MEMORANDUM

TO: Members of the Authority
FROM: Michele Brown
       Chief Executive Officer
DATE: September 12, 2013
SUBJECT: Agenda for Board Meeting of the Authority September 12, 2013

Notice of Public Meeting

Roll Call

Approval of Previous Month’s Minutes

Chief Executive Officer’s Monthly Report to the Board

Authority Matters

Bond Projects

Loans/Grants/Guarantees

Incentive Programs

Board Memorandums

Real Estate

Office of Recovery

Public Comment

Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
August 13, 2013

MINUTES OF THE MEETING

Members of the Authority present: Al Koeppe, Chairman; State Treasurer Andrew Sidamon-Eristoff; Fred Zavaglia representing the Commissioner of the Department of Labor and Workforce Development; Christopher Hughes representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Brian Nelson, Ray Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member, and Harold Imperatore, Third Alternate Public Member.

Present via conference call: Colleen Kokas representing the Commissioner of the Department of Environmental Protection; Public Members Marjorie Perry, Charles Sarlo, and Rodney Sadler, Non-Voting Member.

Also present: Michele Brown, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Ed Pillsbury; Amy Herbold, Governor’s Authorities’ Unit; and staff.

Absent: Melissa Orsen representing the Executive Branch; Public Members Richard Tolson and Jerry Langer.

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

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

In accordance with the Open Public Meetings Act, Ms. Brown announced that notice of this meeting has been sent to the Star Ledger and the Trenton Times at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State’s bulletin board at the State House.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the July 11, 2013 meeting minutes. A motion was made to approve the minutes by Mr. Nelson, seconded by Mr. McNamara, and was approved by the 13 voting members present.

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

BOND RESOLUTIONS

PROJECT: Portuguese Baking Company, LP APPL.#38235
LOCATION: Newark City/Essex
PROCEEDS FOR: Purchase of equipment and machinery
AMOUNT: $6,000,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Nelson SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

AMENDED BOND RESOLUTIONS

PROJECT: Ashland School APPL.#38307
LOCATION: Newark City/Essex
PROCEEDS FOR: Purchase of land, acquisition and renovation of existing building
AMOUNT: $23,000,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY BOND RESOLUTIONS

FOR INFORMATION ONLY: Qualified School Construction Bond
Notice of Funding Availability in the amount of $125 Million for Charter Schools in New Jersey summary.

PROJECT: CA Newark 66-78 MA Urban Renewal LLC APPL.#38387
LOCATION: Newark City/Essex
PROCEEDS FOR: Construction of new building or addition, acquisition and renovation of existing building
MOTION TO APPROVE: Mr. Nelson SECOND: Mr. Downes AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Perry recused herself because her firm has been approached by several of the projects.
PROJECT: Kingston Educational Holdings 1, Inc.  APPL. #38412
LOCATION: Newark City/Essex
PROCEEDS FOR: Construction of new building or addition, acquisition of existing building, purchase of equipment and machinery
MOTION TO APPROVE: Mr. Downes  SECOND: Mr. Imperatore  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Ms. Perry recused herself because her firm has been approached by several of the projects.

PROJECT: NSA 559 Broad Street, LLC  APPL. #38413
LOCATION: Newark City/Essex
PROCEEDS FOR: Renovation of existing building
MOTION TO APPROVE: Mr. Zavaglia  SECOND: Mr. Downes  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Ms. Perry recused herself because her firm has been approached by several of the projects.

PROJECT: Uncommon Properties II, LLC  APPL. #38414
LOCATION: Newark City/Essex
PROCEEDS FOR: Acquisition and renovation of existing building
MOTION TO APPROVE: Mr. Downes  SECOND: Mr. Burke  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Ms. Perry recused herself because her firm has been approached by several of the projects.

PROJECT: Uncommon Properties II, LLC  APPL. #38415
LOCATION: Newark City/Essex
PROCEEDS FOR: Acquisition and renovation of existing building, purchase of equipment and machinery
MOTION TO APPROVE: Mr. McNamara  SECOND: Mr. Imperatore  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Ms. Perry recused herself because her firm has been approached by several of the projects.

LOANS/GRANTS/GUARANTEES
FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

PROJECT: Housing and Neighborhood Development Services, Inc.  APPL. #38478
LOCATION: Orange City/Essex
PROCEEDS FOR: Refinancing
FINANCING: $581,250 Fund for Community Economic Development loan
MOTION TO APPROVE: Mr. Downes  SECOND: Mr. McNamara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8
PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

FOR INFORMATION ONLY: Summary of Funding Status for the Petroleum Underground Storage Tank Program and Hazardous Discharge Site Remediation Fund Programs.

The following projects were presented under the Petroleum Underground Storage Tank Program.

PROJECT: Roseanne Johnson  
LOCATION: Middletown Township/Monmouth  
PROCEEDS FOR: Upgrade, Closure, Remediation  
FINANCING: $201,688 Petroleum UST Remediation, Upgrade and Closure Fund Grant  
MOTION TO APPROVE: Mr. McNamara  SECOND: Ms. Kokas  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Gaetano Pagnozzi  
LOCATION: North Bergen Township/Hudson  
PROCEEDS FOR: Upgrade, Closure, Remediation  
FINANCING: $722,817 Petroleum UST Remediation, Upgrade and Closure Fund Grant  
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Imperatore  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Anthony Perrelly  
LOCATION: Edgewater Borough/Bergen  
PROCEEDS FOR: Upgrade, Closure, Remediation  
FINANCING: $141,469 Petroleum UST Remediation, Upgrade and Closure Fund Grant  
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. McNamara  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Solowill Enterprises, Inc.  
LOCATION: Union Township/Union  
PROCEEDS FOR: Upgrade, Closure, Remediation  
FINANCING: $34,749 Petroleum UST Remediation, Upgrade and Closure Fund Grant  
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Kosoffsky  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

FOR INFORMATION ONLY: Summary of Petroleum Underground Storage Tank Program projects approved by the Delegated Authority.
INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: CLS Bank International  APPL.#38429
LOCATION: Woodbridge Township/Middlesex  BUSINESS: Financial Services
GRANT AWARD: 60%  Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Downes  SECOND: Mr. Nelson  AYES: 13
ATTACHED AND MARKED EXHIBIT: 10

GROW NEW JERSEY ASSISTANCE PROGRAM

PROJECT: Medco Health Solutions of Willingboro, LLC  APPL.#38382
and Express Scripts Pharmacy, Inc.

This project was withheld from board consideration.

ANGEL INVESTOR TAX CREDIT PROGRAM

INVESTOR: Jonathan Perelman  APPL.#38435
TECHNOLOGY BUSINESS: Edge Therapeutics, Inc.
LOCATION: New Providence Borough/Union  BUSINESS: Biotechnology
QUALIFIED INVESTMENT: $17,500
MOTION TO APPROVE: Ms. Perry  SECOND: Mr. McNamara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BOARD MEMORANDUMS

ITEM: ff Rose Venture Capital Fund, L.P.
REQUEST: To make a limited partnership investment in ff Rose Venture Capital Fund, L.P. up to $2.5 million.
MOTION TO APPROVE: Mr. Zavaglia  SECOND: Mr. McNamara  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12
ITEM: The MLB Network, LLC
Secaucus, New Jersey
Modification Request - Business Employment Incentive Program Grant
P23521
REQUEST: 1. Add 44 Hartz Way, Secaucus as a project location to the existing BEIP grant agreement; and
2. Waive the 20% new employment cap on the remaining five years of the grant due to the company making additional significant capital investments at the project site.
MOTION TO APPROVE: Mr. Downes SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: RBH-TRB Newark Holdings LLC
P37504 – Economic Redevelopment and Growth Grant Program
P34886 – Urban Transit Hub Tax Credit Program
REQUEST: RBH-TRB Newark Holdings LLC has requested a six month extension of time to submit financial commitments required for their Economic Redevelopment and Growth Grant Program, and Urban Transit Hub Tax Credit Program approvals.
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Nelson AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

Ms. Perry recused herself because she is familiar with the project.

ITEM: Delegated Authority for Technology and Life Sciences
REQUEST: Delegate authority to staff for the approval of post closing modifications in the Technology and Life Sciences portfolio and authorize the Director of Technology and Life Sciences as signatory for financing documents.
MOTION TO APPROVE: Mr. Burke SECOND: Ms. Kokas AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

FOR INFORMATION ONLY: Summary of the projects approved under Delegated Authority in August 2013:

Small Business Fund Program: Antoinette Marie Tauk DDS, LLC (P38386).

Main Street Post-Closing Modification: Daron Realty, LLC (P38479)
REAL ESTATE

ITEM: Cooper’s Ferry Partnership, Inc. or Nominee
       $1,250,000 Economic Development Site Fund Grant
REQUEST: To approve a $1.25 million grant from the Economic Development Site Fund
to Cooper’s Ferry Partnership, Inc. for the purchase of the property located at
300 North Delaware Avenue in Camden.
MOTION TO APPROVE: Mr. Zavaglia SECOND: Mr. Downes AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Mr. Nelson recused himself because his firm represents one of the parties involved.

