
<td>223,000</td>
<td>200,000</td>
<td>350,000</td>
<td>0%</td>
</tr>
<tr>
<td>Evergreen</td>
<td>250,000</td>
<td>(250,000)</td>
<td>90,000</td>
<td>-63%</td>
</tr>
<tr>
<td>Film Tax Credit Issuance Fees</td>
<td>50,000</td>
<td>(50,000)</td>
<td>511,000</td>
<td>1022%</td>
</tr>
<tr>
<td>GROW NJ Approval Fees</td>
<td>1,829,000</td>
<td>812,000</td>
<td>900,000</td>
<td>-15%</td>
</tr>
<tr>
<td>GROW NJ Issuance Fees</td>
<td>3,772,000</td>
<td>2,637,200</td>
<td>2,841,000</td>
<td>7%</td>
</tr>
<tr>
<td>Hub Tax Credit Issuance Fees</td>
<td>268,000</td>
<td>(268,000)</td>
<td>28,600</td>
<td>-85%</td>
</tr>
<tr>
<td>Modification Fees</td>
<td>450,000</td>
<td>300,000</td>
<td>406,000</td>
<td>35%</td>
</tr>
<tr>
<td>NJ Forward Tax Credit Approval Fees</td>
<td>500,000</td>
<td>(500,000)</td>
<td>350,000</td>
<td>-30%</td>
</tr>
<tr>
<td>Offshore Wind Approval Fees</td>
<td>300,000</td>
<td>(300,000)</td>
<td>340,000</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>50,000</td>
<td>50,000</td>
<td>80,000</td>
<td>60%</td>
</tr>
</tbody>
</table>

| Total Financing Fees                               | 10,185,000       | 6,619,500      | 8,190,000   | -19.6%     |

| Lease Revenue                                      |                  |                |             |            |
| NY Daily News                                      | 119,000          | 119,000        | 119,000     | 0%         |
| Biotech Development Center                         | 574,000          | 851,000        | 951,000     | 11%        |
| Camden Amphitheater Office                         | 12,000           | 12,000         | 11,000      | -9%        |
| Commercialization Center                           | 834,000          | 917,300        | 859,000     | -6%        |
| SPF-Philadelphia 76ers                             | 28,000           | 28,600         | 31,000      | 9%         |
| Technology Centre of NJ                            | 5,704,000        | 5,751,800      | 6,097,000   | 6%         |

| Total Lease Revenue                                | 7,259,000        | 7,699,600      | 8,065,000   | 11.1%      |

| Agency Fees                                        |                  |                |             |            |
| Board of Public Utilities Clean Energy             | 97,000           | 93,800         | 94,000      | 0%         |
| Historic Trust Fund                                | 1,000            | (200)          | 1,000       | -100%      |
| NJ Local Development Financing Fund                | 450,000          | 450,000        | 450,000     | 0%         |

| Total Agency Fees                                  | 548,000          | 544,000        | 541,000     | -1.3%      |

| Program Services                                   |                  |                |             |            |
| BEIS/Service Fees                                  | 861,000          | 861,100        | 1,034,000   | 20%        |
| BRRAG/Service/Transfer Fees                        | 164,000          | 166,100        | 160,000     | -4%        |
| ERGG/Service/Transfer Fees                         | 140,000          | 162,500        | 145,000     | -11%       |
| Grow/Service/Transfer Fees                         | 3,300,000        | 2,837,500      | 4,173,000   | 59%        |
| HUB Annual Review/Tax Transfer Fees                | 92,000           | 97,500         | 95,000      | -2%        |
| Regional Greenhouse Gas Initiative (RGGI)          |                  |                | 1,930,000   |            |
| STX Annual Review Fee                              | 12,000           | 12,000         | 12,000      | 0%         |
| Municipal Economic Recovery Initiative             |                  |                | 100,000     | 100%       |

| Total Program Services                             | 4,559,000        | 4,137,200      | 7,035,000   | 65.3%      |

| Venture Fund Distributions/Warrants                |                  |                |             |            |
| Edison VI, VII, & VIII                             | 193,100          | 195,100        | 204,000     | 5%         |
| NewSpring Health                                   | 100,000          | 12,395,900     | 326,000     | 326%       |
| NJ Tech Council                                    | 2,350,000        | 7,214,900      | 4,864,900   | -35%       |
| Osage                                              |                  |                | 345,000     | 345,000    |
| Equity Sale/Warrant Income                         | 200,000          | 138,200        | 345,000     | 345,000    |

| Total Distributions/Warrants                       | 2,650,000        | 20,044,100     | 1,025,900   | -51.3%     |

| Real Estate Development and Mgt Fees              |                  |                |             |            |
| Development Fees                                  | 50,000           | 52,700         | 43,000      | -20%       |
| Department of Health Building                     | 1,384,000        | 838,700        | 1,480,000   | 11%        |
| Division of Taxation Building                     | 724,000          | 539,300        | 1,883,000   | 167%       |
| Parcel F-1 ROI/RWI                                 | 332,000          | (332,000)      | 306,000     | -9%        |

| Total Development Fees                             | 2,490,000        | 1,450,700      | 3,719,000   | 49.4%      |

| Management Fees                                    |                  |                |             |            |
| Aquarium                                           | 600,000          | 626,000        | 600,000     | 0%         |
| Bio-Medical Administrative Fee                     | 15,000           | 22,500         | 7,500       | -65%       |
| State Office Buildings                             | 48,000           | 48,000         | 48,000      | 0%         |

| Total Management Fees                              | 663,000          | 696,500        | 648,000     | -5.3%      |

| Total RE Development & Mgt Fees                    | 3,153,000        | 2,147,200      | 4,257,000   | 38.5%      |
### NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

#### 2020 Fiscal Plan

**Administrative Expenses**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salary Expense</strong></td>
<td>$17,902,000</td>
<td>$16,533,000</td>
<td>($1,369,000)</td>
<td></td>
<td>-7.6%</td>
<td>$19,912,000</td>
<td>11.2%</td>
</tr>
<tr>
<td><strong>Fringe Benefits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Security</td>
<td>1,314,000</td>
<td>1,119,700</td>
<td>(194,300)</td>
<td></td>
<td>-15%</td>
<td>1,482,000</td>
<td></td>
</tr>
<tr>
<td>Pension Cost</td>
<td>2,001,000</td>
<td>2,100,000</td>
<td>99,000</td>
<td></td>
<td>4.9%</td>
<td>2,011,000</td>
<td></td>
</tr>
<tr>
<td>Non-health related Ins.</td>
<td>272,000</td>
<td>224,800</td>
<td>(47,200)</td>
<td></td>
<td>-17%</td>
<td>280,000</td>
<td></td>
</tr>
<tr>
<td>Health Insurance</td>
<td>3,130,000</td>
<td>2,755,000</td>
<td>(375,000)</td>
<td></td>
<td>-12%</td>
<td>3,270,000</td>
<td></td>
</tr>
<tr>
<td>Less: Employee Contribution</td>
<td>(950,000)</td>
<td>(881,600)</td>
<td>68,400</td>
<td></td>
<td>7.3%</td>
<td>(981,000)</td>
<td></td>
</tr>
<tr>
<td>Post-employment benefits obligation</td>
<td>1,726,000</td>
<td>1,736,000</td>
<td>10,000</td>
<td></td>
<td>0.6%</td>
<td>1,917,000</td>
<td></td>
</tr>
<tr>
<td>Prescription Ins.</td>
<td>632,000</td>
<td>544,600</td>
<td>(87,400)</td>
<td></td>
<td>-14%</td>
<td>666,000</td>
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</tr>
<tr>
<td>Dental Care Ins.</td>
<td>157,000</td>
<td>146,200</td>
<td>(10,800)</td>
<td></td>
<td>-7%</td>
<td>212,000</td>
<td></td>
</tr>
<tr>
<td>Vision Care</td>
<td>30,000</td>
<td>25,200</td>
<td>(4,800)</td>
<td></td>
<td>-16%</td>
<td>30,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Fringe Benefits</strong></td>
<td>8,302,000</td>
<td>7,769,000</td>
<td>(542,000)</td>
<td></td>
<td>-7.2%</td>
<td>8,897,000</td>
<td>7.2%</td>
</tr>
<tr>
<td><strong>Total Personnel and Fringe</strong></td>
<td>$26,204,000</td>
<td>$24,293,000</td>
<td>($1,911,000)</td>
<td></td>
<td>-7.3%</td>
<td>$28,089,000</td>
<td>9.9%</td>
</tr>
<tr>
<td>Total Salaried Employees</td>
<td>210</td>
<td>196</td>
<td>(14)</td>
<td></td>
<td></td>
<td>221</td>
<td>5.2%</td>
</tr>
</tbody>
</table>
# NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
## 2020 Fiscal Plan
### Administrative Expenses

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-time Employees</td>
<td>$60,000</td>
<td>$75,000</td>
<td>$75,000</td>
<td>$75,000</td>
<td>-50%</td>
<td>75,000</td>
<td>26.1%</td>
</tr>
<tr>
<td>Temporary Agencies</td>
<td>$25,000</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$20,000</td>
<td>-25%</td>
<td>20,000</td>
<td>0%</td>
</tr>
<tr>
<td>Publications &amp; Subscriptions</td>
<td>$10,000</td>
<td>$7,300</td>
<td>$7,000</td>
<td>$7,000</td>
<td>-50%</td>
<td>7,000</td>
<td>0%</td>
</tr>
<tr>
<td>Automobile</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>-0%</td>
<td>10,000</td>
<td>5.0%</td>
</tr>
<tr>
<td>Local Travel &amp; Meetings</td>
<td>$40,000</td>
<td>$40,000</td>
<td>$40,000</td>
<td>$40,000</td>
<td>-0%</td>
<td>40,000</td>
<td>0%</td>
</tr>
<tr>
<td>Affirmative Action Monitoring</td>
<td>$4,000</td>
<td>$4,000</td>
<td>$4,000</td>
<td>$4,000</td>
<td>-0%</td>
<td>4,000</td>
<td>0%</td>
</tr>
<tr>
<td>Conference</td>
<td>$40,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
<td>-0%</td>
<td>50,000</td>
<td>0%</td>
</tr>
<tr>
<td>Professional Training/Development</td>
<td>$160,000</td>
<td>$168,500</td>
<td>$168,500</td>
<td>$168,500</td>
<td>-0%</td>
<td>168,500</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTAL PERSONNEL RELATED</strong></td>
<td>$402,000</td>
<td>$398,100</td>
<td>$398,100</td>
<td>$398,100</td>
<td>-1.0%</td>
<td>398,100</td>
<td>-26.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Services</th>
<th>2019</th>
<th>2020</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Audit</td>
<td>$190,000</td>
<td>$237,300</td>
<td>225,000</td>
</tr>
<tr>
<td>Actuarial Assessment</td>
<td>$14,000</td>
<td>$4,000</td>
<td>$18,000</td>
</tr>
<tr>
<td>HR Consultation</td>
<td>$90,000</td>
<td>$106,500</td>
<td>$20,000</td>
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<tr>
<td>Governor's Authorities Unit Assessment</td>
<td>$34,000</td>
<td>$33,600</td>
<td>$34,000</td>
</tr>
<tr>
<td><strong>TOTAL CONTRACT SERVICES</strong></td>
<td>$297,000</td>
<td>$381,400</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Information Systems</th>
<th>2019</th>
<th>2020</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Maintenance</td>
<td>$179,000</td>
<td>$187,500</td>
<td>$159,000</td>
</tr>
<tr>
<td>System Software</td>
<td>$553,000</td>
<td>$511,700</td>
<td>$514,000</td>
</tr>
<tr>
<td>System Hardware</td>
<td>$208,000</td>
<td>$207,000</td>
<td>$133,000</td>
</tr>
<tr>
<td>CRMS</td>
<td>$200,000</td>
<td>$187,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Online Subscriptions</td>
<td>$120,000</td>
<td>$165,000</td>
<td>$125,000</td>
</tr>
<tr>
<td>Communications</td>
<td>$296,000</td>
<td>$213,500</td>
<td>$331,000</td>
</tr>
<tr>
<td>External Services Providers</td>
<td>$74,000</td>
<td>$74,000</td>
<td>$74,000</td>
</tr>
<tr>
<td><strong>TOTAL INFORMATION SYSTEMS</strong></td>
<td>$1,630,000</td>
<td>$1,545,700</td>
<td>-5.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Office Operations</th>
<th>2019</th>
<th>2020</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities</td>
<td>$292,000</td>
<td>$291,200</td>
<td>$311,000</td>
</tr>
<tr>
<td>Postage &amp; Delivery</td>
<td>$23,000</td>
<td>$17,000</td>
<td>$17,000</td>
</tr>
<tr>
<td>Rent</td>
<td>$300,000</td>
<td>$112,500</td>
<td>$431,000</td>
</tr>
<tr>
<td>Insurance-liability &amp; property</td>
<td>$235,000</td>
<td>$262,100</td>
<td>$262,000</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>$14,000</td>
<td>$14,000</td>
<td>$19,000</td>
</tr>
<tr>
<td>Furniture/Equipment lease/purchase</td>
<td>$745,000</td>
<td>$613,800</td>
<td>$127,000</td>
</tr>
<tr>
<td>Stationary &amp; Supplies</td>
<td>$55,000</td>
<td>$41,200</td>
<td>$47,000</td>
</tr>
<tr>
<td><strong>TOTAL OFFICE OPERATIONS</strong></td>
<td>$1,698,000</td>
<td>$1,452,600</td>
<td>-15.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building Management</th>
<th>2019</th>
<th>2020</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Management</td>
<td>$120,000</td>
<td>$119,700</td>
<td>$123,000</td>
</tr>
<tr>
<td>Building Security Guard</td>
<td>$136,000</td>
<td>$132,600</td>
<td>$142,000</td>
</tr>
<tr>
<td>Janitorial</td>
<td>$138,000</td>
<td>$132,500</td>
<td>$142,000</td>
</tr>
<tr>
<td>TransPilot</td>
<td>$63,000</td>
<td>$62,400</td>
<td>$64,000</td>
</tr>
<tr>
<td>Grounds</td>
<td>$90,000</td>
<td>$45,300</td>
<td>$60,000</td>
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<tr>
<td>Parking Lot</td>
<td>$54,000</td>
<td>$41,000</td>
<td>$94,000</td>
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<tr>
<td>Mechanical Maintenance</td>
<td>$164,000</td>
<td>$190,800</td>
<td>$219,000</td>
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<td><strong>TOTAL BUILDING MANAGEMENT</strong></td>
<td>$765,000</td>
<td>$724,300</td>
<td>-5.3%</td>
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<table>
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<tr>
<th>General</th>
<th>2019</th>
<th>2020</th>
<th>% Variance</th>
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<tr>
<td>57,000</td>
<td>40,500</td>
<td>58,000</td>
<td>18%</td>
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<tr>
<td><strong>TOTAL GEN'L &amp; ADMIN. EXPENSE</strong></td>
<td>$4,880,000</td>
<td>$4,522,800</td>
<td>-7.3%</td>
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| Total Administrative (Excl FMOR) | $31,084,000 | $28,815,800 | -7.3% |

*December 10, 2019 Board Book - Authority Matters*
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2020 FISCAL PLAN

Program Cost Detail

|------------------|---------------------|-------------------------|------------|-----------------|-------------------|