ITEM: NJEDA Newark Office Space
REQUEST: Approval to (1) execute a lease with Diversified-Capital Newark LLC for
         approximately 3,340 square feet of office space at 24 Commerce Street in
         Newark, (2) execute a parking agreement for seven parking spaces, and (3) to
         establish a budget and authorization to spend a maximum not to exceed
         amount of $75,000 of Authority funds for furniture and moving expenses.
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Nelson AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

ITEM: Biotechnology Development Center II
       Technology Centre of New Jersey
       Lease Agreement with Orthobond Corporation
REQUEST: Approval to (i) enter into a lease for six years and two months with Orthobond
         Corporation for 7,066 square feet of generic wet lab space in the Tech III
         building; and (ii) to terminate Orthobond’s existing CCIT lease when the
         graduation space is ready for occupancy.
MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PUBLIC COMMENT

On behalf of Mr. Teixeira, owner of the Portuguese Baking Company in Newark, Mr. Charles
Villano thanked the EDA for its assistance, especially Margie Piliere, John Rosenfeld, Teresa
Wells, and Paul Ceppi; as well as John Cavalier, bond counsel; and Sovereign Bank, the bond
purchaser.

There being no further business, on a motion Mr. Downes, and seconded by Mr. Kosoffsky,
the meeting was adjourned at 11am.
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.

Kim Ehrlich, Assistant Secretary
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
August 27, 2013

MINUTES OF THE SPECIAL MEETING

Members of the Authority present: Melissa Orsen representing the Executive Branch; Jim Leonard representing the State Treasurer; Fred Zavaglia representing the Commissioner of the Department of Labor and Workforce Development; and Christopher Hughes representing the Commissioner of the Department of Banking and Insurance.

Present via conference call: Al Koeppen, Chairman; Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Jerry Langer, Charles Sarlo, Richard Tolson, Harold Imperatore, Third Alternate Public Member, and Rodney Sadler, Non-Voting Member.

Also present: Michele Brown, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Bette Renaud; Amy Herbold, Governor’s Authorities’ Unit; and staff.

Absent: Colleen Kokas representing the Commissioner of the Department of Environmental Protection; Public Members Marjorie Perry, Brian Nelson, Ray Burke, First Alternate Public Member; and Elliot M. Kosoffsky, Second Alternate Public Member,

Chairman Koeppen called the meeting to order at 11 a.m.

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

In accordance with the Open Public Meetings Act, Ms. Brown announced that notice of this meeting has been sent to the Star Ledger and the Trenton Times at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State’s bulletin board at the State House.

MINUTES OF AUTHORITY MEETING

INCENTIVES

GROW NEW JERSEY ASSISTANCE PROGRAM

PROJECT: Medco Health Solutions of Willingboro, LLC and Express Scripts Pharmacy, Inc. project.

LOCATION: Florence Twp/Burlington BUSINESS: Pharmacy Management

REQUEST: To approve the at risk jobs finding

MOTION TO APPROVE: Ms. Orsen SECOND: Mr. Zavaglia AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PROJECT: Medco Health Solutions of Willingboro, LLC and Express Scripts Pharmacy, Inc. project.
LOCATION: Florence Twp/Burlington  BUSINESS: Pharmacy Management
REQUEST: To approve the $40,000,000 Grow New Jersey award
MOTION TO APPROVE: Mr. Leonard SECOND: Mr. Downes AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

OFFICE OF RECOVERY

ITEM: Superstorm Sandy New Program Creation: Stronger NJ Business Grants
REQUEST: To approve the creation of a new Stronger NJ Neighborhood & Community Revitalization program. This is a new economic recovery program proposed under the DCA, Community Development Block Grant Disaster Recovery Action Plan approved by the US Department of Housing and Urban Development
MOTION TO APPROVE: Mr. Zavaglia SECOND: Ms. Orsen AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PUBLIC COMMENT

There was no comment from the public.

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

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

[Signature]
Kim Ehrlich, Assistant Secretary
MEMORANDUM

TO: Members of the Authority

FROM: Michele A. Brown
Chief Executive Officer

DATE: September 12, 2013

RE: Chief Executive Officer’s Report to the Board

STRONGER NJ NEIGHBORHOOD AND COMMUNITY REVITALIZATION PROGRAM LAUNCHES SEPTEMBER 4TH

A week after the EDA Board approved the creation of the Stronger NJ Neighborhood and Community Revitalization (NCR) Program, EDA announced the launch of the program on Wednesday, September 4th. As you know, the $75 million Stronger NJ NCR Program will offer financial assistance to support 1) development and public improvement projects; 2) main street revitalization; and, 3) Community Development Financial Institutions providing loans to small businesses.

Through the NCR Program, $62.5 million will be allocated to help advance development and public improvement projects with grants and/or loans, up to a maximum of $10 million per project. Projects must fall under at least one of the following four categories: Catalytic Projects, Transformative Neighborhood Projects, Innovation Projects, and Recreational, Cultural and Park Land Amenities.

For more information on the Stronger NJ NCR Program, please visit http://www.njeda.com/ncr

“STRONGER THAN THE STORM” CLOSES SUMMER SEASON/EVENTS TO CONTINUE THROUGH FALL

Through August, the “Stronger than the Storm” (STTS) campaign overseen by the Authority continued to host numerous free events/activities aimed at bringing visitors to impacted areas with “Kites and Castles” events in Cape May and Asbury Park, attracting families to beaches in impacted areas. The campaign also concluded the “Jersey Shore Soundoff” with the selection of local New Jersey band “After the Reign” as the winner with their song, “Jersey Strong. The band appeared on September 7 as the opening act for Grammy-nominees “Spin Doctors” at a free concert held at the Stone Pony in Asbury Park. Although the paid advertising phase of the campaign concluded on Labor Day, the STTS campaign will continue to support events through the Fall aimed at bringing visitors to impacted areas. Updates on events can be found at www.strongerthanthecstorm.com.
FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY (FMERA) UPDATE

FMERA held its August Board Meeting in the Authority’s new office space in the former Fort library, 502 Brewer Avenue, Oceanport. FMERA staff moved into the renovated facility at the end of July and will conduct its daily operations, as well as all monthly board meetings in the building.

At the August Board Meeting the Board approved accepting the Hearing Officer’s report regarding the referenced Bid Challenge, thereby rescinding the award of the January 11, 2013 RFP to Atlantic Golf Management, and directing the FMERA staff to issue a new RFP for Professional Management and Maintenance for Fort Monmouth Suneagles Golf Course and Associated Banquet/Restaurant Facilities, which will include pertinent food and beverage financial information. The new RFP is expected to be issued this month.

The New Jersey Technology Council will hold its Data Summit & Expo: Aligning Infrastructure Efficiencies and Big Data Business Objectives with an IT Strategy on December 12, 2013 at Gibbs Hall on the former Fort Monmouth. The conference is expected to attract 150+ attendees from the technology sector. For more information, please visit www.njtc.org

FMERA’s Annual Board Meeting will be held on September 18, 2013 at FMERA’s office.

CLOSED PROJECTS IN AUGUST 2013

Through August 31, 2013, EDA has closed financing and incentives totaling more than $294 million for 110 projects that are expected to support the creation of more than 3,500 new jobs, the support of more than 23,000 existing jobs, including more than 4,400 jobs at risk of leaving New Jersey, and involve total public/private investment of over $981 million in New Jersey’s economy. Among the businesses assisted in August:

PVH Corp., which executed a Business Employment Incentive Program (BEIP) grant for $720,000. PVH is a Bridgewater-based apparel company that owns and markets several global brands including Van Heusen, Calvin Klein, Tommy Hilfiger and IZOD. As a result of this assistance, the company will bring 125 new jobs to Bridgewater. EDA’s assistance to this company is expected to leverage $2.1 million in capital investment.

United Silicon Carbide, Inc., (USCI) which closed on a $2 million loan under the Edison Innovation Green Growth Fund. United Silicon Carbide, Inc. is a South Brunswick-based semiconductor company pioneering the development of high efficiency Silicon Carbide (SiC) devices. USCI's technology is designed to replace silicon in semiconductor applications to increase performance and improve efficiency. As a result of this assistance, the company expects to create 14 new jobs.

Dataline, Inc., which closed on a $350,000 Main Street guarantee of a Bank of America line of credit. Dataline is a West Windsor-based consumer marketing information company that
provides highly targeted data sets to its clients through modeling and analytics. As a result of this assistance, the company expects to create 3 new jobs.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 15 events in August. These included the Ocean County Chamber Monthly Luncheon in Lakewood, the Statewide Hispanic Chamber Annual Procurement Fair in New Brunswick, and several Stronger NJ Grant workshops in Superstorm Sandy-impacted locations including Sea Bright, Toms River and Seaside Heights.
AUTHORITY MATTERS
MEMORANDUM

To: Members of the Authority

From: Al Koeppel
Chairman

Date: September 12, 2013

Subject: Annual Meeting

The New Jersey Economic Development Authority’s By-Laws provide that an annual reorganization meeting be held in September of each year. The Members are asked to consider the following recommendations associated with the annual reorganization meeting:

Officers

As has been done in years past, it is recommended that the position of Board Treasurer be held by State Treasurer Andrew P. Sidamon-Eristoff. The position of Vice Chairman is currently held by Joe McNamara, who is interested in continuing to serve in this role, subject to confirmation by the Members.

The appointment of Assistant Secretaries to the Board to support the Secretary in her absence is also required. I am recommending that Tim Lizura, Maureen Hassett, Fred Cole, John Rosenfeld, Greg Ritz, and Kim Ehrlich serve as Assistant Secretaries. As per the By-Laws, Michele Brown, in her role of CEO, will serve as Board Secretary.

Committees

The Authority has six committees that meet throughout the year. I am requesting that the named Members or their Ex Officio designees participate in the following committees and recommend the appointment of individual Members to Chair each committee as so indicated:

**Director’s Loan Review Committee** - Chair: Ray Burke, Marjorie Perry, Elliott Kosoffsky, Jerald Langer, the Commissioner of the Department of Banking and Insurance, and the Commissioner of the Department of Labor and Workforce Development
The DLRC will meet monthly to review all non real estate development Authority exposure requests, including, but not limited to, direct and loan guarantee requests.

**Audit Committee** – Chair: Elliot Kosoffsky, Al Koepe, Ray Burke, Charles Sarlo, the State Treasurer, and the Commissioner of the Department of Banking and Insurance

The Audit Committee monitors the financial operations of the Authority including the review of the annual operating budget and those responsibilities outlined in the committee Charter. The committee will meet quarterly and at such other times as determined by the Chair.

**Policy Committee** - Chair: Joe McNamara, Charles Sarlo, Ray Burke, Elliot Kosoffsky, Larry Downes and Al Koepe

The Policy Committee provides advice on policy matters, the formulation of the Authority’s annual strategic business plan and marketing strategy and meets at times determined by the Chief Executive Officer (CEO) in consultation with the Chair.

**Real Estate Committee** - Chair: Charles Sarlo, Richard Tolson, Harold Imperatore, Brian Nelson, the Commissioner of the Department of Environmental Protection and the State Treasurer.

The Real Estate Committee reviews all monthly real estate matters with Authority exposure prior to the Board meeting.

**Incentives Committee** - Chair: Larry Downes, Joe McNamara, Brian Nelson, the Executive Branch Designee, the Commissioner of Labor and Workforce Development, and the State Treasurer.

The Incentives Committee meets monthly to review all significant non-direct exposure incentive requests, including but not limited to tax credits.

**Compensation Committee** – Chairman Al Koepe, Joe McNamara, and Larry Downes.

The Compensation Committee advises on compensation policies that enable the attraction and retention of staff and meets as determined by the CEO in consultation with the Chair.

**Staff Appointments**

I am asking the Board to reaffirm the appointment of Marcus Salduitti as OPRA Custodian and the appointment of Fred Cole as Ethics Liaison Officers.

**Board Schedule**

Attached is a schedule of the monthly Board meetings through September 2014 that I am asking the Board to approve at this time.
**Recommendation:**

By resolution we will be adopting this schedule for the next year’s Board meeting dates. I am also seeking your approval for the following actions: 1) Committee appointments as noted above; 2) Appointment of the Assistant Secretaries; 3) Election of a Vice Chair and Treasurer; and 4) the reaffirmation of OPRA Custodian and Ethics Liaison Officers.

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Al Koepple

Attachment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2013 – 2014 BOARD MEETING DATES

Tuesday, October 08, 2013
Friday, November 15, 2013
Tuesday, December 10, 2013
Tuesday, January 14, 2014
Tuesday, February 11, 2014
Thursday, March 13, 2014
Tuesday, April 08, 2014
Friday, May 16, 2014
Tuesday, June 10, 2014 (WTCC)
Thursday, July 10, 2014
Tuesday, August 12, 2014
Thursday, September 11, 2014

Board meetings are held on the second Tuesday of each month from 10 – 12 Noon in the EDA Trenton Boardroom, unless otherwise noted.

WTCC: Waterfront Technology Center of Camden, 200 Federal Street, Camden.
MEMORANDUM

To:Members of the Board

From:Timothy J. Lizura  
President and Chief Operating Officer

Date:September 12, 2013

Subject:Executive Session Items  
For Informational Purposes Only

As the Members are aware, from time to time, loan and incentive modifications are presented for consideration in Executive Session as opposed to an open public meeting to protect the Authority from potential financial risk.

In compliance with New Jersey’s Open Public Meetings Act, the Board adopts a resolution at its public meeting indicating matters to be discussed in Executive Session and when these items will be disclosed to the public.

Beginning in January of 2010, it has become the practice of the Authority to publicly release details of items considered in Executive Session on an annual basis at the September Board meeting. Many items remain sensitive or unresolved and therefore cannot be made public at this time, however, after a review by staff, the following item has been resolved and is attached for the Board’s information.

Staff will continue to review executive session items on an annual basis and present an update to the Board at its annual meeting each September listing these matters. As is the current practice, if a request is made for information on an Executive Session item in the interim, staff, in consultation with the Attorney General’s Office, will review the request to determine if the item can be made public at that time.

Attachment

Prepared by: Kim Ehrlich and Daniel Weick
RESOLVED EXECUTIVE SESSION ITEM

The following was approved in executive session:

<table>
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<tr>
<th>Item</th>
<th>Date of Action</th>
<th>Description</th>
<th>Resolution</th>
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<tr>
<td>SWP Real Estate, LLC &amp; East Coast Panelboard, Inc.</td>
<td>May 2011</td>
<td>Consent to a 24 month principal moratorium on bonds and direct loans to provide cash flow relief.</td>
<td>The borrower resumed full principal and interest payments as agreed.</td>
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BOND PROJECTS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: CA Newark 66-78 MA Urban Renewal LLC  P38387
PROJECT USER(S): University Heights Charter School of Excellence * indicates relation to applicant
PROJECT LOCATION: 66-78 Morris Avenue Newark City (T/JA) Essex
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
CA Newark 66-78 MA Urban Renewal LLC (CA Newark) is a nonprofit real estate holding company, established to support University Heights Charter School of Excellence Inc. ("UHCS") with its real estate project. CA Newark is wholly owned by Canyon-Agassi Charter School Facilities Fund, L.P. The mission of Canyon-Agassi is to provide state-of-the-art, academically-friendly facilities for the best-in-class charter school operators. The Fund aims to develop 80 to 100 campuses for the nation's best charter schools and up to 40,000 to 50,000 students over the next 4 to 5 years. Glenn Pierce is the CEO of Canyon-Agassi Charter School.

UHCS is a 501(c)(3) not-for-profit, public charter school operating since 2006 and currently serving 336 students in grades K-6 at 74 Hartford Street, Newark, Essex County. The school's population is 90% low-income and 100% minority, one of the highest need schools in the city. UHCS is in good standing with the New Jersey Department of Education and the Department has approved the school's expansion to 750 students in grades K-8.

The project will be occupied by University Heights Charter School of Excellence Inc., a 501(c)(3) not-for-profit entity. The Bonds are being issued as Qualified School Construction Bonds pursuant to Section 54E of the Internal Revenue Code of 1986. The project was selected to receive a QSCB allocation of $8,000,000 in connection with the Notice of Funding Availability in the amount of $125 million for Charter Schools, jointly issued by the Authority and Department of Education, to NJ Charter Schools.

APPROVAL REQUEST:
Authority assistance will enable the Applicant to finance the expansion of the charter school by acquiring and renovating a facility at 66-78 Morris Avenue, Newark, Essex County, which is directly across the street from the current UHCS. The site will be developed in two phases:

Phase I - Finance the acquisition of .74 acres and 16,000 sq. ft. facility, make renovations, including sufficient classrooms and cafeteria space, for 250 students in grades 3-7 in the 2013-14 school year;

Phase II - New construction of additional classrooms and multipurpose room, by developing a 15,238 sq. ft. addition on vacant land. This will provide enough space for an additional 200 students for a total of 450 students in grades 3-8. The Applicant’s schedule for completion of this phase is in the late Spring 2014.

The difference in the amount of QSCB proceeds and the project costs will be funded with the Applicant’s equity.
FINANCING SUMMARY:

BOND PURCHASER: Manufacturers and Traders Trust Company (Direct Purchase)

AMOUNT OF BOND: $8,000,000 (Taxable Qualified School Construction Bond)

TERMS OF BOND: The tax credit rate and the term will be determined prior to issuance of the QSCB based on the tax credit rate and term published by U.S. Treasury. On 9/4/13, the tax credit rate was 5.27% with max. term of 20 years.