**Asset Management**

- Environmental Fees: $10,000 ($10,000)
- Maintenance and Repair: $1,444,700 (355,300) $1,861,000
- Property Management: $224,900 (61,100) $226,000
- Taxes and PILOT: $1,156,400 20,400 $1,210,000
- Tenant Billing System: 9,100 $9,000
- Furniture/Fixtures/Equip - Biotech Dev Center: $985,000 1,114,300 129,300 $1,146,000

**Total Asset Management**: 4,226,000 3,948,400 (277,600) -6.6% 4,452,000 5.3%

**Outreach**

- Marketing: 325,000 100,000 (225,000) $200,000
- Events & Sponsorship: 110,000 182,000 72,000 $300,000
- Website Redevelopment: 40,000 10,000 (30,000) $50,000

**Total Outreach**: 475,000 292,000 (183,000) -38.5% 550,000 15.8%

**Consultation/Legal**

- Deputy AG Contracted Fees: 90,000 885,000 (15,000) $925,000
- Other Litigation (External/Special Counsel): 25,000 1,500,000 (1,475,000) $1,000,000
- IDMS Programming: 90,000 175,000 85,000 $175,000
- Camden Waterfront Survey: 20,000 20,000 $20,000
- Choose NJ: 150,000 150,000 $150,000
- DEP/CCI/Brownfield MOU: 642,300 642,300 $390,000
- DEP/Licensed Site Remediation: 15,000 6,800 (8,200) $10,000
- Environmental Consultants: 35,000 35,000 $35,000
- Guidepost: 250,000 250,000 $250,000
- Incentive Programs Audit: 100,000 100,000 $100,000
- Incubator Funding Competition (NJ Ignite): 300,000 20,000 (280,000) $100,000
- Innovation Challenge: 450,000 450,000 $450,000
- Innovation Challenge, Round II: 500,000 500,000 $500,000
- GSGZ/Small Bus. Incentives: 250,000 30,000 (220,000) $25,000
- Opportunity Zone Incentives: 500,000 500,000 $500,000
- Port Feasibility Study: 325,000 325,000 $325,000
- Small Business Pitch Competition: $100,000
- State Office Bldg/Other Feasibility Opportunities: $200,000
- Stranded Assets (Planning/Grants): 250,000 (250,000) $250,000
- NJBC/Space Planning/Feas/Soft Costs: 50,000 26,100 (23,900) $125,000
- NJBC/Tech Ctr Cogo (Engineering/Architect): 100,000 (100,000) $50,000
- Real Estate Advisory Services: 100,000 65,000 (35,000) $100,000
- Other Consulting/Feasibility: 50,000 50,000 $100,000
- OET-Specific Program Costs (see detail): $2,074,000

**Total Consultation/Legal**: 3,235,000 5,725,200 2,490,200 77.0% 5,939,000 83.3%

**Services**

- Appraisals of Collateral: 30,000 (30,000) $30,000
- Credit Reporting Services: 5,000 2,500 (2,500) 5,000
- Real Estate Finance Services: 114,000 336,000 222,000 $185,000

**Total Services**: 149,000 338,500 189,500 127.2% 220,000 47.7%

**Insurance**

- Property & Liability Insurance: 241,000 225,000 (16,000) $252,000

**Total Insurance**: 241,000 225,000 (16,000) -6.6% 252,000 4.6%

**Other**

- Caren Franzini Fellowship: 5,000 5,000 $5,000
- Debt Servicing: 32,500 26,500 (6,000) 26,500
- Filing Fees: 3,000 4,000 (1,000) 5,000
- Program Related Travel & Meetings: 46,500 42,000 (4,500) 70,000
- Office of International Trade: 30,000 10,000 (10,000) 12,500
- Searches-Titles, Leins, Property: 20,000 22,500 2,500 22,500
- Other: 15,000 15,000 $15,000

**Total Other**: 144,000 125,000 (19,000) -13.2% 160,000 17.4%

**Total Program Costs**: $91,157,000 5.6%

December 10, 2019 Board Book - Authority Matters
## New Jersey Economic Development Authority
### 2020 Fiscal Plan
#### Office of Economic Transformation
##### Consultant Related Program Costs and Related Initiatives

<table>
<thead>
<tr>
<th>Sector</th>
<th>Initiative</th>
<th>Estimate</th>
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<tbody>
<tr>
<td>Technology</td>
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<td></td>
<td>Fee Offset</td>
<td>($500,000)</td>
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<td></td>
<td>Research w NJ</td>
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<td>Innovation Technology Assistance</td>
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<td>Life Sciences</td>
<td>Cell/Gene Talent Pipeline</td>
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<td></td>
<td>Funding offset</td>
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<td></td>
<td>Hudson Co. Life Science Center</td>
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<td></td>
<td>Bio Business Academy</td>
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<td>Off-Shore Wind</td>
<td>Technical Capability Program</td>
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<td>Clean Energy</td>
<td>C-Pace</td>
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<td></td>
<td>RGGI Green Bank</td>
<td>1,000,000</td>
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<tr>
<td></td>
<td>RGGI Electric Vehicles</td>
<td>250,000</td>
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<td></td>
<td>RGGI Clen Tech Innovation</td>
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<td>Funding offset</td>
<td>(1,750,000)</td>
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<td>Transportation</td>
<td>Port Incubator Initiative</td>
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<td></td>
<td>Advanced Trans Challenge</td>
<td>250,000</td>
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<tr>
<td>Advanced Manufacturing</td>
<td>Manufacturing Academy Pilots</td>
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<tr>
<td></td>
<td>NJ Advanced Manufacturing Institute</td>
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<td>Financial/Professional Services</td>
<td>Cybersecurity Asset Map</td>
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<td></td>
<td>Cybersecurity Pilots</td>
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<td></td>
<td>Fintech &amp; Sports Betting Challenges</td>
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<tr>
<td><strong>Total OET Additional Costs:</strong></td>
<td></td>
<td><strong>$2,074,000</strong></td>
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TECHNOLOGY BUSINESS TAX CERTIFICATE
TRANSFER PROGRAM
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 10, 2019

SUBJECT: Technology Business Tax Certificate Transfer Program:
2019 Program Approvals

BACKGROUND

The Technology Business Tax Certificate Transfer (NOL) Program allows technology and biotechnology companies with fewer than 225 employees in the U.S. and with certain minimum number of full-time employees in the State to sell their net operating losses and/or research and development tax credits to profitable corporate entities. Proceeds from those sales are required to be re-invested in the seller’s business.

2019 PROGRAM CYCLE

This year marks the 21st anniversary of the Technology Business Tax Certificate Transfer (NOL) Program. Over the last two decades, over 540 unique companies have been awarded a total benefit amount of more than $1 billion. As in previous Program years, a benefit pool of $60 million is available to be distributed in State Fiscal Year 2019-2020. Of this $60 million, $10 million is reserved for the surrender of transferable tax benefits exclusively by eligible companies operating within the boundaries of the State’s three (3) Innovation Zones (technology clusters fostering business-university collaboration located in Camden, Newark and the Greater New Brunswick Area).

At the September 12 Board meeting, staff recommended 40 applications for approval and held an additional 4 recommendations contingent on confirmation of good standing with our government partners. Staff has since received confirmation that these 4 applicants are in good standing. Of note, there were also 3 declined applicants whose respective appeals will be heard at the December 10 board meeting.

Attachment A shows the additional 4 applicants that are recommended for approval in the 2019 Program.
RECOMMENDATION:

Based on evaluations by Authority staff, approval is recommended for the listed applicants on Attachment A, which have been evaluated according to the criteria established by the legislation.

Tim Sullivan, CEO

Prepared by: Matthew Fields
<table>
<thead>
<tr>
<th>Attachment A:</th>
<th>Business Description</th>
<th>Employees at 6/30</th>
<th>Employees at 6/30</th>
<th>HQ or Base</th>
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</thead>
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<tr>
<td><strong>Recommended Approvals</strong></td>
<td>Akers Nanotechnology, Inc. develops, manufactures, and supplies rapid mobile health tests based on proprietary nanotechnology platforms which provide instant information about health and metabolism for a healthy lifestyle using digital applications.</td>
<td>4</td>
<td>4</td>
<td>Sewell</td>
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<td></td>
<td>Brilliant Light Power, Inc. believes that it has created a game-changing, nonpolluting fundamentally new primary source of energy from the conversion of hydrogen into a prior undiscovered, more stable form of hydrogen called &quot;Hydri®.&quot;</td>
<td>16</td>
<td>16</td>
<td>Cranbury</td>
</tr>
<tr>
<td></td>
<td>CircleBlack is a financial technology company focused on designing and developing of computing software that is innovative and unique wealth management technology for financial services firms, their advisors and their client.</td>
<td>15</td>
<td>17</td>
<td>Kingston</td>
</tr>
<tr>
<td></td>
<td>Mobity Inc is an enterprise software company that has developed a retail technology solution to better engage consumers in brick and mortar establishments.</td>
<td>33</td>
<td>38</td>
<td>Livingston</td>
</tr>
</tbody>
</table>
TECHNOLOGY BUSINESS TAX CERTIFICATE
TRANSFER PROGRAM APPEALS
MEMORANDUM

To: Members of the Authority

From: Tim Sullivan
Chief Executive Officer

Date: December 10, 2019

RE: Technology Business Tax Certificate Transfer Program (the “Program”) Appeals

Pursuant to the Program’s enabling legislation, the Authority annually reviews applications to ensure the applicants meet statutory requirements of the Program. Staff’s recommendation for approval or declination is then presented to the Members for approval. Applicants that are declined have 20 days to submit appeals which are reviewed by an independent Hearing Officer.

At the Authority’s September 12, 2019 Board meeting, the Members considered 54 requests from companies to participate in the Technology Business Tax Certificate Transfer Program. A total of 3 of those requests were disapproved.

I have reviewed the attached Hearing Officer’s reports regarding the appeals for Phosphorus Diagnostics, BioAegis Therapeutics, Inc., and Caladrius Biosciences, Inc. in regard to the Technology Business Tax Certificate Transfer Program. I concur with the recommendation that the disapproval of Phosphorus Diagnostics be upheld and the declinations for BioAegis Therapeutics, Inc. and Caladrius BioSciences, Inc. be reversed.

Tim Sullivan
MEMORANDUM

TO: Tim Sullivan, CEO
Members of the Authority

FROM: Bette Renaud
Hearing Officer

DATE: December 10, 2019

SUBJECT: Phosphorus Diagnostics Appeal of NOL Program Declination

Request:

Consent of the members to the Hearing Officer’s recommendation to uphold the original declination of the NOL application of Phosphorus Diagnostics.

Background:

Pursuant to the enabling legislation, The New Jersey Economic Development Authority ("Authority" or "NJEDA") administers the Technology Business Tax Certificate Transfer Program ("Program") including the review of each application to ensure applicants meet the requirements of the program. Staff recommendations are then presented to the Members for consideration. Certain applications have been declined and may exercise the right to appeal the declination. N.J.A.C. 19:31-12.6. As requested by the CEO, I am fulfilling the role of Hearing Officer to independently review NOL appeals and I have completed such reviews with the legal guidance of the Division of Law.

Previous Action:

By way of background, the Members of the NJEDA reviewed and declined the application of Phosphorus Diagnostics ("Company") for Program benefits on September 12, 2019. The Board concluded that the Company failed to meet the threshold eligibility criteria of the Program.

Subsequently, on October 6, 2019, the NJEDA received the Company’s formal appeal. On November 1, the hearing officer and the Company received staff’s response to the Company’s appeal.
Legal Citations and Discussion:

In 1995, pursuant to N.J.S.A. 34:1B-7.37 et seq., as subsequently amended, the New Jersey Emerging Technology and Biotechnology Financial Assistance Act (the “Act”) established the Program. Statutory provisions relevant to this appeal are:

“Biotechnology company” means an emerging corporation that has its headquarters or base of operations in this State; that owns, has filed for, or has a valid license to use protected, proprietary intellectual property; and that is engaged in the research, development, production, or provision of biotechnology for the purpose of developing or providing products or processes for specific commercial or public purposes, including but not limited to, medical, pharmaceutical, nutritional, and other health-related purposes, agricultural purposes, and environmental purposes. N.J.S.A. 34:1B-7.39

Regulatory provisions relevant to this appeal are:

“Protected proprietary intellectual property” means intellectual property that is the technology of the applicant’s primary business as a technology or biotechnology business that is also protected via a patent pending, patent awaiting approval, approved patent, or registered copyright. N.J.A.C 19:31-12.2

Discussion:

The Company is a genetic testing company. At the September 12, 2019 Board meeting, the Technology and Life Sciences (“TLS”) staff recommended and the board approved a declination of the Company’s application for an award from the Program this year. The reason for the declination was that there was insufficient evidence to make the determination that the copyright presented by the Company as its “protected propriety intellectual property” (“PPIP”) was primary to the business of the applicant, as required by N.J.A.C. 19:31-12.4.

The Hearing Officer has made a review of the following: the September 12, 2019 Board memorandum, the September 30, 2019 NJEDA declination letter, the Company’s appeal with exhibit and attachments dated October 6, 2019, and a TLS staff memo dated November 1, 2019 responding to the Company’s appeal (which was shared with the Company).

The Hearing Officer agrees with the Board’s original decision to decline the application for the reasons set forth below.

In its appeal, the Company presents two primary arguments in support of its application to participate in the Program.
First, it admits that the Company’s COO misunderstood the requirements of the Act and therefore in the Company’s application, the PPIP that was submitted was a website copyright that was not primary to the Company’s business.

Second, it explains that genetic testing is its primary business and that genetic tests, such as the testing undertaken by Phosphorus, cannot be patented, in accordance with a 2012 U.S. Supreme Court case. The Company therefore treats its Laboratory Developed Tests (“LDTs”) as trade secrets. The Company asserts that NJEDA should consider these trade secrets as PPIP that meets the requirements of the Act. In support of this argument, the Company submits evidence of approval of its LDTs by Clinical Laboratory Improvement Services, the governing body of the State of New Jersey that approves diagnostic tests.

The Hearing Officer finds that the Company’s appeal fails to substantiate that the Company possesses PPIP that meets the requirements of the Act.

Relying on the plain language of the regulation, the Hearing Officer finds that trade secrets do not qualify as PPIP. The definition of PPIP does not include trade secrets, N.J.A.C 19: 31-12.2. The regulation is explicit that the only forms of intellectual property that are acceptable are “patent pending, patent awaiting approval, approved patent, or registered copyright.” The regulation does not include language such as “including but not limited to” or “similar to” and as such, does not invite an interpretation beyond its plain language. Courts have long supported this position holding, “It is not the function of a court to rewrite a plainly-written enactment of the legislature or presume that the legislature intended something other than that expressed by way of the plain language.” DiProspero v. Penn, 183 N.J. 477, 874 A.2d 1039 (2005).

In conclusion, a review of the appeal, available evidence and relevant law demonstrates that the Company’s application does not meet the requirements of the Act.

Recommendation:

After consideration of the above appeal, and in consultation with the Division of Law, the application of Phosphorus Diagnostics is recommended for denial.

[Signature]

Bette Renaud
Hearing Officer

Exhibits:
September 30, 2019 NJEDA declination letter
Phosphorus Diagnostics appeal dated October 6, 2019
TLS staff memo dated November 1, 2019 responding to Phosphorus Diagnostics appeal
Mr. Alexander Bisignano, CEO  
Ms. Tina Robilotto, COO  
Phosphorus Diagnostics  
400 Plaza Drive, 4th Floor  
Secaucus, NJ, 07094

Thank you for your interest in the Technology Business Tax Certificate Transfer Program. In reviewing the application of Phosphorus Diagnostics ("applicant" or "company") under the program criteria, the New Jersey Economic Development Authority's Board has declined the application.