ENHANCEMENT: N/A

PROJECT COSTS:

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<tr>
<th>Description</th>
<th>Cost</th>
</tr>
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<tbody>
<tr>
<td>Construction of new building or addition</td>
<td>$3,905,690</td>
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<tr>
<td>Renovation of existing building</td>
<td>$3,027,000</td>
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<td>Engineering &amp; architectural fees</td>
<td>$1,904,988</td>
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<tr>
<td>Acquisition of existing building</td>
<td>$1,505,000</td>
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<td>Contingency</td>
<td>$905,837</td>
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<td>Legal fees</td>
<td>$88,432</td>
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<td>Finance fees</td>
<td>$80,488</td>
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<tr>
<td>Interest during construction</td>
<td>$51,768</td>
</tr>
</tbody>
</table>

| TOTAL COSTS                                    | $11,469,203 |

JOBS: At Application 0 Within 2 years 38 Maintained 0 Construction 58

PUBLIC HEARING: N/A

DEVELOPMENT OFFICER: D. Benns

BOND COUNSEL: McManimon, Scotland & Baumann

APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: MPT Facility, Inc.  
PROJECT USER(S): Marion P. Thomas Charter School, Inc.*  
PROJECT LOCATION: Newark Street and Sussex  
          Newark City (T/UA)  
          Essex  
GOVERNOR'S INITIATIVES: (X) Urban  
          ( ) Edison  
          ( ) Core  
          ( ) Clean Energy

APPLICANT BACKGROUND:
MPT Facility, Inc. is a corporation that was recently formed to purchase real estate for use by the Marion P. Thomas Charter School, Inc. ("MPTCS"), a Pre-K to 8th grade charter school, with a current enrollment of over 760 children. MPTCS currently operates from two facilities on S. 7th Street and S. 9th Street in Newark, Essex Co. The mission of MPTCS is to create a 21st century village responsive to the needs of children, parents in the Newark community through project based educational opportunities that encourage critical thinking and community responsibility. MPTCS is in good standing with the NJ Department of Education. Dr. Karen Thomas is the CEO/Superintendent of MPTCS.

The project will be occupied by Marion P. Thomas Charter School, Inc., a not-for-profit 501(c)(3) entity. The Bonds are being issued as Qualified School Construction Bonds pursuant to Section 54E of the Internal Revenue Code of 1986.

APPROVAL REQUEST:
Authority assistance will enable the applicant to fund the acquisition of land and the construction of a 73,500 sq. ft. charter school facility which will include modern classrooms, advanced science and computer labs, theater, administrative offices and culinary arts learning space. The new building will initially serve the middle school population relocated from the current facility as well the future expansion of the School. In addition, bond proceeds will fund a debt service reserve fund and costs of issuance.

Any difference in the QSCB Amount and the Project Costs will be funded by Applicant's equity.

FINANCING SUMMARY:
BOND PURCHASER: The Friends of Marion P. Thomas Charter School, Inc. (Direct Purchase)
AMOUNT OF BOND: $35,000,000 (Taxable Qualified School Construction Bond)
TERMS OF BOND: The tax credit rate and the term will be determined prior to issuance of the QSCB based on the tax credit rate and term published by U.S. Treasury. On 9/4/13, the tax credit rate was 5.27% with max. term of 20 yrs.
ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
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</thead>
<tbody>
<tr>
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<tr>
<td>Soft Costs</td>
<td>$3,685,000</td>
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<td>Engineering &amp; architectural fees</td>
<td>$1,960,000</td>
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<tr>
<td>Land</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Contingencies</td>
<td>$970,000</td>
</tr>
<tr>
<td>Purchase of equipment &amp; machinery</td>
<td>$925,000</td>
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<tr>
<td>Finance fees</td>
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<tr>
<td>Item</td>
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<tr>
<td>-------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Interest during construction</td>
<td>$500,000</td>
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<tr>
<td>Debt service reserve fund</td>
<td>$350,000</td>
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<td>Accounting fees</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$40,500,000</strong></td>
</tr>
</tbody>
</table>

**JOBS:**
- At Application: 150
- Within 2 years: 30
- Maintained: 0
- Construction: 147

**PUBLIC HEARING:** N/A

**DEVELOPMENT OFFICER:** D. Benns

**BOND COUNSEL:** Wolff & Samson

**APPROVAL OFFICER:** T. Wells
AMENDED BOND RESOLUTIONS
MEMORANDUM

TO: Members of the Authority
FROM: Timothy J. Lizura
       President and Chief Operating Officer
DATE: September 12, 2013
SUBJECT: Robertet, Inc.
         P37148

BACKGROUND
Robertet, Inc. is a family owned fragrance and flavor company located in Mount Olive, New Jersey. In 2012, the Authority approved the applicant’s request to issue tax-exempt bonds in the amount of $10,000,000 to finance the acquisition, renovation, and equipping of the building in Mount Olive to be used as a manufacturing facility and corporate headquarters. Robertet completed a portion of this financing through a draw down bond, however the company did not draw all of the funds in 2012. Robertet drew $8,000,000 at closing and has $2,000,000 remaining. In order to draw the remaining funds for which the company was previously approved, Robertet will need an allocation under the 2013 Volume Cap.

APPROVAL REQUEST
The Members of the Authority are asked to approve an allocation of $2,000,000 from the 2013 Volume Cap for Robertet, Inc. to be used for the purchase of equipment and machinery. This will be the final draw for this financing.

Prepared by K. McCullough
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Kent Place School

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 42 Norwood Avenue Summit City (N) Union

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

APPLICANT BACKGROUND:
Kent Place School (the "School"), incorporated in 1905, is a 501(c)(3) not-for-profit, independent day school which provides college preparatory education for girls from kindergarten through grade twelve, as well as a co-educational nursery and pre-kindergarten program. The School's campus is located on 26 acres in Summit, Union County, including 3 buildings which house technologically equipped classrooms and science labs, and separate facilities for an art center, the Kent Place Gallery and a dance studio. Athletic facilities include a field house (gymnasium and weight room), two multi-purpose outdoor turf fields and five tennis courts. A community of over 800 students, faculty and staff, the School's enrollment is at its highest in the school's history with approximately 650 students in preschool through Grade 12.

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

APPROVAL REQUEST:
Authority assistance will enable the Applicant to: 1) refinance an existing bank loan; 2) finance the design and equipment costs associated with the renovations and improvements to existing facilities, including academic department centers, housing and security systems; 3) purchase school vehicles for use on school grounds and for transportation; and 4) pay costs incurred in connection with the issuance of the bonds.

FINANCING SUMMARY:
BOND PURCHASER: Union Center National Bank (Direct Purchase)

AMOUNT OF BOND: $5,000,000 Tax-exempt bond

TERMS OF BOND: 30 years; Fixed interest rate of 3.00% for 15 years; resetting on the 15th, 20th and 25th anniversaries at an interest rate equal to 70% of the 5-year FHLB rate plus 2.25% with a floor of 2.75%.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
<td>$3,855,000</td>
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<tr>
<td>Engineering &amp; architectural fees</td>
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<td>Purchase of equipment &amp; machinery</td>
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<tr>
<td>Finance fees</td>
<td>$25,000</td>
</tr>
<tr>
<td>Accounting fees</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

TOTAL COSTS $5,000,000
PUBLIC HEARING: 09/12/13 (Published 08/26/13)
BOND COUNSEL: McCarter & English, LLP
DEVELOPMENT OFFICER: T. Gill
APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT:  NYNJ Link Borrower LLC & NYNJ Link Developer LLC  P38508

PROJECT USER(S):  Same as applicant  *

PROJECT LOCATION: Various  Elizabeth City (T/UA)  Union

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

APPLICANT BACKGROUND:
NYNJ Link Borrower LLC (the "Applicant") and NYNJ Link Developer LLC (the "Developer"), recently formed Delaware limited liability companies, were selected by The Port Authority of NY & NJ ("PANYNJ") from a solicitation process, to enter into a public private partnership to (i) design, construct, finance, operate and maintain a new replacement Goethals Bridge, (ii) demolish and remove the existing Goethals Bridge and (iii) provide all other work and services related to the foregoing for a term of 35 years after Substantial Completion of the Project (the "Project"). The Goethals Bridge opened in 1928 as a key link in the southern corridor that connects I-278, Route 1/9 and the NJ Turnpike in Union County to the Staten Island Expressway and West Shore Expressway. Construction duration is estimated at approximately five years.

The Applicant and the Developer are indirectly owned by NYNJ Link LLC, which is owned by the developers and equity sponsors, Macquarie Infrastructure and Real Assets (or one of its managed funds ("MIRA")) and Kiewit Development Company Inc. ("KDC"). MIRA, through its managed funds, is one of the largest private owners of infrastructure assets in the world and is a global leader in infrastructure development, acquisition, funding and management. The North American investments include a number of highway assets such as the Midtown Tunnel / Downtown Tunnel / MLK Freeway Extension Project in Southeast Virginia and the Skyway in Chicago. MIRA will provide approximately 90% of the equity capital for the Project. KDC will be a 10% minority equity shareholder. The Design-Build joint venture, DB Contractor is comprised of Kiewit Construction Company, an affiliate of KDC, Weeks Marine, Inc. and Massman Construction Co. Parsons Transportation Group of New York is the lead engineering firm for the Project.