Per Program regulations, an applicant business must meet the definition of "Technology business" which means an emerging corporation, that has a headquarters or base of operations located in New Jersey, that owns, has filed for, or has a license to use "protected, proprietary intellectual property". "Protected proprietary intellectual property" means intellectual property that is the technology of the applicant's primary business as a technology or biotechnology business that is also protected via a patent pending, patent awaiting approval, approved patent, or registered copyright.

Per the company description, Phosphorus Diagnostics is a genetic testing company empowering individuals with insights from their genome. They build best-in-class genetic tests, with input from leading clinical experts, to identify human disease. For evidence of protected proprietary intellectual property, the company presented a copyright submission that specifies "Phosphorus Diagnostics Website". The Board determined there was not enough evidence to confirm the applicant's Protected Proprietary Intellectual Property is primary to their business allowing them to meet the legislative definition of either a technology or biotechnology business per N.J.A.C. 19:31-12.1.

The Board decision was taken on September 12, 2019. If you believe that the above is not accurate, you may appeal the Board decision in writing within 20 calendar days of this letter, by October 20, 2019. Pursuant to the Authority's regulations, on appeal, the Authority cannot consider any new information about the project developed after the June 30 submission deadline. Only information which clarifies the application filed shall be considered. Please submit the appeal via mail or email to the Hearing Officer for appeals, Ms. Bette Renaud, Sr. Advisor for Special Projects, New Jersey Economic Development Authority. If submitting appeal letter via mail by USPS, please send to Ms. Bette Renaud at P.O. Box 990, Trenton NJ 08625-0990. If sending by
FedEx, UPS or another physical carrier, please send to Ms. Bette Renaud at 36 West State Street, Trenton, NJ 08625. If submitting appeal letter via email, please send to Ms. Bette Renaud's email address (BRenaud@NJEDA.com).

We very much value the work of Phosphorus Diagnostics, notwithstanding the finding that the company did not meet the program criteria.

Sincerely,

Kamran Hashmi
Director
Tech & Life Sciences Operations

Cc: Bette Renaud, Sr. Advisor for Special Projects
2019 Technology Business Tax Certificate Transfer (NOL) Program Appeal - Phosphorus Diagnostics

October 6, 2019

Attn: Bette Renaud
Attn: Kamran Hasmi
Attn: NJEDA Tech & Life Science Operations
36 West State Street
Trenton, NJ 08625
Delivery via email (B Renaud@NJEDA.com)

To the members of the NJEDA Tech and Life Science Operations, firstly thank you for your attention in our application for the Technology Business Tax Certificate Program. We have received your September 30, 2019 date letter informing us that our application has been denied due to insufficient evidence of intellectual property that supports our primary business.

The application to the program was handled by our COO, Tina Robilotto, who is unfortunately no longer with Phosphorus. However, upon looking at documentation, Tina was under the impression that any IP (copyright of website) was sufficient for the application to the program. Upon further examination, we at Phosphorus completely understand that the IP of interest is IP associated with the proprietary nature of the life science business.

Given the decision of the board, we respectfully wish to appeal the declination of our application and would like to submit for your consideration our various Laboratory Developed Tests (LDTs), the designs of which, while not protected under classical Patent Applications or Patents, are kept by the company as valuable Intellectual Property as a Trade Secret. These designs power all of our testing, and are at the core of what makes us competitive in our industry.

Genetic Testing and Laboratory Developed Testing is an industry governed according to the Clinical Laboratory Improvements Amendment (CLIA). Within the genomics field, patents of specific genetic tests have been largely deemed unenforceable (please refer to the landmark case against Myriad Genetics from 2012: https://www.supremecourt.gov/opinions/12pdf/12-398_1b7d.pdf). It is for this reason that any LDTs created by our company have not been filed for patents, but rather, as is standard in our industry, have been protected as Trade Secrets.
To further supplement this understanding, I have attached our various LDT approvals granted by the State of New Jersey, which provides evidence of the tests we have developed, their recognition by the body which administers CLIA within NJ, and evidence that these tests we have developed have been in existence and are the basis of our primary business.

Please let me know if this would be sufficient evidence to reconsider our application. I am reachable via cell phone (732.547.0753) or email (alex@phosphorus.com) to discuss this further.

Thank you very much for your time.

Kind regards,

Alexander Bisignano
President & CEO
Phosphorus Diagnostics
To: Bette Renaud, Hearing Officer
Date: November 1, 2019
Re: Appeal—2019 Technology Business Tax Certificate Transfer Program/
Response to October 7, 2019 Appeal by Phosphorus Diagnostics

BOARD MEMO:

Phosphorus Diagnostics ("Applicant") was recommended for declination from participating in the 2019 Technology Business Tax Certificate Transfer Program ("NOL") as they failed to demonstrate ownership of, or an exclusive license to use, protected, proprietary intellectual property (PPIP), that is the technology of the applicant's primary business as a technology or biotechnology business, as required by the Program, N.J.A.C. 19:31-12.1, et seq.

In its application, the Applicant described its PPIP as follows: "Phosphorus provides various genetic tests. Doctors enter info via the website which dictates the types of tests conducted by Phosphorus. Then, once completed, they present the data back to doctors regarding the findings for their patients. This interface, process, and presentation is what differentiates them from other genetics companies and proprietary, so this is what has been protected via the copyright." In support of its application the Applicant included its written business description as well as a copyright submission that specified "Phosphorus Diagnostics Website."

After review and analysis of the application and supporting documentation, Staff recommended that the Board decline the Applicant because the Applicant did not provide sufficient evidence to confirm the Applicant's Protected Proprietary Intellectual Property was primary to its business, and therefore did not meet the definition of either a technology or biotechnology business as defined by the NOL.

REGULATIONS NOT MET:
§19:31-12.2
"Technology business" means an emerging corporation, that has a headquarters or base of operations located in New Jersey, that owns, has filed for, or has a license to use protected,
proprietary intellectual property whose primary business is the provision of a scientific process, product, or service and that employs some combination of the following: highly educated and/or trained managers and workers employed in New Jersey who use sophisticated scientific research, service or production equipment, processes or knowledge to discover, develop, test, transfer or manufacture a product or service.

APPEAL SUMMARY/ANALYSIS:
Staff’s position is that the Applicant’s appeal should be denied because the Applicant fails to present evidence that the applicant owns, or has an exclusive license to use, protected proprietary intellectual property, as required.

In its appeal letter, the applicant concedes that it did not submit the required PPIP. The applicant claimed that the person responsible for the Applicant’s NOL application misunderstood the requirement for PPIP and the Company now understands that “IP of interest needs be with the proprietary nature of the life science business.” Phosphorus subsequently highlighted its ownership of “trade secrets in lieu of classical USPTO patents or patent applications”, for the Authority’s consideration, and provided examples of such trade secrets with the submission of multiple approvals from Clinical Laboratory Improvement Services (CLIS) tied to various Laboratory Developed Tests (LDTs) conducted at the applicants New Jersey based laboratory. The Applicant claims that because patents are unenforceable within the genetic testing and lab testing industry, LDTs created by the applicant have not been filed for patent protection, and as is the industry standard, have been protected as “Trade Secrets.”

Despite the company’s stated business reasons for not pursuing patent protection from the USPTO, “Trade Secrets” are not an acceptable form of protected proprietary intellectual technology covered under the Technology Business Tax Certificate Transfer program as governed by legislation. According to N.J.A.C. §19:31-12.2:

"Protected proprietary intellectual property" means intellectual property that is the technology of the applicant’s primary business as a technology or biotechnology business that is also protected via a patent pending, patent awaiting approval, approved patent, or registered copyright."

Despite the Applicant’s claim that their intellectual property is protected via a Trade Secret, it fails to meet the requirements of the program because it does not meet the definition of a PPIP. Additionally, the Applicant is not claiming to be protected by “a patent pending, patent awaiting approval, approved patent, or registered copyright.” Therefore, the EDA’s Technology & Life Sciences staff’s position is that the Applicant’s appeal should be declined because the Applicant has failed to provide sufficient evidence of the required PPIP, and thus does not meet the requirements of the program.
C: Alexander Bisigano, President & CEO Phosphorus Diagnostics.
MEMORANDUM

TO: Tim Sullivan, CEO
   Members of the Authority

FROM: Bette Renaud
      Hearing Officer

DATE: December 10, 2019

SUBJECT: BioAegis Therapeutics, Inc. Appeal of NOL Program Declination

Request:

Adoption by the Members of the Hearing Officer’s recommendation to overturn the declination of the NOL application of BioAegis Therapeutics, Inc.

Background:

Pursuant to the enabling legislation, the New Jersey Economic Development Authority ("Authority" or "EDA") administers the Technology Business Tax Certificate Transfer Program ("Program") including the review of each application to ensure applicants meet the requirements of the program. Staff recommendations are then presented to the Members for consideration. Certain applications that have been declined may exercise the right to appeal the declination. N.J.A.C. 19:31-12.6. As requested by the CEO, I am fulfilling the role of Hearing Officer to independently review NOL appeals and I have completed such reviews with the legal guidance of the Division of Law.

Previous Action:

By way of background, the Members of the EDA reviewed and declined the application of BioAegis Therapeutics, Inc. ("Company") for Program benefits on September 12, 2019. The Board concluded that the Company failed to meet the threshold eligibility criteria of the Program.

Subsequently, on October 21, 2019, the EDA received the Company’s formal appeal. The Company supplemented its appeal on November 8, 2019.

Legal Citations and Discussion:

In 1995, pursuant to N.J.S.A. 34:1B-7.37 et seq., the New Jersey Emerging Technology and Biotechnology Financial Assistance Act (the "Act") established the Program. Provisions relevant to this appeal are:
From the Statute:

“Full-time employee” means a person employed by a new or expanding emerging technology or biotechnology company for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the “New Jersey Gross Income Tax Act,” N.J.S. 54A:1-1 et seq., or who is a partner of a new or expanding emerging technology or biotechnology company who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the “New Jersey Gross Income Tax Act,” N.J.S. 54A:1-1 et seq. To qualify as a “full-time employee,” an employee shall also receive from the new or expanding emerging technology or biotechnology company health benefits under a group health plan as defined under section 14 of P.L. 1997, c. 146 (C.17B:27-54), a health benefits plan as defined under section 1 of P.L. 1992, c. 162 (C.17B:27A-17), or a policy or contract of health insurance covering more than one person issued pursuant to Article 2 [N.J.S. 17B:27-26 et seq.] of chapter 27 of Title 17B of the New Jersey Statutes.

“Full-time employee” shall not include any person who works as an independent contractor or on a consulting basis for the new or expanding emerging technology or biotechnology company.

“New or expanding” means a technology or biotechnology company that (1) on June 30 of the year in which the company files an application for surrender of unused but otherwise allowable tax benefits under P.L. 1997, c. 334 (C.34:1B-7.42a et al.) and on the date of the exchange of the corporation business tax benefit certificate, has fewer than 225 employees in the United States of America; (2) on June 30 of the year in which the company files such an application, has at least one full-time employee working in this State if the company has been incorporated for less than three years, has at least five full-time employees working in this State if the company has been incorporated for more than three years but less than five years, and has at least 10 full-time employees working in this State if the company has been incorporated for more than five years; and (3) on the date of the exchange of the corporation business tax benefit certificate, the company has the requisite number of full-time employees in New Jersey that were required on June 30 as set forth in part (2) of this definition, N.J.S.A. 34:1B-34-7.39. (emphasis added)

From the Regulations:

"Full-time employee" means a person employed by a new or expanding emerging technology or biotechnology company on a permanent or indefinite basis for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq., or who is a partner of a new or expanding emerging technology or biotechnology company who works for the partnership for at
least 35 hours a week, or who renders any other standard of service generally accepted by
custom or practice as full-time employment, and whose distributive share of income, gain, loss,
or deduction, or whose guaranteed payments, or any combination thereof, is subject to the
payment of estimated taxes, as provided in the New Jersey Gross Income Tax Act, N.J.S.A.
54A:1-1 et seq., or who is employed under a formal written agreement with an institution of
higher
education whereby the institution's students are employed by the technology or biotechnology
company on a permanent basis within a single position and in compliance with all other
requirements of this definition. To qualify as a "full-time employee," an employee shall also
receive from the new or expanding emerging technology or biotechnology company health
benefits under a group health plan as defined under section 14 of P.L. 1997, c. 146 (N.J.S.A.
17B:27-54), a health benefits plan as defined under section 1 of P.L. 1992, c. 162 (N.J.S.A.
17B:27A-17), or a policy or contract of health insurance covering more than one person
issued pursuant to Article 2 of chapter 27 of Title 17B of the New Jersey Statutes. "Full-time
employee" shall not include any person who works as an independent contractor or on a
consulting basis for the new or expanding emerging technology or biotechnology business; or
any person who works as an intern, as a temporary employee, or in a temporary position.

"Full-time employee working in this State" means a full-time employee whose primary
office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey,
or who spends any other period of time generally accepted by custom or practice as full-time
employment in New Jersey, as determined by the Authority. N.J.A.C. 19:31-12.2.

"New or expanding" means a technology or biotechnology company that:
1. On June 30 of the year in which the company files an application for surrender of unused but
otherwise allowable tax benefits under P.L. 1997, c. 334 (N.J.S.A. 34:1B-7.42a et al.) and on the
date of the exchange of the corporation business tax benefit certificate, has fewer than 225
employees in the United States of America;
2. On June 30 of the year in which the company files such an application, has at least one full-
time employee working in this State if the company has been incorporated or formed,
irrespective of corporate structure or tax status, for less than three years, has at least five full-
time employees working in this State if the company has been incorporated or formed,
irrespective of corporate structure or tax status, for more than three years but less than five years,
and has at least 10 full-time employees working in this State if the company has been
incorporated or formed, irrespective of corporate structure or tax status, for more than five years;
and
3. On the date of the exchange of the corporation business tax benefit certificate, the company has
the requisite number of full-time employees in New Jersey that were required on June 30 as set
forth in paragraph 2 above.
In calculating the number of employees under this definition, employees of all affiliates and
subsidiaries as shown on its consolidated financial statements, employees of any company that
owns or controls at least 50 percent of the applicant, as well as the employees of any
consolidated group of affiliated corporations as filed for Federal income tax purposes shall be
included. (emphasis added)
Discussion:

At the September 12, 2019 Board meeting, the Technology and Life Sciences ("TLS") staff recommended and the Board approved a declination of the Company’s application for an award from the Program this year. The reason for the declination was that staff could not make the determination that the Company, which has been incorporated for more than five years, met the NOL eligibility criteria that requires a Company to have ten employees working in the State of New Jersey. Staff concluded that the Company had eight full time employees that met the Program definition. Although the Company employs ten employees, one employee was a resident of New York and the Company did not provide sufficient independent third-party documentation evidence that she spent 80% of her work time in New Jersey ("Employee 1"). Another employee was the husband of the CEO, was paid minimum wage, and there was insufficient independent third-party documentation to support the conclusion that this employee worked for at least 35 hours a week ("Employee 2").

The Hearing Officer has made a review of the following: the Board memorandum dated September 12, 2019; the declination letter dated September 20, 2019; the Company’s appeal dated October 21, 2019 with exhibits and attachments, supplemented November 9, 2019; and a TLS memo dated November 19, 2019 responding to the Company’s appeal (which was shared with the Company).

In its appeal, the Company provided clarifying information in support of its application to participate in the Program. Most relevantly, with respect to Employee 1, the Company provided very detailed information about where in New Jersey Employee 1 worked during the period that she was caring for an immediate relative, with the goal of demonstrating that Employee 1 may not have worked at the Company’s New Jersey site, but did work in New Jersey. It also provided year to date payrolls records which demonstrated that she was a full-time employee. With respect to Employee 2, the Company provided year to date payroll history that established a pattern of full-time employment, and his 2018 federal tax return that demonstrated that his salary was supplemented by other income sources; the Company argued that this additional income allowed him to work for a below-market salary.

Based on this clarifying information, TLS, in its memorandum dated November 19, 2019, recommended accepting the Company’s appeal and overturning the declination of the application.

After a review of the statute, regulations and clarifying information, I concur with the Company’s and TLS’s analysis. The Company has presented plausible explanations, supported by clarifying external evidence, that explain why these employees should be considered full-time employees working in New Jersey. With respect to Employee 1, the statute requires only that an employee’s primary office is in New Jersey and that the employee works 80% of his or her time in New Jersey; it does not require that the employee work at the Company’s New
Jersey site. The Company’s explanation supports the conclusion that she worked in New Jersey at least 80% of the time; it demonstrates that Employee 1 either worked from a New Jersey hospital or the from the New Jersey home of the immediate relative for which she was caring. The payroll record also demonstrates that she was working full-time. With respect to Employee 2, the payroll record demonstrates that he was working full time, and his tax return demonstrates additional income and thus provides a plausible explanation as to why his salary is below market. As a result of this analysis, I find that as of June 30, the Company had met the minimum eligibility criteria to participate in the program and I recommend accepting the Company’s appeal and overturning the declination of the application.

In summary, a review of the appeal and available evidence demonstrates that the Company’s application qualifies for an award this year and the hearing officer hereby recommends reversing the original denial of an award.

**Recommendation:**

After consideration of the above appeal, and in consultation with the Division of Law, the application of BioAegis Therapeutics, Inc. is recommended for approval.

Bette Renaud
Hearing Officer

Exhibits:
Declination letter dated September 30, 2019
Company’s appeal dated October 21, 2019 with exhibits and attachments, supplemented November 8, 2019
TLS memo dated November 19, 2019 responding to the Company’s appeal
Thank you for your interest in the Technology Business Tax Certificate Transfer Program. In reviewing the application of Bioagis Therapeutics ("applicant" or "company") under the program criteria, the New Jersey Economic Development Authority's Board has declined the application.

Per Program regulations, an applicant business must meet the definition of "New or expanding" technology or biotechnology company that – "On June 30 of the year in which the company files such an application, has … at least 10 full-time employees working in this State if the company has been incorporated or formed, irrespective of corporate structure or tax status, for more than five years;".

Each employee must meet the definition of "Full-Time Employee" which includes a person employed by a new or expanding emerging technology or biotechnology company on a permanent or indefinite basis for consideration for at least 35 hours a week. In addition, each employee must meet the definition of a "Full-time employee working in this State" which includes a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey, or who spends any other period of time generally accepted by custom or practice as full-time employment in New Jersey, as determined by the Authority.

The applicant was formed on February 10, 2011 and was required to employ at least 10 “Full-Time employees working in this state”. The applicant reported 11 Full-Time employees, of which 10 were represented as New Jersey Full-Time employees. Two of the company’s 10 New Jersey Full-Time employees did not clearly meet the program definitions per N.J.A.C. 19:31-12.1 of a “full-time employee working in this state” as supported by independent third-party verifiable documentation. The applicant was informed of this recommendation after staff’s initial review and additional documentation was requested. However, additional documentation items received still did not clearly support the program definitions.

Employee 1 is a New York resident, who was unable to provide supporting evidence of “at least 80 percent of his or her time in New Jersey”: Employee 2 is the husband of the CEO and Co-Founder, being paid near minimum wage and for whom the applicant was unable to provide satisfactory documentation to support “for consideration for at least 35 hours a week".
The Board decision was taken on September 12, 2019. If you believe that the above is not accurate, you may appeal the Board decision in writing within 20 calendar days of this letter, by October 20, 2019. Pursuant to the Authority's regulations, on appeal, the Authority cannot consider any new information about the project developed after the June 30 submission deadline. Only information which clarifies the application filed shall be considered. Please submit the appeal via mail or email to the Hearing Officer for appeals, Ms. Bette Renaud, Sr. Advisor for Special Projects, New Jersey Economic Development Authority. If submitting appeal letter via mail by USPS, please send to Ms. Bette Renaud at P.O. Box 990, Trenton NJ 08625-0990. If sending by FedEx, UPS or another physical carrier, please send to Ms. Bette Renaud at 36 West State Street, Trenton, NJ 08625. If submitting appeal letter via email, please send to Ms. Bette Renaud's email address (BRenaud@NJEDA.com).

We very much value the work of Bioaegis Therapeutics, notwithstanding the finding that the company did not meet the program criteria.

Sincerely,

Kamran Hashmi
Director
Tech & Life Sciences Operations

Cc: Bette Renaud, Sr. Advisor for Special Projects
To: Bette Renaud, Hearing Officer
Date: November 19, 2019
Response to October 21, 2019 Appeal by BioAegis Therapeutics Inc.

BOARD MEMO:

Bioaegis Therapeutics, Inc. ("Applicant") was recommended for declination from participating in the 2019 Technology Business Tax Certificate Transfer Program ("NOL") as they failed to demonstrate employment of at least 10 full-time employees working in the state of New Jersey on June 30th of 2019, as required by the Program, N.J.A.C. 19:31-12.1, et seq.

In its application, the Applicant listed 10 full-time employees working in New Jersey. Of the 10 employees listed, eight of them clearly met the requirements of a full-time employee working in New Jersey as defined by the NOL. In its initial application, the applicant failed to provide documentation to establish that Employee 1, a New York resident, met the requisite standard of spending 80% of her work-time in New Jersey. The applicant also failed to provide documentation to explain why Employee 2 (Robert Agrusti) received a below-market salary that was not indicative of the required minimum 35 hours worked in a week. Staff requested clarifications and additional documentation on Employee 1 and Employee 2 to verify their status as full-time employees working in New Jersey as defined by the program. In response to this request, the applicant provided a certification from the immediate relative of Employee 1 and a bulleted list of Activities for Employee 2 along with an explanatory e-mail.

After review and analysis of the application and supporting documentation, Staff recommended that the Board decline the Applicant because the applicant did not provide sufficient evidence to confirm that the applicant had the requisite 10 Full-Time employees working in New Jersey as defined by the NOL and therefore did not qualify as a new or expanding emerging technology or biotechnology company.
"Full-time employee working in this state" means a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey, or who spends any other period of time generally accepted by custom or practice as full-time employment in New Jersey, as determined by the Authority.

"Full-time employee" means a person employed by a new or expanding emerging technology or biotechnology company on a permanent or indefinite basis for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq., []

“New or expanding” means a technology or biotechnology company that (1) on June 30 of the year in which the company files an application for surrender of unused but otherwise allowable tax benefits under P.L. 1997, c.334 and on the date of the exchange of the corporation business tax benefit certificate, has fewer than 225 employees in the United States of America; (2) on June 30 of the year in which the company files such an application, has at least one full-time employee working in this State if the company has been incorporated for less than three years, had at least five full-time employees working in this State, if the company has been incorporated for more than three years but less than five years, and has at least 10 full-time employees working in this State if the company has been incorporated for more than five years; and (3) on the date of the exchange of the corporation business tax benefit certificate, the company has the requisite number of full-time employees in New Jersey that were required on June 30 as set forth in part (2) of this definition.

Staff’s position is that the Applicant’s appeal should be approved because the Applicant presented sufficient evidence on appeal that the applicant has 10 Full-Time employees and is therefore a new or expanding technology or biotechnology company eligible to participate in the program. This evidence is acceptable because under the program rules at N.J.A.C. 19:31-12.6(d) an applicant can submit “evidence or information that would demonstrate that the applicant met all of the application criteria by the June 30 deadline.”

It was not contested that eight of the applicant’s listed employees clearly met the definition of a Full-Time employee, Therefore, the applicant focused on staff’s stated concerns regarding Employee 1 and Employee 2 in its appeal letter.

Regarding Employee 1, the applicant presents additional information pertaining to Employee 1’s time spent working in multiple NJ locations rather than working in the laboratory situated in North Brunswick. The applicant provided the following additional information in the appeal.

a) Employee 1 worked out of a New Jersey hospital on two separate occasions in 2019 (March 4, and April 23, 2019) while her immediate relative was undergoing various surgeries.
b) Following her first surgery, Employee 1’s immediate relative went to a New Jersey rehabilitation center. Following her second surgery, Employee 1’s mother went to rehabilitation center in West Haverstraw, NY. In its appeal, the Applicant claims that due to the rehabilitation schedule at the New York rehabilitation center, visiting hours effectively were limited to late afternoons and evening and as such Employee 1 was either working from her immediate relative’s house in New Jersey, or from the North Brunswick office during that period. After being discharged from both rehabilitation centers, Employee 1 continued to assist with providing continuous care to her immediate relative while working full-time for Bioaegis from her immediate relative’s home in New Jersey.

c) Year to date payroll records, which demonstrate Employee 1 is a full-time employee and has been compensated for a total of 1040.04 hours from Jan 1, 2019 to June 30, 2019. This equates to a 40-hour work week, which is in excess of the minimum required 35 hours as noted in the regulations.

After taking in to account the details of the special accommodation offered to Employee 1 by the applicant, payroll records indicating compensation for full-time work, Staff accepts that Applicant has provided sufficient evidence that Employee 1 was spending at least 80% of her work-time in New Jersey as required by the NOL, by working out of her immediate relative’s home in New Jersey, at the New Jersey hospital during her immediate relative’s two surgeries, or at the rehabilitation center in New Jersey during her immediate relative’s rehabilitation there. Additionally, although the New York hospital is out of state in New York, it is approximately 17 miles from Employee 1’s relative’s home in New Jersey (a 30-minute drive according to Google Maps). It is reasonable to accept that Employee 1 spent her days working at her immediate relative’s house in New Jersey while her immediate relative was at the New York facility in order to easily visit during visiting hours. Given the additional information provided on appeal, Staff agrees that Employee 1 meets the requirements of a full-time employee working in this State as defined by the program.

Regarding Employee 2, the Applicant explains that this Employee has other sources of income, and therefore has agreed to a modest salary for his services in order to support the Applicant’s business. The Applicant has provided the following additional information in support of its appeal.

a) Year to date 2019 (as of October 15) payroll history that further establishes a pattern of full-time hours worked in excess of the legislative requirement of 35 hours worked in a week.

b) 2018 Tax return

c) Current financial statement listing other income.

Staff’s review of the additional information indicates that Employee 2 was not only compensated for time worked in excess of the legislatively required 35 hours per week, but also that he derives income from other sources (such as pension). Therefore, Employee 2’s below-market salary is no longer indicative of less than 35 hours worked in a week. Given the additional information
provided on appeal, Staff agrees that Employee 1 meets the requirements of a Full-Time Employee working in this State as defined by the program.

The EDA’s Technology & Life Sciences staff’s position is that the Applicant’s appeal should be approved because the Applicant has provided adequate supporting information and context to validate that both Employees in question spend 80% of their work-time in New Jersey and are compensated for a work week in excess of the legislatively mandated 35 hours. With the inclusion of these two additional Full-Time employees, the Applicant has the requisite 10 Full-Time Employees and thus staff recommends that the Board approve this Applicant as a New or Expanding Technology or Biotechnology Company as defined by the program.

C: Susan Levinson, CEO Bioaegis Therapeutics, Inc.
William F. Harrison, Esq.
MEMORANDUM

TO: Tim Sullivan, CEO
     Members of the Authority

FROM: Bette Renaud
       Hearing Officer

DATE: December 10, 2019

SUBJECT: Caladrius Biosciences, Inc Appeal of NOL Program Declination

Request:
Adoption by the Members to the Hearing Officer’s recommendation to overturn the declination of the NOL application of Caladrius Biosciences, Inc.

Background:
Pursuant to the enabling legislation, the New Jersey Economic Development Authority (“Authority” or “NJEDA”) administers the Technology Business Tax Certificate Transfer Program (“Program”) including the review of each application to ensure applicants meet the requirements of the program. Staff recommendations are then presented to the Members for consideration. Certain applications that have been declined may exercise the right to appeal the declination. N.J.A.C. 19:31-12.6. As requested by the CEO, I am fulfilling the role of Hearing Officer to independently review NOL appeals and I have completed such reviews with the legal guidance of the Division of Law.

Previous Action:
By way of background, the Members of the EDA reviewed and declined the application of Caladrius Biosciences, Inc. (“Company”) for Program benefits on September 12, 2019. The Board concluded that the Company failed to meet the threshold eligibility criteria of the Program.

Subsequently, on October 17, 2019, the EDA received the Company’s formal appeal.

Legal Citations and Discussion:
In 1995, pursuant to N.J.S.A. 34:1B-7.37 et seq., the New Jersey Emerging Technology and Biotechnology Financial Assistance Act (the “Act”) established the Program. Statutory provisions relevant to this appeal are:
"Full-time employee" means a person employed by a new or expanding emerging technology or biotechnology company for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.A.54A:1-1 et seq., or who is a partner of a new or expanding emerging technology or biotechnology company who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the "New Jersey Gross Income Tax Act," N.J.S.A.54A:1-1 et seq. To qualify as a "full-time employee," an employee shall also receive from the new or expanding emerging technology or biotechnology company health benefits under a group health plan as defined under section 14 of P.L.1997, c.146 (C.17B:27-54), a health benefits plan as defined under section 1 of P.L.1992, c.162 (C.17B:27A-17), or a policy or contract of health insurance covering more than one person issued pursuant to Article 2 [N.J.S.17B:27-26 et seq.] of chapter 27 of Title 17B of the New Jersey Statutes.

"Full-time employee" shall not include any person who works as an independent contractor or on a consulting basis for the new or expanding emerging technology or biotechnology company.

"New or expanding" means a technology or biotechnology company that (1) on June 30 of the year in which the company files an application for surrender of unused but otherwise allowable tax benefits under P.L.1997, c.334 (C.34:1B-7.42a et al.) and on the date of the exchange of the corporation business tax benefit certificate, has fewer than 225 employees in the United States of America; (2) on June 30 of the year in which the company files such an application, has at least one full-time employee working in this State if the company has been incorporated for less than three years, has at least five full-time employees working in this State if the company has been incorporated for more than three years but less than five years, and has at least 10 full-time employees working in this State if the company has been incorporated for more than five years; and (3) on the date of the exchange of the corporation business tax benefit certificate, the company has the requisite number of full-time employees in New Jersey that were required on June 30 as set forth in part (2) of this definition. N.J.S.A. 34:1B-34- 7.39. (emphasis added)

Relevant regulations are:

"Full-time employee" means a person employed by a new or expanding emerging technology or biotechnology company on a permanent or indefinite basis for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq., or who is a partner of a new or expanding emerging technology or biotechnology company who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by
custom or practice as full-time employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq., or who is employed under a formal written agreement with an institution of higher education whereby the institution's students are employed by the technology or biotechnology company on a permanent basis within a single position and in compliance with all other requirements of this definition. To qualify as a "full-time employee," an employee shall also receive from the new or expanding emerging technology or biotechnology company health benefits under a group health plan as defined under section 14 of P.L. 1997, c. 146 (N.J.S.A. 17B:27-54), a health benefits plan as defined under section 1 of P.L. 1992, c. 162 (N.J.S.A. 17B:27A-17), or a policy or contract of health insurance covering more than one person issued pursuant to Article 2 of chapter 27 of Title 17B of the New Jersey Statutes. "Full-time employee" shall not include any person who works as an independent contractor or on a consulting basis for the new or expanding emerging technology or biotechnology business; or any person who works as an intern, as a temporary employee, or in a temporary position.