The PANYNJ and the Developer will enter into a certain Project Agreement whereby the PANYNJ has granted the Developer the exclusive right to a) develop, design, construct and finance the Project and (b) operate and maintain the Project in accordance with the terms of the Project documents. The Developer will receive a loan of the bond proceeds from the Applicant pursuant to which it will pay for the Project. The scheduled expiration of the term of the Project Agreement is the 35th anniversary of the Substantial Completion of the Project. As compensation for the foregoing, the PANYNJ will pay to the Developer and the DB Contractor, a series of milestone payments and monthly capital, operations and maintenance payments during the 35 year operations term of the Project.

The Board has previously granted preliminary approval to the PANYNJ on April 10, 2012 in order for the PANYNJ to submit an application to the U.S. Department of Transportation ("USDOT") for a federal allocation of exempt facility bonds, which is outside of the State’s volume cap and in accordance with Section 142(m) of the Internal Revenue Code. The USDOT has allocated up to $1.2 billion of the Federal Allocation to the Goethals Bridge Replacement Project.

This project qualifies as an Exempt Public Facility under Sections 142(a)(15) and 142(m), Qualified Highway or Surface Freight Transfer Facilities, of the Internal Revenue Service Code of 1986, as amended and therefore is not subject to the $20,000,000 capital expenditure limitation under Section 144 of the Code.
APPROVAL REQUEST:

Authority assistance will enable the Applicant and Developer to fund a portion of the costs of the Goethals Bridge Replacement Project as well as the payment of costs of issuance of the 2013 Bonds. Other sources of capital to fund the Project Costs include a federal loan of up to $500 million, provided by the USDOT pursuant to Transportation Infrastructure Finance Innovation Act ("TIFIA Loan"), funds from the PANYNJ and the equity contribution by the developers and equity sponsors.

Payments from the PANYNJ pursuant to the Project Agreement will be the primary source of funds to repay the principal and interest of the 2013 Bonds as it becomes due and payable. The 2013 Bonds are expected to be rated investment grade (BBB-) by Standard & Poor's and Fitch.

Pursuant to Subchapter 6.7 (Fee Waiver) of the Authority's rules, the Chief Executive Officer, with the approval of the Members, may waive, postpone or decrease the Authority's closing fees. Under existing regulations, the Authority bond closing fee is one-half of one percent of the amount of the bond issue up to $10 million and one-quarter of one percent in excess of $10 million. Staff recommends the bond closing fee for the 2013 Bonds be reduced to one-half of the regulatory bond closing fee.

FINANCING SUMMARY:

BOND PURCHASER: Barclays Capital, Inc. and Merrill Lynch, Pierce, Fenner & Smith (Senior Managers)

AMOUNT OF BOND: up to $550,000,000 Tax-exempt Bonds

TERMS OF BOND: 40 years (max.); Serial and term bonds not to exceed 9%; with estimated interest rates ranging from 5% to 7% as of 9/4/13.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
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<td>$7,000,000</td>
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<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>1,000,000,000</strong></td>
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JOBS: At Application 0 Within 2 years 30 Maintained 0 Construction 2,250

PUBLIC HEARING: 09/12/13 (Published 08/29/13)  BOND COUNSEL: McCarter & English, LLP
DEVELOPMENT OFFICER: T. Gill  APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: SJF CCRC, Inc.  
PROJECT USER(S): Same as applicant  
PROJECT LOCATION: 1110 Laurel Oak Road, Voorhees Township (N), Camden
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
SJF CCRC, Inc. t/a Lion's Gate ("Lion's Gate"), is a 501(c)(3) not-for-profit entity that was incorporated in 1999 as an affiliate of the Jewish Federation of Southern New Jersey. Lion's Gate was established to own and operate a continuing care retirement community (CCRC) in Voorhees. The facility offers congregate dining, health services, fitness center, and social services. The facility is open to persons without regard to color, faith, gender, disability, or national origin. Lion's Gate is comprised of 152 independent living apartments, 12 independent living cottages, 78 bed skilled nursing unit, a 70 bed assisted living facility, including 30 assisted living dementia care beds, and 32 short-term rehabilitation beds. Morris Funk is the CEO and Neal Cupersmith is Chairman of Jewish Senior Housing and Healthcare Service of Southern New Jersey.

The Authority approved at its May 2005 Board meeting an $82.9 million tax-exempt bond (P16228) for Lion's Gate, which closed on July 20, 2005. The 2005 Bond included 3 series, with maturities ranging from 14 years to 32 years, and tax-exempt rates ranging from 3.5% to 5.875%. Bond proceeds were used to acquire land and construct a 360,200 s.f. CCRC on approximately 50 acres of land. The Series C Bonds of $27.5 million has been paid off. In 2010, the Authority approved P31407 to refund $3.5 million of the 2005 Series B bonds, originally issued for $10 million on July 20, 2005.

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

APPROVAL REQUEST:
Authority assistance will enable the applicant to renovate its existing dining areas to include a full service bistro with open kitchen, reduce the size of the formal dining area, add outdoor courtyard dining, expand its fitness center and replace and enhance its current information system and software.

In addition, Lion's Gate is also applying to current refund $52,070,000 (P38512) outstanding principal of the 2005 Series A and B bonds (P16228), 2010 Series A Bonds (P31407) the 2010 Sun Bank loan. The proposed refunding is expected to generate net present value savings of over $2 million.
FINANCING SUMMARY:

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

AMOUNT OF BOND: $3,817,500 Tax-Exempt Bond (Part of a bond issue not to exceed $68 million with P38512).

TERMS OF BOND: Serial and Term bonds with final maturities no later than 2048 and at interest rates not to exceed 8%.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of existing building</td>
<td>$3,375,000</td>
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<tr>
<td>Technology &amp; Network</td>
<td>$375,000</td>
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<tr>
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<td>$55,000</td>
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<td>$10,000</td>
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<tr>
<td>Accounting fees</td>
<td>$2,500</td>
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TOTAL COSTS: $3,817,500

JOBS: At Application 175 Within 2 years 1 Maintained 0 Construction 31

PUBLIC HEARING: 09/12/13 (Published 08/28/13) BOND COUNSEL: Blank Rome LLP

DEVELOPMENT OFFICER: D. Johnson APPROVAL OFFICER: M. Krug
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: SJF CCRC, Inc.  P38512
PROJECT USER(S): Same as applicant  *
PROJECT LOCATION: 1110 Laurel Oak Road Voorhees Township (N) Camden
GOVERNOR’S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
SJF CCRC, Inc. t/a Lion’s Gate ("Lion's Gate"), is a 501(c)(3) not-for-profit entity that was incorporated in 1999 as an affiliate of the Jewish Federation of Southern New Jersey. Lion's Gate was established to own and operate a continuing care retirement community (CCRC) in Voorhees. The facility offers congregate dining, health services, fitness center, and social services. The facility is open to persons without regard to color, faith, gender, disability, or national origin. Lion's Gate is comprised of 152 independent living apartments, 12 independent living cottages, 78 bed skilled nursing unit, a 70 bed assisted living facility, including 30 assisted living dementia care beds, and 32 short-term rehabilitation beds. Morris Funk is the CEO and Neal Cupersmith is Chairman of Jewish Senior Housing and Healthcare Service of Southern New Jersey.

The Authority approved at its May 2005 Board meeting an $82.9 million tax-exempt bond (P16228) for Lion's Gate, which closed on July 20, 2005. The 2005 Bond included 3 series, with maturities ranging from 14 years to 32 years, and tax-exempt rates ranging from 3.5% to 5.875%. Bond proceeds were used to acquire land and construct a 360,200 s.f. CCRC on approximately 50 acres of land. The Series C Bonds of $27.5 million have been paid off. In 2010, the Authority approved P31407 to refund $3.5 million of the 2005 Series B bonds, originally issued for $10 million on July 20, 2005.

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

REFUNDING REQUEST:
Authority assistance will enable the applicant to current refund the $52 million outstanding principal balance of the 2005 Series A and B Bonds, 2010 Series A Bonds, and the 2010 Sun Bank loan. The proposed refunding is expected to generate net present value savings of over $2 million. In addition, Lion's Gate is also applying for $3.8 million (P38490) new money to renovate existing dining areas, expand its fitness center and replace and enhance its current information system and software.