"Full-time employee working in this State" means a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey, or who spends any other period generally accepted by custom or practice as full-time employment in New Jersey, as determined by the Authority. N.J.A.C. 19:31-12.2. (emphasis added)

Discussion:

At the September 12, 2019 Board meeting, the Technology and Life Sciences ("TLS") staff recommended and the Board approved a declination of the Company's application for an award from the Program this year. The reason for the declination was that the Company, which has been incorporated for more than five years, did not meet the NOL eligibility criteria that requires a Company to have ten employees working in the State of New Jersey. Staff concluded that the Company had nine full time employees that met the program definition. The Company's tenth employee was a resident of New York. The information presented to staff, specifically the bank statements and security access records, did not establish a pattern of 80% of time in New Jersey and in fact showed a general pattern of 2 – 3 days a week in New Jersey.

The Hearing Officer has made a review of the following: correspondence between the Company and EDA staff dated from June to August, 2019; the Board memorandum dated September 12, 2019; the declination letter from the NJEDA to the Company dated September 20, 2019; the Company's appeal dated October 17, 2019 with exhibits and attachments; and a TLS memo of November 19, 2019 responding to the Company's appeal (which was shared with the Company.)

TLS staff and the Company do not dispute the facts. From January to June, the tenth employee worked less than 80% of her time in New Jersey because the Company allowed her to work from
home several days a week to help care for an ailing grandmother. On June 30, the Company informed the tenth employee that she would be required to work at least 80% of her time in New Jersey. The Company provided key fob data for the weeks starting June 30 through and including August 6 that demonstrated that she worked at least 80% of her time in New Jersey, except for one week where, as a result of a vacation day, she worked only 3 days in New Jersey.

In its appeal, the Company presents several arguments in support of its application to participate in the Program. Most importantly, it argues that the statute requires only that the Company have ten employees on June 30, and not before that date. Of note, in its appeal the Company states:

"First, nothing in the Statute or Regulations prevents an applicant with nine fulltime employees working in New Jersey from hiring a tenth employee on June 29th to work in New Jersey. That applicant would have ten full-time employees working in New Jersey on June 30 and be eligible for the NOL Program. NJEDA's interpretation would look favorably on this applicant while, at the same time, disapproving Caladrius' application because its tenth employee had been hired nine months earlier and had not been working full-time in New Jersey during the interim period. There is no rational basis why an applicant should be permitted to hire its tenth New Jersey employee the day before the statute's mandated deadline but not be able to switch an existing employee to satisfy NJEDA's requirements by the same deadline."

Based on this argument, TLS, in its memorandum dated November 19, 2019, recommends accepting the Company's appeal and overturning the declination of the application.

After a review of the statute and regulation, I concur with the Company and TLS's analysis; the statute and regulations make no distinction between a new hire on June 30 and a hire whose terms of employment are changed on June 30 to require working in New Jersey 80% of her time. On the relevant date, June 30, both are employees that work in New Jersey 80% of their time and both will be subject to additional scrutiny by the EDA during the period commencing on June 30 and continuing to the date of the sale of the tax credit, the second relevant date set forth in the statute and regulations. I therefore agree with the Company that, in accordance with the Act, June 30 is the relevant date at which EDA should assess the terms of employment of an employee and that it should disregard previous employment information. As a result of this conclusion, I conclude that the Company had the requisite number of employees on June 30 and I recommend accepting the Company's appeal and overturning the declination of the application.

This conclusion does not affect the requirement that the Company must demonstrate at the time of the sale of the tax credit that it continues to have 10 full-time employees in New Jersey.

Because the declination is overturned, there is no need to address other issues raised in the Company's appeal.
In summary, a review of the appeal and available evidence demonstrates that the Company's application qualifies for an award this year and the hearing officer hereby recommends reversing the original denial of an award.

**Recommendation:**

After consideration of the above appeal, and in consultation with the Division of Law, the application of Caladrius Biosciences, Inc. is recommended for approval.

Bette Renaud  
Hearing Officer

Exhibits:
Declination letter from the NJEDA to the Company dated September 30, 2019
Company's appeal dated October 17, 2019
TLS memo of November 19, 2019 responding to the Company's appeal
Thanks you for your interest in the Technology Business Tax Certificate Transfer Program. In reviewing the application of Caladrius Biosciences, Inc. ("applicant" or "company") under the program criteria, the New Jersey Economic Development Authority's Board has declined the application.

Per Program regulations, an applicant business must meet the definition of "New or expanding" technology or biotechnology company that — "On June 30 of the year in which the company files such an application, has ... at least 10 full-time employees working in this State if the company has been incorporated or formed, irrespective of corporate structure or tax status, for more than five years;".

Each employee must meet the definition of a "Full-Time employee working in this State" which includes a Full-Time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey, or who spends any other period of time generally accepted by custom or practice as full-time employment in New Jersey, as determined by the Authority".

The applicant was formed on September 18, 1980 and was required to employ at least 10 Full-Time employees working in this state. The applicant had 10 employees whom they listed as New Jersey Full-Time employees. One of the company's 10 New Jersey Full-time employees did not clearly meet the program definition per N.J.A.C. 19:31-12.1 of a "Full-Time employee working in this State" as supported by independent third-party documentation. The applicant was informed of this recommendation after staff's initial review and additional documentation was requested. However, additional documentation items received still did not clearly meet program definitions.

The employee in question is a New York resident who was unable to provide supporting evidence of "at least 80 percent of his or her time in New Jersey". In contrast, the evidence provided supported a pattern of 40-60% of the employee's time in New Jersey.

The Board decision was taken on September 12, 2019. If you believe that the above is not accurate, you may appeal the Board decision in writing within 20 calendar days of this letter, by October 20, 2019. Pursuant to the Authority's regulations, on appeal, the Authority cannot consider any
new information about the project developed after the June 30 submission deadline. Only information which clarifies the application filed shall be considered. Please submit the appeal via mail or email to the Hearing Officer for appeals, Ms. Bette Renaud, Sr. Advisor for Special Projects, New Jersey Economic Development Authority. If submitting appeal letter via mail by USPS, please send to Ms. Bette Renaud at P.O. Box 990, Trenton NJ 08625-0990. If sending by FedEx, UPS or another physical carrier, please send to Ms. Bette Renaud at 36 West State Street, Trenton, NJ 08625. If submitting appeal letter via email, please send to Ms. Bette Renaud’s email address (BRenaud@NJEDA.com).

We very much value the work of Caladrius Biosciences, Inc., notwithstanding the finding that the company did not meet the program criteria.

Sincerely,

Kamran Hashmi
Director
Tech & Life Sciences Operations

Cc: Bette Renaud, Sr. Advisor for Special Projects
To: Bette Renaud, Hearing Officer  
Date: November 19, 2019  
Re: Appeal—2019 Technology Business Tax Certificate Transfer Program/ 
Response to October 17, 2019 Appeal by Caladrius Biosciences  

BOARD MEMO:  

Caladrius Biosciences, Inc. ("Applicant") was recommended for declination from participating in the 2019 Technology Business Tax Certificate Transfer Program (NOL) as they failed to demonstrate employment of at least 10 full-time employees working in the state of New Jersey beginning on June 30th of 2019, as required by the Program, N.J.A.C. 19:31-12.1, et seq.

In its application, the Applicant listed 10 full-time employees working in New Jersey. Of the 10 employees listed, nine of them clearly met the requirements of a Full-Time Employee Working in New Jersey as defined by the NOL. In its initial application, the applicant failed to provide documentation to establish that one employee, a New York resident, met the requisite standard of spending 80% of his or her work-time in New Jersey. Staff requested clarification and additional documentation on this employee to verify his or her status as a full-time employee working in New Jersey as defined by the program.

After review and analysis of the application and supporting documentation, Staff recommended that the Board decline the Applicant because the applicant did not provide sufficient evidence to confirm that the applicant had the requisite 10 Full-Time employees working in New Jersey as defined by the NOL, and therefore did not qualify as a new or expanding emerging technology or biotechnology company.

REGULATIONS NOT MET:  
§19:31-12.2  
"Full-time employee working in this state" means a full-time employee whose primary office is in New Jersey and who spends at least 80 percent of his or her time in New Jersey, or who spends
any other period of time generally accepted by custom or practice as full-time employment in New Jersey, as determined by the Authority.

“Full-time employee” means a person employed by a new or expanding emerging technology or biotechnology company on a permanent or indefinite basis for consideration for at least 35 hour a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1, et seq., [].

“New or expanding” means a technology or biotechnology company that (1) on June 30 in which the company files an application for surrender of unused but otherwise allowable tax benefits under P.L. 1997, c.334 and on the date of the exchange of the corporation business tax benefit certificate, has fewer than 225 employees in the United States of America; (2) on June 30 of the year in which the company files such an application, has at least one full-time employee working in this State if the company has been incorporated for less than three years, had at least five full-time employees working in this state, if the company has been incorporated for more than three years but less than five years, and has at least 10 full-time employees working in this State if the company has been incorporated for more than five years; and (3) on the date of the exchange of the corporation business tax benefit certificate, the company has the requisite number of full-time employees in New Jersey that were required on June 30, as set forth in part (2) of this definition.

APPEAL SUMMARY/ANALYSIS:
Staff’s position is that the Applicant’s appeal should be approved because the applicant presented sufficient legislative evidence on appeal that full-time employment should be gauged beginning on June 30 and for a period thereafter, rather than for a period leading up to June 30 of the application year.

Citing to the plain language of the statute and regulations, the Applicant asserts that it must have 10 full-time employees in New Jersey at the time of application, with the application deadline being June 30 of each year, as provided by the definition of “New or expanding” stated above.

Staff agrees with Applicant’s argument that a company must have 10 full-time employees beginning “on June 30 of the year in which the company files such an application”. In fact, companies are permitted to hire new employees or advance current employees to full-time status leading up to the date of application. The statute and regulations require companies to establish the employment requirements beginning on June 30, and to maintain those requirements through the date of exchange of the corporation business tax certificate. To the extent an out of state employee is hired on June 30 or (on the same day) an existing employee is switched over to meet the 80% of work time in New Jersey criterion, the applicant cannot be reasonably expected to provide a look back to establish a pattern of 80% of work time spent in New Jersey, but rather a look forward. Additionally, the statute and regulations require the applicant to certify at the date of exchange (or closing) that the company “has no current intention to cease operating as a new or expanding emerging biotechnology or technology business,” which among other things,
includes having no intention to cease maintain the required number of full-time employees working in New Jersey.

In further support of its appeal, Applicant provided sufficient information to establish that the employee in question is a full-time employee who spent 80% of her work-time in New Jersey beginning on June 30. Given the additional information, Staff agrees that the employee in question meets the requirements of a Full-Time Employee working in this State as defined by the program.

Because staff accepts that Applicant has provided adequate evidence to warrant approval, it does not feel the need to address Applicant’s remaining arguments included in its appeal. However, Staff has the responsibility to verify information provided by applicants, including with third-party verification, to ensure that applicants meet the eligibility criteria. The third-party verification is not in and of itself a requirement of the program.

The EDA’s Technology & Life Sciences staff’s position is that the Applicant’s appeal should be approved because the Applicant has provided adequate supporting information to validate that the employee in question spends 80% of his/her work-time in New Jersey beginning on June 30. With the inclusion of this additional Full-Time employee, the Applicant has the requisite 10 Full-Time Employees and thus staff recommends that the Board approve this Applicant as a New or Expanding Technology or Biotechnology Company as defined by the program.

C: David Mazzo, CEO Caladrius Biosciences, Inc.
    Brian M. Nelson, Esq.
GROW NEW JERSEY ASSISTANCE PROGRAM (GROW NJ)
MODIFICATION
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan 
Chief Executive Officer

DATE: December 10, 2019

SUBJECT: Independent Chemical Corporation and affiliates, Independent Chemical NJ LLC, and 74 East 24th Street LLC, collectively ("Independent Chemical") $4,785,000 Grow NJ - Modification

Request:
As a result of the reduction of eligible jobs from 33 to 19, approval is requested from the Members to affirm that the project has not materially changed to allow staff to complete its certification of project completion. Additionally, as staff is still reviewing the job certification and the number of jobs may still be reduced, staff requests delegated authority to approve a further 20% reduction from the current number of 19 (4).

All other terms and conditions of the Grow NJ award will be consistent with the original approval as modified.

Background:
Established in 1948, Independent Chemical manufactures, packages, and distributes chemical products used in food, pharmaceuticals and various other industries for domestic and international customers.

On August 8, 2017, EDA’s Board approved Independent Chemical for a $4,785,000, 10-year Grow NJ tax credit based on the creation of 33 new jobs and anticipated eligible capital investment of $5,538,950 at the qualified business facility ("QBF") located at 76-92 East 24th Street, Paterson City, Passaic County.

In April 2019, Independent Chemical submitted certification of its project completion. The CPA certified that the company had made $5,470,244 in capital investments, which exceeded the minimum requirement of $751,840. Independent Chemical reported it created 19 of the expected 33 new full-time jobs, for a total of 19 jobs at the approved QBF which exceeded the minimum requirement of 8 for the Grow NJ award.
Pursuant to the Incentive Agreement, since jobs were reduced more than 25% from what was approved, the net benefit to the State over 30 years was recalculated using the current net benefit model, and the project with less employees continues to meet the program requirements.

Staff conducted a site visit with the company’s President, Jonathan Spielman and he indicated that due to unforeseen circumstances, the company needed to reset and realign some of their products and formulas, which resulted in lower sales and reduction in new hires.

Staff calculated the maximum award not to exceed $2,707,500 based on the reported 19 full time jobs and will make its final decision on the approval of the project completion certification no later than the expiration of the award on August 8, 2021.

Although Independent Chemical employs 42% less full-time jobs (33 v 19) than what had been expected under the current approval of this Grow award, the project was completed as anticipated — manufacturing business in Paterson City and $5,470,244 in capital investment was expended to complete the project.

### SUMMARY OF PROJECT CHANGES

<table>
<thead>
<tr>
<th></th>
<th>At Approval</th>
<th>At Certification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs:</td>
<td>33 (New)</td>
<td>19 (New)</td>
</tr>
<tr>
<td>Eligible Min. New Jobs</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Minimum Cap-Ex</td>
<td>$751,840</td>
<td>$751,840</td>
</tr>
<tr>
<td>Proposed/Actual Cap-Ex</td>
<td>$5,538,950</td>
<td>$5,470,244</td>
</tr>
<tr>
<td>Base Amount:</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Bonus Awards:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry (Manufacturing)</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Transit Oriented</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Salary in excess of GSGZ avg.</td>
<td>$250</td>
<td>$250</td>
</tr>
<tr>
<td>Deep Poverty Pocket</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>On Site Solar generation</td>
<td>$250</td>
<td>$0</td>
</tr>
<tr>
<td>Capex in excess of minimum</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Total Amount per Incented Employee</td>
<td>$14,500</td>
<td>$14,250</td>
</tr>
<tr>
<td>Annual Award:</td>
<td>33 x $14,500 = $478,500</td>
<td>19 x $14,250 = $270,750</td>
</tr>
<tr>
<td>Total Award</td>
<td>$4,785,000</td>
<td>$2,707,500</td>
</tr>
<tr>
<td>Gross Benefit to the State (over 30 years)</td>
<td>$7,636,174</td>
<td>$6,898,262</td>
</tr>
<tr>
<td>Net Benefit to the State (over 30 years, Net of award)</td>
<td>$2,851,174</td>
<td>$4,190,762</td>
</tr>
</tbody>
</table>
**Recommendation:**
As a result of the reduction of eligible jobs from 33 to 19, approval is requested from the Members to affirm that the project has not materially changed to allow staff to complete its certification of project completion. Additionally, as staff is still reviewing the job certification and the number of jobs may still be reduced, staff requests delegated authority to approve a further 20% reduction from the current number of 19 (4).

All other terms and conditions of the Grow NJ award will be consistent with the original approval as modified.

Prepared by: Keirah Black
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 10, 2019

SUBJECT: W&W Jewelers Inc. ("W&W")
$5,400,000 Grow NJ - Modification

Request:
As a result of the reduction of eligible jobs from 45 to 22, approval is requested from the Members to affirm that the project has not materially changed to allow staff to complete its certification of project completion. Additionally, as staff is still reviewing the job certification and the number of jobs may still be reduced, staff requests delegated authority to approve a further 20% reduction from the current number of 22 (4).

All other terms and conditions of the Grow NJ award will be consistent with the current approval.

Background:
W&W is a jewelry manufacturing company formed in 1973 using precious metals and stones to create jewelry for retail clients.

On February 9, 2016, EDA's Board approved W&W for a $5,400,000, 10-year Grow NJ tax credit based on the creation of 45 new jobs and anticipated eligible capital investment of $455,000 at the qualified business facility ("QBF") located at 35 Journal Square, Suite 231, Jersey City, Hudson County.

On February 7, 2019, W&W submitted certification of its project completion. The CPA certified that the company had made $956,528 in capital investments, which exceeded the minimum requirement of $74,520. W&W reported it created 22 of the expected 45 new full-time jobs, at the approved QBF, which exceeded the minimum requirement of 10 for the Grow NJ award. However, because the jobs were reduced more than 25% from that approved by the Board, the Members’ approval is needed to affirm that except for the reduction in jobs, the project has not changed.

Based on the $956,528 of capital investment and the 22 new jobs, the revised GROW NJ award was calculated to be $2,640,000. Pursuant to the Incentive Agreement, since jobs were reduced more than 25% from what was approved the net benefit to the State over 20 years was recalculated using the current net benefit model. However, the net benefit test was re-analyzed resulting in a cap of the award...
not to exceed $2,098,140 and a net benefit to the state of $209,868 which meets program requirements. Staff will make its final decision on the approval of the project completion certification no later than the expiration of the award on February 9, 2020.

A site visit was conducted to tour the facility and met with the company’s President, Stuart Kuppatkin. Staff confirmed that the reduction in the headcount was due to the longer than expected turnaround time to get the QBF fully operational which caused a delay transitioning from NY to NJ and employees that left the company.

Although W&W employs 51% less full-time jobs (45 v 22) than what had been expected under the current approval of this Grow award, the project was completed as anticipated – manufacturing business in Jersey City and $956,528 in capital investment was expended to complete the project.

**SUMMARY OF PROJECT CHANGES**

<table>
<thead>
<tr>
<th></th>
<th>At Approval</th>
<th>At Certification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eligible Min. New Jobs</td>
<td>45 (New)</td>
<td>22 (New)</td>
</tr>
<tr>
<td>Minimum Cap-Ex</td>
<td>$74,250</td>
<td>$74,250</td>
</tr>
<tr>
<td>Proposed/Actual Cap-Ex</td>
<td>$455,000</td>
<td>$956,528</td>
</tr>
<tr>
<td>Base Amount:</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Bonus Awards:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry (Manufacturing)</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Transit Oriented</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Deep Poverty Pocket</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Capex in Excess of minimum</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Total Amount per Incented Employee (*limited by net benefit test)</td>
<td>$12,000</td>
<td>$9,537*</td>
</tr>
<tr>
<td>Annual Award:</td>
<td>50 x $12,000 = $540,000</td>
<td>22 x $9,537 = $209,814</td>
</tr>
<tr>
<td>Total Award:</td>
<td>$5,400,000</td>
<td>$2,098,140</td>
</tr>
<tr>
<td>Gross Benefit to the State (over 20 years)</td>
<td>$9,604,641</td>
<td>$2,308,008</td>
</tr>
<tr>
<td>Net Benefit to the State (over 20 years, Net of award)</td>
<td>$4,204,641</td>
<td>$209,868</td>
</tr>
</tbody>
</table>
**Recommendation:**
As a result of the reduction of eligible jobs from 45 to 22, approval is requested from the Members to affirm that the project has not materially changed to allow staff to complete its certification of project completion. Additionally, as staff is still reviewing the job certification and the number of jobs may still be reduced, staff requests delegated authority to approve a further 20% reduction from the current number of 22 (4).

All other terms and conditions of the Grow NJ award will be consistent with the current approval.

Prepared by: Keirah Black
FILM TAX CREDIT PROGRAM
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 10, 2019

SUBJECT: Film Tax Credit Program

The following projects under the Film Tax Credit Program have been reviewed by EDA staff and recommended for approval. The films are described on the attached project summaries:

**Film Tax Credit Program Awards:**

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Company Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROD-00185324</td>
<td>SPR Media LLC</td>
<td>$453,374</td>
</tr>
<tr>
<td>PROD-00187675</td>
<td>Arete Productions LLC</td>
<td>160,296</td>
</tr>
<tr>
<td>PROD-00187684</td>
<td>Big Indie Chemical Hearts Inc.</td>
<td>2,566,865</td>
</tr>
<tr>
<td>PROD-00187681</td>
<td>Mida Films Inc.</td>
<td>40,316</td>
</tr>
</tbody>
</table>

Total Film Tax Credit Awards – December 10, 2019  $3,220,851

Prepared by: David Lawyer
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – FILM TAX CREDIT PROGRAM

As created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 30% of qualified film production expenses, or 35% of qualified film production expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

APPLICANT: SPR Media LLC

APPLICANT BACKGROUND:
SPR Media LLC is producing "A Nice Girl Like You", a film about an Oxford grad's hilarious explorations facing her sexual fears after being labeled 'sexophobic' by her significant other. When LUCY NEIL and her boyfriend break-up she is heartbroken. She sets out on a quest to understand why everyone close to her feels she is so uptight about sex and life itself. A proclaimed list maker, she sets out on a quest to enlighten herself on just what makes men tick or lack thereof.

The film content has been reviewed and recommended for approval under the Act by the New Jersey Motion Picture and Television Commission.

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

1. Total Film Production Expenses: A minimum of 60% of the film’s total production expenses (calculated excluding post-production expenses) must be incurred after July 1, 2018 but before July 1, 2023 for services performed and goods purchased through vendors authorized to do business in New Jersey. The following film production expenses are projected by the applicant.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Total Film Production Expenses</td>
<td>$1,859,582</td>
</tr>
<tr>
<td>B. Total Post-Production Expenses</td>
<td>$118,210</td>
</tr>
<tr>
<td>C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses)</td>
<td>$1,331,790</td>
</tr>
</tbody>
</table>

Percentage Calculation = C/(A-B) 76.48%
Criterion Met: Yes

2. Qualified Film Production Expenses: During a single privilege period, the film must have more than $1 million in qualified film production expenses. "Qualified film production expenses” are expenses incurred in New Jersey after July 1, 2018 for the production of a film, including pre-production costs and post-production costs. “Qualified film production expenses” shall include, but shall not limited to: wages and salaries of individuals employed in the production of a film on which the New Jersey Gross Income Tax has been paid or is due; and, the costs for tangible personal property used and services performed in New Jersey, directly and exclusively in the production of the film, such as expenditures for film production facilities, props, makeup,
wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payments made to a loan out company or to an independent contractor shall not be a “qualified film production expenses” unless the payments are made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required by N.J.A.C. 19:31-21.3(c). “Qualified film production expenses” shall not include: expenses incurred in marketing or advertising a film; and payment in excess of $500,000 to a highly compensated individual for costs for a story, script, or scenario used in the production of a film and for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines. The following qualified film production expenses are projected by the applicant to be incurred in New Jersey:

<table>
<thead>
<tr>
<th>Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.</th>
<th>$1,450,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criterion Met</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**AWARD CALCULATION**

<table>
<thead>
<tr>
<th>Base Award Criteria</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Qualified Film Production Expenses</td>
<td>$1,450,000 x 30% =</td>
<td>$435,000</td>
</tr>
</tbody>
</table>

**Bonus Criteria Met**

| Submission of Diversity Plan deemed satisfactory by EDA, NJ Taxation and Office of Diversity and Inclusion. 2% of Qualified Film Production Expenses. | $0 x 2% = | $0 |

| 5% of Qualified Film Production Expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County. | $367,498 x 5% = | $18,374 |

| Total Award | | $453,374 |

**APPLICATION RECEIVED DATE:** 12/20/2018 (Application #14)
**DATE APPLICATION DEEMED COMPLETE:** 01/30/2019
**PRINCIPAL PHOTOGRAPHY COMMENCEMENT:** 10/23/2018
**PRINCIPAL NJ PHOTOGRAPHY LOCATION:** Atlantic City/Rutherford/Jersey City/Secaucus/Glenn Ridge
**ESTIMATED DATE OF PROJECT COMPLETION:** 02/14/2019
**APPLICANT'S FISCAL YEAR END:** 12/31/2019
**TAX CREDIT VINTAGE YEAR(S):** 2019
**TAX FILING TYPE:** Corporate Business Tax
**ANTICIPATED CERTIFICATION DATE:** 12/31/2019

In general, the final documentation shall be submitted to the Authority no later than four years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to
N.J.S.A. 54:10A-5 and three years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.

The Garden State Film and Digital Media Jobs Act provides a total of $75 million tax credits originally available for State Fiscal Year 2020. After today's approvals, $23.8 million remains in the program for State Fiscal Year 2020. However, there are 16 additional applications in the pipeline totaling $44.6 million and therefore being oversubscribed for State Fiscal Year 2020.

APPROVAL REQUEST:
The Members of the Authority are asked to initially approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award, and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority’s final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.

APPROVAL OFFICER: Mark Chierici
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – FILM TAX CREDIT PROGRAM

As created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 30% of qualified film production expenses, or 35% of qualified film production expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

APPLICANT: Arete Productions LLC

APPLICANT BACKGROUND:
Arete Productions LLC is the production company responsible for “Lucky Jack”. A true story based on a 30 year old unemployed high school drop who in 1966 puts on "Man of Lamanach’s Impossible Dream" looks in the mirror and decides to become a brain surgeon. Comedian, actor, former Saturday Night live host, Robert Kline voices Jack in the telling of his incredible journey from slacker to surgeon.

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

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

1. Total Film Production Expenses: A minimum of 60% of the film’s total production expenses (calculated excluding post-production expenses) must be incurred after July 1, 2018 but before July 1, 2023 for services performed and goods purchased through vendors authorized to do business in New Jersey. The following film production expenses are projected by the applicant.

| A. Total Film Production Expenses       | $534,320 |
| B. Total Post-Production Expenses      | $122,000 |
| C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses) | $412,320 |

Percentage Calculation = C/(A-B)
Criterion Met

2. Qualified Film Production Expenses: During a single privilege period, the film must have more than $1 million in qualified film production expenses. “Qualified film production expenses” are expenses incurred in New Jersey after July 1, 2018 for the production of a film, including pre-production costs and post-production costs. “Qualified film production expenses” shall include, but shall not limited to: wages and salaries of individuals employed in the production of a film on which the New Jersey Gross Income Tax has been paid or is due; and, the costs for tangible
personal property used and services performed in New Jersey, directly and exclusively in the production of the film, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payments made to a loan out company or to an independent contractor shall not be a "qualified film production expenses" unless the payments are made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required by N.J.A.C. 19:31-21.3(c). "Qualified film production expenses" shall not include: expenses incurred in marketing or advertising a film; and payment in excess of $500,000 to a highly compensated individual for costs for a story, script, or scenario used in the production of a film and for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines. The following qualified film production expenses are projected by the applicant to be incurred in New Jersey:

<table>
<thead>
<tr>
<th>Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.</th>
<th>$534,320</th>
</tr>
</thead>
</table>

**Criterion Met**

| No |

**AWARD CALCULATION**

<table>
<thead>
<tr>
<th>Base Award Criteria</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Qualified Film Production Expenses</td>
<td>$534,320 x 30% =</td>
<td>$160,296</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bonus Criteria Met</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission of Diversity Plan (attached) deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses.</td>
<td>$0 x 2% =</td>
<td>$0</td>
</tr>
<tr>
<td>5% of Qualified Film Production Expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.</td>
<td>$0 x 5% =</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Total Award**

| $160,296 |

**APPLICATION RECEIVED DATE:** 5/23/2019 (Application #18)
**DATE APPLICATION DEEMED COMPLETE:** 7/9/2019
**PRINCIPAL PHOTOGRAPHY COMMENCEMENT:** 9/6/2019
**PRINCIPAL NJ PHOTOGRAPHY LOCATION:** Newark City
**ESTIMATED DATE OF PROJECT COMPLETION:** 12/22/2019
**APPLICANT'S FISCAL YEAR END:** 12/31/2019
**TAX CREDIT VINTAGE YEAR(S):** 2019
**TAX FILING TYPE:** Gross Income Tax
**ANTICIPATED CERTIFICATION DATE:** 1/31/2020

In general, the final documentation shall be submitted to the Authority no later than four years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to
N.J.S.A. 54:10A-5 and three years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.

The Garden State Film and Digital Media Jobs Act provides a total of $75 million tax credits originally available for State Fiscal Year 2020. After today’s approvals, $23.8 million remains in the program for State Fiscal Year 2020. However, there are 16 additional applications in the pipeline totaling $44.6 million and therefore being oversubscribed for State Fiscal Year 2020.

APPROVAL REQUEST:
The Members of the Authority are asked to initially approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award, and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority’s final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.

APPROVAL OFFICER: S. Novak
As created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 30% of qualified film production expenses, or 35% of qualified film production expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

APPLICANT: Big Indie Chemical Hearts, Inc.

APPLICANT BACKGROUND:
The film is called Chemical Hearts. 17-year-old Henry Page has never been in love. He fancies himself a romantic, but the once in a lifetime kind of love that he's been hoping for just hasn't been in the cards for him—at least not yet. Instead, he's been happy to focus all of his attention on finally becoming the editor of his high school newspaper. Then, on the first day of senior year, he meets transfer student Grace Town and knows everything’s about to change.