FINANCING SUMMARY:
BOND PURCHASER: Herbert J. Sims & Co. (Underwriter)
AMOUNT OF BOND: $64,182,500 Tax-Exempt Bond (Part of a bond issue not to exceed $68 million with P38490).
TERMS OF BOND: Serial and Term bonds with final maturities no later than 2048 and at interest rates not to exceed 8%.
ENHANCEMENT: N/A

PROJECT COSTS:
Principal amount of bond(s) to be refund $52,070,000
Refinancing $5,014,739
Debt service reserve fund $4,963,761
Finance fees $1,045,000
Redemption premium $851,500
Legal fees $190,000
Accounting fees $47,500

TOTAL COSTS $64,182,500

PUBLIC HEARING: 09/21/13 (Published 08/28/13) BOND COUNSEL: Blank Rome LLP
DEVELOPMENT OFFICER: D. Johnson APPROVAL OFFICER: M. Krug
DIRECT LOANS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - DIRECT LOAN PROGRAM

APPLICANT: Compassionate Care Foundation, Inc.  
PROJECT USER(S): Same as applicant  
PROJECT LOCATION: 100 Century Drive Egg Harbor City (T) Atlantic  
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Compassionate Care Foundation, Inc. ("Compassionate Care" or "Company") was founded in 2011 as a not-for-profit corporation that will grow and sell medicinal marijuana to qualified patients in the State of New Jersey. In addition to the primary services provided, the Company will also conduct research about the effectiveness of medicinal cannabis. The facility will be located in Egg Harbor Township and has received its permit to grow marijuana from the New Jersey Department of Health. Compassionate Care will service the seven southern New Jersey Counties, but may sell products to any New Jersey resident who has obtained a medicinal marijuana card from the State.

The proceeds of this term loan will be used for the equipment to build a second vegetation and flowering room. Equipment needed includes tables, lights, carbon dioxide generators, nutrients and product processing equipment. This second room will help the Company triple production of medicinal marijuana by reducing production time from 14 weeks with one room to five weeks with two rooms.

APPROVAL REQUEST:
Approve a $350,000 direct term loan.

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $350,000
TERMS OF LOAN: 6-Months Capitalized interest, 6-Months Interest Only payments, followed by 36 months of principal and interest payments based upon a 3-Year Amortization. Fixed rate of 5-Year UST + 300 bps (indicative rate of 4.64%), with a floor of 3%.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Purchase of equipment &amp; machinery</td>
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<td>$7,200</td>
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</table>

TOTAL COSTS $357,200

JOBS:  At Application 4  Within 2 years 11  Maintained 0  Construction 0

DEVELOPMENT OFFICER: H. Friedberg  APPROVAL OFFICER: J. Wentzel
PETROLEUM UNDERGROUND STORAGE TANK PROGRAM
MEMORANDUM

TO: Members of the Authority

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

DATE: September 12, 2013

SUBJECT: PUST and HDSRF Program Funding Status
(For Informational Purposes Only)

In December, 2012, the members approved a change in the administration of the subject programs as a result of new Treasury guidance for fund transfers. Provided herein is the remaining funding after August approvals and those proposed for September. Treasury has also been notified of the August approvals and will encumber the funds for those approvals.

PUST:
As of July 30, the UST fund held by EDA had approximately $11.7 million in cash and unfunded appropriations available to fund August approvals of $1.25MM, which left $10.5 million to fund the $698 thousand in approvals requested herein.

HDSRF:
As of July 30, the HD fund held by EDA had approximately $58.1 million in cash and unfunded appropriations available to fund future projects. There were no approvals in August and none presented to the members herein.

Prepared by: Kathy Junghans
MEMORANDUM

TO: Members of the Authority

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

DATE: September 12, 2013

SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program and Hazardous Discharge Site Remediation Program

The following grant and loan projects have been approved by the Department of Environmental Protection to perform upgrade, closure and site remediation activities. The scope of work is described on the attached project summaries:

**UST Commercial Grant:**
Estate of Louis Spagnuolo $ 319,050

**UST Residential Grant:**
Stephanie Dryer $ 294,720
Total UST Funding $ 613,770

**HD Residential Loan:**
Estate of Dorothy Y. Trombold $ 83,566
Total HD Funding $ 83,566

Total DEP approvals for September 2013 $ 697,336

Prepared by: Kathy Junghans
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: The Estate of Louis Spagnuolo
PROJECT USER(S): Same as applicant
PROJECT LOCATION: 325 Bloomfield Ave. Newark City (T/UA) Essex
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
In December 2011, The Estate of Spagnuolo, the owner of Eddie's Service Center, a former auto repair shop, received a grant in the amount of $662,679 under P23412 to perform soil remediation and groundwater remediation along with vapor intrusion investigation for the closure of five -1000 gallon USTs. 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 for extreme soil and groundwater contamination. The project site is located in the Metropolitan Planning Area 1 and therefore eligible for funding up to $1,000,000.

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

APPROVAL REQUEST:
The applicant is requesting grant funding in the amount of $319,050 to perform the approved scope of work at the project site for a total funding to date of $981,729.

The NJDEP oversight fee of $31,905 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: $319,050
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>Description</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Upgrade,Closure,Remediation</td>
<td>$319,050</td>
</tr>
<tr>
<td>NJDEP oversight cost</td>
<td>$31,905</td>
</tr>
<tr>
<td>EDA administrative cost</td>
<td>$500</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$351,455</strong></td>
</tr>
</tbody>
</table>

APPROVAL OFFICER: K. Junghans
APPLICANT: Stephanie Dryer

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 189 Railroad Ave. Middletown Township (N) Monmouth

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

APPLICANT BACKGROUND:
Stephanie Dryer is a homeowner seeking to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible to perform extensive soil and groundwater remediation as well as site restoration.

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

APPROVAL REQUEST:
The applicant is requesting grant funding in the amount of $294,720 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $29,472 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: $294,720

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrade, Closure, Remediation</td>
<td>$294,720</td>
</tr>
<tr>
<td>NJDEP oversight cost</td>
<td>$29,472</td>
</tr>
<tr>
<td>EDA administrative cost</td>
<td>$250</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$324,442</strong></td>
</tr>
</tbody>
</table>

APPROVAL OFFICER: K. Junghans
TO: Members of the Authority  
FROM: Timothy Lizura  
President/Chief Operating Officer  
DATE: September 12, 2013  
SUBJECT: Petroleum Underground Storage Tank Program - Delegated Authority Approvals (For Informational Purposes Only)

Pursuant to the delegations approved by the Board in May 2006, the Chief Executive Officer ("CEO") with a Director may approve new grants under the Hazardous Discharge Site Remediation Fund (HDSRF) and Petroleum Underground Storage Tank Program (PUST) up to $100,000 and may approve supplemental awards for existing grants (of any size) up to an aggregate of $100,000, provided that the aggregate amount of the supplemental awards do not exceed $100,000.

The Petroleum Underground Storage Tank Program legislation was amended to allow funding for the removal/closure and replacement of non-leaking residential underground storage tanks (UST's) and non-leaking non-residential UST's up to 2,000 gallons for eligible not for profit applicants. The limits allowed under the amended legislation is equivalent to the New Jersey Department of Environmental Protection cost guide.

Below is a summary of the Delegated Authority approvals processed by Finance & Development for the period August 01, 2013 to August 30, 2013

<table>
<thead>
<tr>
<th>Summary:</th>
<th># of Grants</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaking tank grants awarded</td>
<td>11</td>
<td>$150,134</td>
</tr>
<tr>
<td>Non-leaking tank grants awarded</td>
<td>0</td>
<td>$0</td>
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</table>

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Description</th>
<th>Grant Amount</th>
<th>Awarded to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bailey, Shirley (P37882)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$20,801</td>
<td>$20,801</td>
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<tr>
<td>Baleville Congregational Church (P38034)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$13,373</td>
<td>$13,373</td>
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<tr>
<td>Delgado, Cecilia (P38154)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$6,194</td>
<td>$6,194</td>
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<tr>
<td>DiDomenico, Joseph (P38127)</td>
<td>Supplemental grant for upgrade, closure and remediation</td>
<td>$27,275</td>
<td>$43,328</td>
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<tr>
<td>Gaete, Manuel (P38355)</td>
<td>Supplemental grant for upgrade, closure and remediation</td>
<td>$2,864</td>
<td>$13,305</td>
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<tr>
<td>Holmdel Community United Church of Christ (P37968)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$33,861</td>
<td>$33,861</td>
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<tr>
<td>Janzen, Lorien (P38330)</td>
<td>Supplemental grant for upgrade, closure and remediation</td>
<td>$17,057</td>
<td>$28,848</td>
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<tr>
<td>Lee, Perry (P38403)</td>
<td>Supplemental grant for upgrade, closure and remediation</td>
<td>$970</td>
<td>$74,891</td>
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<tr>
<td>McNeely-Sandiford, LaTia (P38440)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$7,519</td>
<td>$7,519</td>
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<tr>
<td>Muller, Olga and Peter</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$8,475</td>
<td>$8,475</td>
</tr>
<tr>
<td>Applicant</td>
<td>Description</td>
<td>Grant Amount</td>
<td>Awarded to Date</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Munoz (P38081)</td>
<td>closure and remediation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangney, William (P38283)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$11,745</td>
<td>$11,745</td>
</tr>
</tbody>
</table>

11 Grants Total Delegated Authority funding for Leaking applications. $150,134

Prepared by: Kathy Junghans, Finance Officer

Timothy Lizura
HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIATION PROGRAM

APPLICANT: Estate of Dorothy Y. Trombold

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 115 Wedgewood Lane Haddonfield Borough (N) Camden

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

APPLICANT BACKGROUND:
The residential property located at 115 Wedgewood Lane, Haddonfield, NJ was owned by Dorothy Trombold who passed away in April 2001. The subject property is now part of the Estate of Dorothy Y. Trombold (the "Estate"). The property has been unoccupied since Ms. Trombold's death. The subject property has been identified as having soil contamination that needs remediation work prior to being sold. The property will be listed for sale upon the approval of this loan. The executor of the Estate, Kathleen Stott, daughter, has applied for an HDSRF term loan.

NJDEP has reviewed the project and determined that $83,565.65 of costs were technically eligible for financing through the HDSRF program.

APPROVAL REQUEST:
Approve an $83,565.65 term loan under the Hazardous Discharge Site Remediation Fund program.

FINANCING SUMMARY:
LENDER: Hazardous Discharge Site Remediation Fund
AMOUNT OF LOAN: $83,566
TERMS OF LOAN: Fixed rate of 5%
5-Year Term
No payments will be required and interest will be accrued. The loan will have a full balloon payment (principal plus accrued interest) due at the end of the 5-year term or upon sale of the property, whichever occurs first.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Remediation</td>
<td>$81,551</td>
</tr>
<tr>
<td>Upgrade &amp; Closure</td>
<td>$2,015</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$1,161</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$84,727</strong></td>
</tr>
</tbody>
</table>

APPROVAL OFFICER: J. Wentzel
INCENTIVES
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Berlitz Corporation and subsidiaries  
PROJECT LOCATION: 7 Roszel Road  
GOVERNOR'S INITIATIVES:  
( ) Urban  ( ) Edison  (X) Core  ( ) Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Berlitz Corporation is a holding company formed in 1989, which owns a number of U.S. and foreign companies which carry on the business of language instruction, cross cultural and global leadership training. The two major operating companies, both of which currently occupy space in the West Windsor, NJ headquarters, are Berlitz Languages Inc. and ELS (English Language Schools) Educational Services Inc. Berlitz Languages Inc. is in the business of language instruction and cross cultural training, primarily delivered in language centers across the United States. ELS Educational Services Inc. also operates through language centers across the United States, but is typically located on a university campus. Two other companies, Training Management Corporation (TMC) and Berlitz Franchising Corporation are also based in the West Windsor headquarters. TMC designs and delivers cultural orientation programs, either in seminar format or through its trademarked Cultural Navigator website. Berlitz Franchising Corporation franchises the Berlitz language center concept to independent franchisees. The applicant is economically viable.

The current West Windsor location serving as the U.S. headquarters, houses executive and management employees for each of these businesses, as well as marketing, curriculum development, teacher training programs, information technology and accounting and finance. There are currently 219 full-time employees located in West Windsor and the company anticipates creating 40 new jobs. In addition, Berlitz employs 20 full-time employees at several other locations in NJ.

MATERIAL FACTOR:
Berlitz Corporation is evaluating site location opportunities in New Jersey or Pennsylvania for potential relocation of its headquarters, as its current lease expires early next year. Berlitz has applied for a BEIP grant to support creating 40 new jobs as well as a BRRAG to retain 219 employees. Management has indicated that the grants will be a material factor in the company's decision to go forward with the project. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate.
APPROVAL REQUEST:

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Berlitz Corporation and subsidiaries to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $487,800
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 239

ELIGIBLE BEIP JOBS: Year 1 10 Year 2 30 Base Years Total = 40

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: $12,195

ANTICIPATED AVERAGE WAGES: $70,000

ESTIMATED PROJECT COSTS: $6,250,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $813,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $731,700

PROJECT IS: (X) Expansion ( ) Relocation

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: ( ) Domestic (X) Foreign Japan

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: T. Wells
# Formula Evaluation

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Location:</td>
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<tr>
<td>2. Job Creation</td>
<td>40</td>
</tr>
<tr>
<td>Targeted: X</td>
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</tr>
<tr>
<td>Non-Targeted: X</td>
<td></td>
</tr>
<tr>
<td>3. Job at Risk:</td>
<td>219</td>
</tr>
<tr>
<td>4. Industry: educational services</td>
<td>0</td>
</tr>
<tr>
<td>Designated: X</td>
<td></td>
</tr>
<tr>
<td>Non-Designated: X</td>
<td></td>
</tr>
<tr>
<td>5. Leverage: 3 to 1 and up</td>
<td>2</td>
</tr>
<tr>
<td>6. Capital Investment: $6,250,000</td>
<td>2</td>
</tr>
<tr>
<td>7. Average Wage: $70,000</td>
<td>3</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>10</strong></td>
</tr>
</tbody>
</table>

**Bonus Increases (up to 80%):**

- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan or, existing building(s) that have been 100% vacant for 12 months: 20%  
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs, or, existing building(s) that have been 100% vacant for 12 months: 30%  
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs: 20%  
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter): 20%  
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan: 15%  
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater: 15%  
- Located in an area designated by the locality as an "area in need of redevelopment": 10%  
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site: 10%  
- Company is working cooperatively with a public or non-profit university on research and development: 10%  
- Project is located within Federally-owned land approved from closure under a Federal Base Realignment And Closing Commission or military installations allowing private business activity: 15%

**Total Bonus Points:** 20 %

**Total Score:**

- Total Score per formula: 10 = 35 %
- Construction/Renovation: 5 %
- Bonus Increases: 20 %
- Total Score (not to exceed 80%): 60 %
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Berlitz Corporation and subsidiaries

COMPANY ADDRESS: 400 Alexander Park, West Windsor Twp., Mercer County

PROJECT LOCATION: 7 Roszel Road, West Windsor Twp., Mercer County

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

APPLICANT BACKGROUND:
Berlitz Corporation is a holding company formed in 1989, which owns a number of U.S. and foreign companies which carry on the business of language instruction, cross cultural and global leadership training. The two major operating companies, both of which currently occupy space in the West Windsor, NJ headquarters, are Berlitz Languages Inc. and ELS (Education Language Schools) Educational Services Inc. Berlitz Languages Inc. is in the business of language instruction and cross cultural training, primarily delivered in language centers across the United States. ELS Educational Services Inc. also operates through language centers across the United States, but is typically located on a university campus. Two other companies, Training Management Corporation (TMC) and Berlitz Franchising Corporation are also based in the West Windsor headquarters. TMC designs and delivers cultural orientation programs, either in seminar format or through its trademarked Cultural Navigator website. Berlitz Franchising Corporation franchises the Berlitz language center concept to independent franchisees.

The current West Windsor location serving as the U.S. headquarters, houses executive and management employees for each of these businesses, as well as marketing, curriculum development, teacher training programs, information technology and accounting and finance. There are currently 219 full-time employees located in West Windsor and the company anticipates creating 40 new jobs. In addition, Berlitz employs 20 full-time employees at several other locations in NJ.

MATERIAL FACTOR/NET BENEFIT:
Berlitz Corporation is evaluating site location opportunities in New Jersey or Pennsylvania for potential relocation of its headquarters, as its lease expires early next year. Berlitz has applied for a BEIP grant to support creating 40 new jobs as well as a BRRAG to retain 219 employees. Management has indicated that the grants will be a material factor in the company’s decision to go forward with the project. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. The applicant has demonstrated that the grant of these tax credits will result in a net benefit to the State of $19.8 million.

APPROVAL REQUEST:

TAX CREDIT TERM: 1 year
COMMITMENT DURATION: 6 years

The Members of the Authority are asked to approve the proposed BRRAG benefit to Berlitz Corporation to encourage the company to remain in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award amount and the term. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount and the term that corresponds to the actual criteria that have been met.
CONDITIONS OF APPROVAL:
1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 8 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before May 1, 2014 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.
5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before May 1, 2014.

END OF APPLICANT’S FISCAL YEAR: December 31
CAPITAL INVESTMENT MUST BE MADE BY: May 1, 2014
SUBMISSION DATE OF CPA CERTIFICATION: June 30, 2014

TOTAL ESTIMATED GRANT AWARD OVER TERM: $ 492,750
APPLICANT TAX PERIOD 1 APPROVAL (2014): $ 492,750

ELIGIBLE BRRAG JOBS: 219
YEARNLY TAX CREDIT AMOUNT PER EMPLOYEE: $ 1,500
BONUS AWARD PER EMPLOYEE: $ 750
TOTAL YEARLY TAX CREDITS INCLUDING BONUS: $ 2,250
ANTICIPATED AVERAGE WAGES: $ 81,178
ESTIMATED TOTAL GROSS ANNUAL PAYROLL: $ 17,777,892
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 6 YRS: $ 3,458,657
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $ 6,250,000
OPERATED IN NEW JERSEY SINCE: 1950

PROJECT IS: (X) Expansion ( ) Relocation
CONSTRUCTION/RENOVATION: (X) Yes ( ) No
DEVELOPMENT OFFICER: P. Ceppi
APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM


PROJECT LOCATION: 223 Main Street Chester Borough (N) Morris County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Whitney, Danforth & Stark Associates, Inc., dba Pursuit Solutions ("Pursuit"), formed in 2008, is a developer of enterprise software that is focused on optimization technology for sales and marketing by the pharmaceutical industry. The primary product, CLEARSKY, provides the pharmaceutical sales force with an intuitive and powerful solution that works with the client’s multi-channel marketing system and is based on proprietary statistical algorithm. The algorithms are not patented or copyright protected, but rather considered a black box, restricting access by client, partner or other organization to reverse engineer or otherwise copy it. CLEARSKY intelligence engine captures the preferences of the healthcare professional to predict the content that will be most relevant to their interest as presented by their pharmaceutical representative. To better understand the technologies consider Netflix or Apple iTunes, which suggest choices based on your prior use of the product. Pursuit is headquartered in Chester, Morris County, with a regional office in Boston, MA, and sales-support offices in San Francisco and Orange County, CA. Peter Stark is the CEO. The applicant is economically viable.