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

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

1. Total Film Production Expenses: A minimum of 60% of the film’s total production expenses (calculated excluding post-production expenses) must be incurred after July 1, 2018 but before July 1, 2023 for services performed and goods purchased through vendors authorized to do business in New Jersey. The following film production expenses are projected by the applicant.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Total Film Production Expenses</td>
<td>$10,633,930</td>
</tr>
<tr>
<td>B. Total Post-Production Expenses</td>
<td>$1,382,768</td>
</tr>
<tr>
<td>C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses)</td>
<td>$8,556,218</td>
</tr>
</tbody>
</table>

Percentage Calculation = C/(A-B) = 92.49%
Criterion Met = Yes

2. Qualified Film Production Expenses: During a single privilege period, the film must have more than $1 million in qualified film production expenses. “Qualified film production expenses” are expenses incurred in New Jersey after July 1, 2018 for the production of a film, including pre-production costs and post-production costs. “Qualified film production expenses” shall include, but shall not limited to: wages and salaries of individuals employed in the production of a film on which the New Jersey Gross Income Tax has been paid or is due; and, the costs for tangible
personal property used and services performed in New Jersey, directly and exclusively in the production of the film, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payments made to a loan out company or to an independent contractor shall not be a "qualified film production expenses" unless the payments are made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required by N.J.A.C. 19:31-21.3(c).

"Qualified film production expenses" shall not include: expenses incurred in marketing or advertising a film; and payment in excess of $500,000 to a highly compensated individual for costs for a story, script, or scenario used in the production of a film and for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines. The following qualified film production expenses are projected by the applicant to be incurred in New Jersey:

<table>
<thead>
<tr>
<th>Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.</th>
<th>$8,556,218</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criterion Met</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**AWARD CALCULATION**

<table>
<thead>
<tr>
<th>Base Award Criteria</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Qualified Film Production Expenses</td>
<td>$8,556,218 x 30% = $2,566,865</td>
<td></td>
</tr>
<tr>
<td>Bonus Criteria Met</td>
<td>Submission of Diversity Plan deemed satisfactory by EDA, NJ Taxation and Office of Diversity and Inclusion. 2% of Qualified Film Production Expenses.</td>
<td>$0 x 2% = $0</td>
</tr>
<tr>
<td>5% of Qualified Film Production Expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.</td>
<td>$0 x 5% = $0</td>
<td></td>
</tr>
<tr>
<td>Total Award</td>
<td></td>
<td>$2,566,865</td>
</tr>
</tbody>
</table>

**APPLICATION RECEIVED DATE:** 06/13/2019 (Application #22)

**DATE APPLICATION DEEMED COMPLETE:** 06/18/2019

**PRINCIPAL PHOTOGRAPHY COMMENCEMENT:** 06/10/2019

**PRINCIPAL NJ PHOTOGRAPHY LOCATION:** Harrison Town

**ESTIMATED DATE OF PROJECT COMPLETION:** 07/11/2019

**APPLICANT'S FISCAL YEAR END:** December 31, 2019

**TAX CREDIT VINTAGE YEAR(S):** 2019

**TAX FILING TYPE:** Corporate Business Tax

**ANTICIPATED CERTIFICATION DATE:** March 31, 2020

In general, the final documentation shall be submitted to the Authority no later than four years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to
N.J.S.A. 54:10A-5 and three years after the Authority's initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.

The Garden State Film and Digital Media Jobs Act provides a total of $75 million tax credits originally available for State Fiscal Year 2020. After today's approvals, $23.8 million remains in the program for State Fiscal Year 2020. However, there are 16 additional applications in the pipeline totaling $44.6 million and therefore being oversubscribed for State Fiscal Year 2020.

APPROVAL REQUEST:
The Members of the Authority are asked to initially approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award, and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority's final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.

APPROVAL OFFICER: Mark Chierici
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – FILM TAX CREDIT PROGRAM

As created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 30% of qualified film production expenses, or 35% of qualified film production expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

APPLICANT: Mida Films Inc. PROD-00187681

APPLICANT BACKGROUND:
Mida Films Inc. is the production company responsible for “The Unborn”. The story involves a security guard who through a series of inexplicable events, is confronted by demons that make her question her sanity and her ability to judge life.

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

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

1. Total Film Production Expenses: A minimum of 60% of the film’s total production expenses (calculated excluding post-production expenses) must be incurred after July 1, 2018 but before July 1, 2023 for services performed and goods purchased through vendors authorized to do business in New Jersey. The following film production expenses are projected by the applicant.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Total Film Production Expenses</td>
<td>$189,784</td>
</tr>
<tr>
<td>B. Total Post-Production Expenses</td>
<td>$28,050</td>
</tr>
<tr>
<td>C. Total expenses for services performed and goods purchased through vendors authorized to do business in New Jersey (excluding any post-production expenses)</td>
<td>$134,389</td>
</tr>
</tbody>
</table>

Percentage Calculation = C/(A-B) = 83.09%
Criterion Met: Yes

2. Qualified Film Production Expenses: During a single privilege period, the film must have more than $1 million in qualified film production expenses. “Qualified film production expenses” are expenses incurred in New Jersey after July 1, 2018 for the production of a film, including pre-production costs and post-production costs. “Qualified film production expenses” shall include, but shall not limited to: wages and salaries of individuals employed in the production of a film on which the New Jersey Gross Income Tax has been paid or is due; and, the costs for tangible personal property used and services performed in New Jersey, directly and exclusively in the production of the film, such as expenditures for film production facilities, props, makeup,
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<tr>
<th>Qualified Film Production Expenses incurred in NJ during a single privilege period after July 1, 2018.</th>
<th>$134,389</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criterion Met</td>
<td>No</td>
</tr>
</tbody>
</table>

**AWARD CALCULATION**

<table>
<thead>
<tr>
<th>Base Award Criteria</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Qualified Film Production Expenses</td>
<td>$134,389 x 30% =</td>
<td>$40,316</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bonus Criteria Met</th>
<th>Calculation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission of Diversity Plan (attached) deemed satisfactory by EDA and NJ Taxation. 2% of Qualified Film Production Expenses.</td>
<td>$0 x 2% =</td>
<td>$0</td>
</tr>
<tr>
<td>5% of Qualified Film Production Expenses incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.</td>
<td>$0 x 5% =</td>
<td>$0</td>
</tr>
</tbody>
</table>

| Total Award | $40,316 |

**APPLICATION RECEIVED DATE:** 6/4/2019 (Application #19)
**DATE APPLICATION DEEMED COMPLETE:** 6/24/2019
**PRINCIPAL PHOTOGRAPHY COMMENCEMENT:** 6/11/2019
**PRINCIPAL NJ PHOTOGRAPHY LOCATION:** Jersey City
**ESTIMATED DATE OF PROJECT COMPLETION:** 9/9/2019
**APPLICANT’S FISCAL YEAR END:** 12/31/2019
**TAX CREDIT VINTAGE YEAR(S):** 2019
**TAX FILING TYPE:** Corporate Business Tax
**ANTICIPATED CERTIFICATION DATE:** 1/31/2020

In general, the final documentation shall be submitted to the Authority no later than four years after the Authority’s initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to N.J.S.A. 54:10A-5 and three years after the Authority’s initial approval if the taxpayer is seeking a credit against the tax imposed pursuant to the N.J.S.A. 54A:1-1 et seq.
The Garden State Film and Digital Media Jobs Act provides a total of $75 million tax credits originally available for State Fiscal Year 2020. After today’s approvals, $23.8 million remains in the program for State Fiscal Year 2020. However, there are 16 additional applications in the pipeline totaling $44.6 million and therefore being oversubscribed for State Fiscal Year 2020.

**APPROVAL REQUEST:**
The Members of the Authority are asked to initially approve the proposed award to the applicant under the New Jersey Film and Digital Media Tax Credit Program. The recommended tax credit is contingent upon receipt by the Authority of evidence that the applicant has met certain criteria to substantiate the recommended award, and is subject to final approval by the Authority and the Division of Taxation. Staff may issue the Authority’s final approval if the criteria met by the company is consistent with that shown herein. If the criteria met by the company differs from that shown herein, Staff may lower the tax credit amount to reflect what corresponds to the actual criteria that have been met.

**APPROVAL OFFICER:** S. Novak
BOND RESOLUTIONS
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

SUBJECT: NJEDA NJ Transit Transportation Project Revenue Bonds, 2020 Series

DATE: December 10, 2019

SUMMARY OF PROPOSED FINANCING

The Authority is currently being asked to approve the issuance of one or more series of its tax-exempt NJ Transit Transportation Project Revenue Bonds, 2020 Series (the “2020 Series Bonds”) and various related actions described below. The 2020 Series Bonds (to be issued in an amount not to exceed $500,000,000), will be used to: (i) finance authorized projects of the New Jersey Transit Corporation (“NJ Transit”) which are expected to include the acquisition of commuter buses and locomotives; (ii) fund capitalized interest for the 2020 Series Bonds; and (iii) pay the costs of issuance of the 2020 Series Bonds.

BACKGROUND

Between 2004 and 2009, the State issued approximately $950 million of Certificates of Participation (“COPs”) for the benefit of NJ Transit’s capital program for the purpose of financing the acquisition of bus and rail rolling stock. Repayment of these COPs came in part from pay-as-you-go (“paygo”) appropriations from the New Jersey Transportation Trust Fund Authority (“TTFA”) to fund NJ Transit’s annual capital program and from NJ Transit’s annual operating budget. In 2008, the Authority issued approximately $342 million of bonds for the benefit of NJ Transit’s capital program to refinance outstanding obligations issued for the purpose of financing the South Jersey Light Rail Project. In 2014, NJ Transit issued approximately $483 million of Grant Anticipation Notes (“GANs”) to refinance outstanding obligations issued for the purpose of financing the acquisition of bus and rail rolling stock. In 2017, the Authority issued approximately $628 million of bonds (the “2017 Series Bonds”) under and pursuant to the Transportation Project Sublease Revenue Bond Resolution (New Jersey Transit Corporation Projects), adopted by the Authority on December 13, 2016. The 2017 Series Bonds were issued for the benefit of NJ Transit’s capital program and $64 million of the proceeds were applied to finance the costs of certain new money projects and the balance of the proceeds ($564 million) were applied for the purpose of refinancing the outstanding COPs.
The 2014 GANs and the 2017 Series Bonds are currently outstanding in the aggregate principal amount of $692,620,000.

APPROVAL REQUEST

The Authority is being requested to approve the adoption of the NJ Transit Transportation Project Revenue Bond Resolution (the “Bond Resolution”), and the First Supplemental NJ Transit Transportation Project Revenue Bond Resolution (the “First Supplemental Resolution”), which supplements the Bond Resolution and authorizes the issuance of one or more series of 2020 Series Bonds in an aggregate principal amount not to exceed $500,000,000. The 2020 Series Bonds will be issued for the purposes described above. NJ Transit will enter into one or more lease agreements, sublease agreements and any other documents necessary to effectuate the issuance of the 2020 Series Bonds (collectively, the “Lease Financing Documents”) pursuant to which, among other things, NJ Transit will agree to make lease rental payments to the Authority in an amount sufficient to pay, inter alia, debt service on the 2020 Series Bonds. NJ Transit will also enter into one or more Funding Agreements (the “Funding Agreements”), with the consent of the Commissioner of the New Jersey Department of Transportation (“Commissioner”) in favor of the Authority pursuant to which NJ Transit will pledge a portion of the paygo appropriations from the TTFA to secure NJ Transit’s payment obligations under the Lease Financing Documents. The Members of the Board of NJ Transit are expected to approve the Funding Agreement and the Lease Financing Documents on December 11, 2019.

The 2020 Series Bonds are expected to be issued as fixed rate tax-exempt bonds, and subject to the following parameters, all as determined by an Authorized Authority Representative, in consultation with the Treasurer, Office of Public Finance, Attorney General’s Office and Bond Counsel:

1. The final maturity of any 2020 Series Bonds will not exceed twenty-eight (28) years from the date of issuance;
2. The true interest cost of the 2020 Series Bonds will not exceed 6% per annum; and
3. The redemption price of the 2020 Series Bonds will not exceed 100% of the principal amount of such 2020 Series Bonds, if and when redeemed.

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

1. To determine the date of issuance, sale and delivery, the maturity dates, the principal amount and the redemption provisions of each series of 2020 Series Bonds in accordance with the parameters set forth above;
2. To select and appoint any additional co-managers and/or underwriters upon recommendation of the Treasurer, utilizing the Department of the Treasury’s (“Treasury”) competitive RFP process and in accordance with Executive Order No. 26 (Whitman 1994) (“EO 26”) and Executive Order No. 37 (Corzine 2006) (“EO 37”); and

3. To select and appoint a Trustee for the 2020 Series Bonds upon recommendation of the Treasurer, utilizing Treasury’s competitive RFP process and in accordance with EO 26 and EO 37.

In exercising the Authority’s discretion to approve specific transactions authorized under the First Supplemental Resolution, it is anticipated that the Authorized Authority Representatives will make decisions on behalf of the Authority in consultation with the Treasurer. The Board will be updated upon completion of the transaction.

Subchapter 6.7 (Fee Waiver) of the Authority’s rules permits the Chief Executive Officer, with the approval of the Members to waive, postpone or decrease the Authority’s closing fees for State agency projects. In the absence of Board action, the Authority’s statutory bond closing fee will apply. It is recommended the bond closing fee for this transaction be reduced to one-half of the statutory bond closing fee.

Professionals for the transaction were selected in compliance with EO 26. Chiesa Shahinian & Giantomasi PC was selected as Bond Counsel through a competitive RFP process performed by the Attorney General’s Office on behalf of Treasury for State appropriation-backed transactions. Through Treasury’s competitive RFP process, Barclays Capital Inc. was chosen as senior managing underwriter.

RECOMMENDATION

Based upon the above description, and subject to the criteria set forth above, the Authority is requested to: (i) approve the adoption of the Bond Resolution; (ii) approve the adoption of the First Supplemental Resolution authorizing the issuance of the 2020 Series Bonds in the total aggregate principal amount not to exceed $500,000,000, as well as other matters in connection with the issuance and sale thereof and otherwise as described above; (iii) approve the several actions and delegation of actions to an Authorized Authority Representative as may be necessary or advisable in order to issue the 2020 Series Bonds and to undertake the other transactions described in (ii) above on terms which are in the best interest of the State; (iv) authorize the use of the aforementioned professionals; and (v) authorize Authority staff to take all necessary actions incidental to the issuance of the 2020 Series Bonds, subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General’s Office.

Prepared by: Teresa Wells
AMENDED BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Stand-Alone Bond

APPLICANT: White Horse HMT Urban Renewal, LLC

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 308 South White Horse Pike, Hammonton Township, Atlantic County

APPLICANT BACKGROUND:
White Horse HMT Urban Renewal, LLC is a recently formed entity comprised of ALFNJ, LLC, CDP Entity/Carding Group and Shelter American Holdings, Inc., as members of White Horse ALR, LLC, the managing member. Drew A. Barile, CEO of Ashore Property Management and Eric Wolf of WolfCo. formed ALFNJ to develop and own affordable assisted living projects, each owner with experience in the development and management of senior healthcare and housing related facilities. Members of CDP Entity/Carding Group have participated in the financing and development of 20 affordable assisted living communities since 2013. Shelter American Holdings will guarantee the obligation of the managing member under the operating agreement; Shelter is a privately held company responsible for the management of approx. 2.7 million sq. ft. of commercial space.

At the Authority’s October 8, 2019 Board meeting, the Members approved the issuance of tax-exempt and taxable bonds aggregating $30,000,000 (the “Bonds”) for project outlined below.

The project qualifies for tax-exempt bond financing as an Exempt Public Facility - Qualified Residential Project under Sections 142 (d) (2) and 142 (a)(7) of the Internal Revenue Code of 1986 as amended. The applicant will set aside 20% of the units in the project to individuals whose income does not exceed 50% of area median gross income.

OTHER NJEDA SERVICES:
None

APPROVAL REQUEST:
Authority assistance will enable the Applicant to acquire a 50,000 sq. ft. facility located on 9 acres in Hammonton, Atlantic County and construct a 45,000 sq. ft. addition to create a 162-unit assisted living facility, together with a 5,500 sq. adult medical daycare with an 80-participant capacity. The site will have lobby area, kitchen, offices, main dining room, computer room, laundry room, library as well as fitness room, beauty/barber shop, and multi-purpose lounge. Proceeds of the bonds will also be used to pay costs of issuing the 2019 Bond, fund capitalized interest and debt service reserve fund.

The Department of Health approved the Certificates of Need for the assisted living and adult daycare projects. The Department of Community Affairs is reviewing the construction plans. The Applicant has also applied for low income housing tax credits administered by NJ Housing and Mortgage Finance Agency.

This Project is being presented at the December 10, 2019 Board meeting for an amended bond resolution to reauthorize the use of 2018 Carryforward Allocation, as the Bonds will not be issued within the time period allowed under the prior approval. The Applicant has represented it will be prepared to close on the Project prior to the expiration period provided in the amended bond resolution (up to an additional 90 days).

FINANCING SUMMARY:

BOND PURCHASER: UBS Financial Services Inc. (Underwriter)

AMOUNT OF BOND: $29,000,000 estimated Tax-exempt Series A Bond

$1,000,000 (estimated) Taxable Series B Bond

TERMS OF BOND: 30 years (max.); Fixed interest rate not to exceed 9%. Estimated interest rate range as of 9/23/19 is 4.75% to 6%. 2018 Carryforward Allocation

30 years (max.); Fixed interest rate not to exceed 9%. Estimated interest rate range as of 9/23/19 is 5% to 6%.

ENHANCEMENT: None
PRODUCT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of Land</td>
<td>$500,000.00</td>
</tr>
<tr>
<td>Debt Service Reserve Fund</td>
<td>$1,600,000.00</td>
</tr>
<tr>
<td>Acquisition of Existing Building</td>
<td>$4,200,000.00</td>
</tr>
<tr>
<td>Interest During Construction</td>
<td>$2,820,000.00</td>
</tr>
<tr>
<td>Renovation of Existing Building</td>
<td>$9,250,000.00</td>
</tr>
<tr>
<td>Working Capital</td>
<td>$4,050,000.00</td>
</tr>
<tr>
<td>Construction of New Building or Addition</td>
<td>$9,292,000.00</td>
</tr>
<tr>
<td>Acquisition of Equipment &amp; Machinery</td>
<td>$500,000.00</td>
</tr>
<tr>
<td>Engineering &amp; Architectural Fees</td>
<td>$5,412,779.00</td>
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<tr>
<td>Finance Fees</td>
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<td>Accounting Fees</td>
<td>$30,000.00</td>
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<td>Legal Fees</td>
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</table>

TOTAL COSTS: $39,204,779.00

JOBS:

<table>
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<tr>
<th>Description</th>
<th>NJ Full Time Jobs at Application</th>
<th>Expected New Full Time Eligible Jobs at Project Site</th>
<th>Full Time Maintained Jobs at Project Site</th>
<th>Estimated Construction Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>95</td>
<td>0</td>
<td>151</td>
</tr>
</tbody>
</table>

PUBLIC HEARING: 10/21/2019 (10/14/2019)
BOND COUNSEL: Chiesa, Shahinian & Giantomasi, P.C
DEVELOPMENT OFFICER: Kathy Durand
UNDERWRITER OFFICER: Teresa Wells
MEMORANDUM

TO: Members of the Authority
FROM: Tim Sullivan, Chief Executive Officer
DATE: December 10, 2019
SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

The following commercial project has been approved by the Department of Environmental Protection to closure/upgrade and site remediation activities. The scope of work is described on the attached project summary:

**PUST Commercial Grant:**

Prod 187694  Moises O. Hernandez  $118,841.95

**Total UST Funding – December 2019**  $118,841.95

Prepared by: Kathy Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Underground Storage Tank - Business
APPLICANT: Moises O. Hernandez
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 597 Chancellor Avenue  Irvington Township  Essex County

APPLICANT BACKGROUND:
Between May 1999 and April 2000, Moises O. Hernandez, owner of the project site which is a filling station and service facility, received an initial grant in the amount of $190,540 under P10795 and a supplemental grant in the amount of $59,460 under P10795s, is seeking to perform additional remediation of the former underground storage tanks (USTs) at the project site. The tanks were decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform extensive 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.

OTHER NJEDA SERVICES: NONE

APPROVAL REQUEST:
The applicant is requesting supplemental grant funding in the amount of $118,841.95 to perform the approved scope of work at the project site. The project site is located in a metropolitan planning area and is eligible for up to $1 million in grant funding. Because the aggregate supplemental funding including this request is $178,301.95, it exceeds the maximum aggregate staff delegation approval of $100,000 and therefore requires EDA's board approval. Total grant funding including this approval is $368,841.95.

The NJDEP oversight fee of $11,884.20 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: $118,841.95
TERMS OF GRANT: No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act.

PROJECT COSTS:
<table>
<thead>
<tr>
<th>UST Project: Remediation</th>
<th>$118,841.95</th>
<th>EDA Administrative Cost</th>
<th>$500.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>UST Project: NJDEP Costs</td>
<td>$11,884.20</td>
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<td></td>
</tr>
</tbody>
</table>

TOTAL COSTS: $131,226.15

DATE: 12/5/2019
BOARD MEMORANDUM
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 10, 2019

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

The following projects were approved under Delegated Authority in November 2019:

Premier Lender Program:

1) 1855 Swarthmore LLC (PROD-00187991), located in Lakewood Township, Ocean County, is a real estate holding company formed in 2017 to own and manage the project property. The operating company, Lakewood Glass Co., Inc. DBA Elco Glass Industries ("Lakewood Glass") was formed in 1965 and is a glass products fabricator, selling mirrors, glass tabletops, shower doors and glass flooring primarily to installers, contractors and architects throughout the NJ/NY/PA marketplace. OceanFirst Bank approved a $3,000,000 bank loan contingent upon a 17.3% ($520,000) Authority participation. Proceeds will be used to purchase the project property. The Company currently has eight employees and plans to create three new positions within the next two years.

Small Business Fund Program:

1) Reino Real Estate LLC (PROD-00187970), located in East Brunswick Township, Middlesex County, is a real estate holding company formed in 2019 to purchase the project property. The operating company, Carmen’s Corp., Inc. DBA Anchor Pest Control, was established in 2005 to provide pest control services to business and residential customers in the NJ/NY/Eastern PA Metro market. M&T Bank approved a $441,750 loan contingent upon a 21% ($93,000) Authority participation. Proceeds will be used to finance the project property purchase to relocate operations. The Company currently has 27 employees and plans to create two additional positions within the next two years.

Prepared by: G. Robins
MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan,
Chief Executive Officer

DATE: December 10, 2019

RE: NJ Boost Program

The information contained in this memorandum is provided for information purposes.

OVERVIEW

The following is a briefing for the Members on the proposed creation of the NJ Boost Program, a pilot program which will equip early-stage New Jersey-based entrepreneurs, and those considering starting a business, with the knowledge, tools, and skills necessary to grow innovative businesses, hire local employees, and contribute to the development of New Jersey’s innovation ecosystem.

Through this pilot program the NJEDA will procure and contract with a vendor to establish and launch a series of eight events, beginning in 2020, that will bring together diverse entrepreneurs to rapidly build new businesses and skill sets.

Leveraging a collaborative and intensive event structure that is well-established in the startup space, each of the eight events will take place over 2-3 days and focus on a distinct sector or challenge with a unique cohort of early-stage entrepreneurs. Events are expected to include activities such as: working in teams to create business plans, build prototypes, and pitch ideas, learning foundational business and entrepreneurial principles and skills, understanding the customer development process, and receiving tailored guidance on the development of businesses from experienced advisors. These programs are generally community and industry focused and will connect participants with local mentors and investors who provide real time feedback and guidance. The information and tools gained from completion of these events are expected to encourage entrepreneurship in various key sectors, while helping to reduce the failure rates for early stage companies.

PROGRAM PURPOSE AND POLICY ALIGNMENT

Governor Murphy’s Economic Development Strategic Plan. “The State of Innovation: Building a Stronger and Fairer New Jersey Economy” includes, as one of its key goals, creating the most diverse innovation ecosystem in the nation and doubling venture capital investment in New Jersey by 2025.
It is well documented that entrepreneurship creates jobs and contributes to the development of innovation economies. However, as indicated in the Governor’s plan, New Jersey’s business environment has historically proven challenging for entrepreneurs and small businesses to navigate, resulting in entrepreneurial output that is below the level necessary to reestablish New Jersey as the State of Innovation. According to analysis of 2018 data from the Bureau of Labor Statistics conducted by the Ewing Marion Kauffman Foundation, just 0.29% of New Jersey’s population started a business compared to a national average of 0.32%. On the upside, this same analysis shows that New Jersey start-ups produce more jobs in the first year than the national average (5.38 vs. 5.2). By supporting entrepreneurs during the early stages of developing new businesses, there is a clear opportunity for the Authority to help unlock the economic potential of entrepreneurship in New Jersey and further build up New Jersey’s Innovation Ecosystem.

Early-stage entrepreneurs face many obstacles to success, ranging from lack of business expertise to lack of funding. Strong entrepreneurial ecosystems, such as New York and Boston, are ripe with opportunities for entrepreneurs to access knowledge, resources, and people that enable them to effectively navigate these challenges and set their businesses up for growth. Instituting the NJ Boost program will enable NJ to remain competitive in the innovation economy.

There is evidence to support the notion that training for entrepreneurs, delivered in different forms, creates positive outcomes. As an example, in the 2000’s, the U.S. Department of Labor (DOL), Employment and Training Administration, and Small Business Administration (SBA) conducted a randomized control trial with more 4,000 participants to study the impact of providing free entrepreneurship training over a period of 5 years following the training. It was found that participants who received free entrepreneurship training were more likely to own a business in the first few quarters after the training, started their businesses sooner, and had businesses with greater longevity than those participants who did not receive the training. More recently, a 2019 study by Benjamin L. Hallen (University of Washington), Susan Cohen (University of Georgia), and Christopher Bingham (University of North Carolina) found that early accelerators can, though not always, “substantially aid and accelerate venture development”.

There is an opportunity for NJEDA to leverage one of several well-established models of engaging entrepreneurs to develop a program that arms entrepreneurs with resources and connections that will enable them to overcome obstacles to entrepreneurship. Through NJ Boost, NJEDA will not only help New Jersey-based entrepreneurs to develop early stage businesses, but also cultivate New Jersey’s Innovation Ecosystem by establishing connections between entrepreneurs and the resources they need to launch successful businesses.

PROGRAM DESIGN

The program will be deployed as a series of eight intensive educational events, running approximately 2-3 days each. This program will be primarily targeted to early-stage entrepreneurs with a New Jersey permanent residence, as well as students at New Jersey colleges and universities.
Early-stage New Jersey-based entrepreneurs, or those considering launching a new venture, will be recruited and screened by the vendor for potential attendance at an event within a relevant focus area. Throughout these events, participants will work in teams to build out business ideas, receive education and guidance from experienced advisors, and develop fundamental entrepreneurship skills. The events will foster an immersive, hands-on, and collaborative atmosphere that is popular in the startup space and enables rapid learning for entrepreneurs looking to build and grow new businesses.

Expected outcomes for entrepreneurs attending the events include:

- Foundational business and entrepreneurship knowledge that is crucial for forming viable new businesses;
- Actionable tools and skills that entrepreneurs can immediately put to work within their businesses;
- Connections to other entrepreneurs and experienced advisors in their industry;
- An understanding of New Jersey-based resources that are available to local entrepreneurs.

Public relations efforts will be leveraged around the events to showcase a supportive entrepreneurial community in the state, while building awareness of New Jersey as a home for innovation.

To execute this program, NJEDA will procure and contract with a specialized startup event/program manager that has a proven track record of organizing, marketing, and facilitating intensive educational events for entrepreneurs, with a thematic focus on innovation economy sub-sectors that are part of the nine sectors called out in Governor Murphy's Economic Development Strategic Plan. Targeted innovation economy sub-sectors could be: Cybersecurity, FinTech, Clean Energy, Sports Wagering Technology, HealthTech, and Smart Cities. In addition, several of these programs could be targeted to specific demographics that are traditionally under-represented in the start-up community, such as: Female Entrepreneurs and Founders of Color. NJEDA will work with the selected vendor to finalize the focus areas.

A Request for Proposal (RFP) will be issued in the first quarter of 2020. The scope of work expected to be required of the vendor includes:

- Event management, including venue procurement;
- Event marketing to secure New Jersey-based entrepreneur attendees;
- Session design, including tailoring sessions and content to provide a sector-specific perspective at each event;
- Advisor procurement, including securing individuals with relevant sector expertise;
- Event facilitation;
- Measurement plan.
Once the contract has been awarded, the vendor will manage the logistics, structure, and content for each of the events. A qualified vendor will be identified through the procurement process, after which a recommended award will be presented to the Members for approval. Although it is expected that the Authority will be responsible for upfront costs to the service provider to establish the program, it is anticipated that the successful awardee may include a mechanism to offset most, if not all, of these costs (e.g., attract and secure sponsorship).

To ensure NJ Boost is achieving its desired goals, NJEDA will follow-up with participants over time to assess the quality of the events and capture learnings. A measurement plan will be deployed to ensure events are achieving intended outcomes.

NJEDA will also work closely with the participating businesses to make them aware of the array of follow on resources available to help support the growth of their business in NJ, such as: NJ Ignite and the NJ Angel Investor Tax Credit Program.

NJ Boost serves as an effective complement to NJEDA’s array of existing technical assistance programs by delivering highly specialized training to strategic sectors and market populations not currently served through these programs.

**VALUE FOR NJEDA AND THE STATE**

It is expected that this program will deliver the following benefits to NJEDA and the State of New Jersey:

- Grow New Jersey’s Innovation Economy & Ecosystem;
- Drive the formation and growth of new ventures by equipping entrepreneurs, as well as potential entrepreneurs, with foundational knowledge, tools, and skills;
- Expand New Jersey’s pipeline of early stage businesses, including those that would benefit from NJEDA products;
- Generate awareness of New Jersey’s resources for entrepreneurs, including NJEDA products, to encourage entrepreneurs to do business in New Jersey;
- Build New Jersey’s brand as the State of Innovation among local entrepreneurs.
CONCLUSION

Authority staff believes that the pilot NJ Boost program will support early-stage New Jersey-based entrepreneurs and provide the knowledge, tools, and skills necessary to grow innovative businesses, hire local employees, and contribute to the development of New Jersey's Innovation Ecosystem.

Tim Sullivan
Chief Executive Officer

Prepared by: Kelli Brown