MATERIAL FACTOR:
Pursuit Solutions is seeking a BEIP grant to create 12 jobs to support their growth. The applicant currently has its corporate headquarters in Chester, and a regional office in Boston. With the Chester office in the western part of NJ, closer to PA, they are finding recruiting staff has become very expensive, requiring utilizing recruiting advertising and search firms to find qualified people. In Boston, they are surrounded by major universities, allowing them access to qualified candidates with limited financial expense. The project costs are estimated to be $179,500 to furnish the office, provide security and networking for their computer systems, and one-time recruiting fees of $150,000 to hire 12 new staff members for their IT group.

In an effort to determine which market to expand staffing, Pursuit recently contracted work out in the Boston area for a User Interface Designer and a boutique design and development firm. In addition, in Chester, the applicant converted a short term contractor to full-time employee status and a front end software developer.
APPROVAL REQUEST:  

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Whitney, Danforth & Stark Associates, Inc. to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $197,305  
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 17

ELIGIBLE BEIP JOBS: Year 1 5 Year 2 7 Base Years Total = 12

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: $16,442

ANTICIPATED AVERAGE WAGES: $124,667

ESTIMATED PROJECT COSTS: $179,500

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $657,682

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $789,219

PROJECT IS: (X) Expansion  ( ) Relocation

CONSTRUCTION: ( ) Yes  (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP:(X) Domestic  ( ) Foreign

DEVELOPMENT OFFICER: J. Kenyon  APPROVAL OFFICER: M. Krug
**FORMULA EVALUATION**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Location: Chester Borough</td>
<td>N/A</td>
</tr>
<tr>
<td>2. Job Creation: 12</td>
<td>1</td>
</tr>
<tr>
<td>Targeted: X Non-Targeted:</td>
<td></td>
</tr>
<tr>
<td>3. Job at Risk: 0</td>
<td>0</td>
</tr>
<tr>
<td>4. Industry: Advanced computing</td>
<td>2</td>
</tr>
<tr>
<td>Designated: X Non-Designated:</td>
<td></td>
</tr>
<tr>
<td>5. Leverage: 3 to 1 and up</td>
<td>2</td>
</tr>
<tr>
<td>6. Capital Investment: $179,500</td>
<td>0</td>
</tr>
<tr>
<td>7. Average Wage: $124,667</td>
<td>4</td>
</tr>
</tbody>
</table>

**Bonus Increases (up to 80%)**:
- Located in Planning Area 1 or 2 of the State’s Development and Redevelopment Plan or, existing building(s) that have been 100% vacant for 12 months. 20%
- Located in Planning Area 1 or 2 of the State’s Development and Redevelopment Plan AND creation of 500 or more jobs, or, existing building(s) that have been 100% vacant for 12 months. 30%
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs 20%
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter) 20%
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan 15%
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater. 15%
- Located in an area designated by the locality as an "area in need of redevelopment" 10%
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site 10%
- Company is working cooperatively with a public or non-profit university on research and development 10%
- Project is located within Federally-owned land approved from closure under a Federal Base Realignment And Closing Commission or military installations allowing private business activity. 15%

**Total Bonus Points:** 0 

**Total Score:**
- **Total Score per formula:** 9 = 30%
- **Construction/Renovation:** 0%
- **Bonus Increases:** 0%
- **Total Score (not to exceed 80%):** 30%
GROW NEW JERSEY ASSISTANCE PROGRAM
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

APPLICANT: Destination Maternity Corporation

PROJECT LOCATION: 1000 John Galt Way Florence Township Burlington County
228/232 Strawbridge Drive Moorestown Township Burlington County

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

APPLICANT BACKGROUND:
Destination Maternity Corporation is the world’s largest designer and retailer of maternity apparel. In the United States and Canada, Destination Maternity operates 1,893 retail locations, including 606 stores, predominantly under the trade names Motherhood Maternity, A Pea in the Pod, and Destination Maternity, and 1,287 leased department locations, and sells on the web through its DestinationMaternity.com and brand-specific websites. The company is also the exclusive provider of maternity apparel to Kohl’s which operates over 1,100 stores throughout the U.S. The Destination Maternity Corporation Home Office and Distribution Center is located in Philadelphia, Pennsylvania and the company is publicly traded on the NASDAQ under the symbol DEST. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Destination Maternity has its corporate headquarters and main logistics facility in the Northern Liberties section of Philadelphia and a separate smaller logistics facility in the Philadelphia Navy Yard. Currently, the company is evaluating the possibility of relocating its operations to South Jersey. The company has targeted an existing building in Moorestown that it would renovate for its headquarters and a site in Florence for its logistics center where it would lease a new build-to-suit facility from Whitesell Construction. Destination Maternity’s alternative to this plan would be to remain in place at its current locations in Philadelphia.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and as a result the management of Destination Maternity has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. It is estimated that the project would have a net benefit to the State of $101.2 million over the 15 years that the company would be committed to keep the jobs here.

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

After the approval of this project and other projects for consideration by the Authority today, the total amount of tax credits approved under the Grow New Jersey Assistance Program will increase to $470,831,293 and the total combined approvals under HUB and Grow New Jersey to $1,546,955,168.

CONDITIONS OF APPROVAL:
1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than $20 million after board approval, but no later than July 28, 2017.
3. No employees that are subject to a BEIP, BRRAG, or Urban Transit Hub are eligible for calculating the benefit amount of the Grow New Jersey tax credit.

4. No capital investment that is subject to a BEIP, BRRAG, or Urban Transit Hub is eligible to be counted toward the capital investment requirement for Grow New Jersey.

5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

6. In order for the two project sites to be considered a complex of buildings, the relocation must be considered a single project with interrelated factors. Each site must separately have at least 100 new employees and the company must make a minimum investment of $20 million in at least one of the project sites.

### Grant Calculation

**BASE GRANT PER EMPLOYEE:** $5,000

**BONUS INCREASES:**

($1,000 per item with a max of $3,000)

- **INDUSTRY:** $1,000
- **PUBLIC TRANSIT:** $1,000
- **HIGH SALARIES:** 0
- **AFFECTED SITE:** 0

**BONUS PER EMPLOYEE:** $2,000

**TOTAL GRANT PER EMPLOYEE:** $7,000

**ELIGIBLE JOBS:**

- New Jobs: 620
- Retained Jobs: 0
- Total: 620

**ANNUAL CREDIT AMOUNT** ($4,000,000 max): $4,000,000

**TOTAL AMOUNT OF AWARD:** $40,000,000

**TERM:** 10 years

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** $49,740,000

**QUALIFIED INCENTIVE AREA:** PA-1/PA-2

**MEDIAN WAGES:** $38,500

**STATEWIDE BASE EMPLOYMENT:** 53

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

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

**DEVELOPMENT OFFICER:** M. Abraham  

**APPROVAL OFFICER:** K. McCullough
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura  
President and Chief Operating Officer

DATE: September 12, 2013

SUBJECT: Technology Business Tax Certificate Transfer Program

BACKGROUND

The 1998 Technology Business Tax Certificate Transfer Program allows technology and biotechnology companies with fewer than 225 employees in the U.S. 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.

The “New Jersey Economic Stimulus Act of 2009”, P.L. 2009, c. 90, enacted into law on July 27, 2009, included amendments to the statute establishing the Technology Business Tax Certificate Transfer Program. The amendments were intended to streamline current eligibility and allocation requirements to enable more companies to participate in the program.

2013 PROGRAM CYCLE

Last year, the fourteenth year of the program, $60 million was provided to 64 technology and biotechnology companies in need of capital and liquidity. This year, $60 million is again available to be distributed in State Fiscal Year 2014. Of the $60 million, $10 million is reserved for the surrender of transferable tax benefits exclusively by eligible companies that operate within the boundaries of the State’s three (3) Innovation Zones (technology clusters fostering business-university collaboration) during State Fiscal Year 2014.

Please note that certain components of the Technology Business Tax Certificate Transfer Program have changed for the 2013 Program cycle. At the Authority’s March 14, 2013 Board meeting, the definition of Full-Time Employee was clarified to mean positions that will continue to be filled on a permanent or indefinite basis and not include interns, temporary employees or employees in temporary positions. The definition of Protected Proprietary Intellectual Property (PPIP) was clarified to require the PPIP to be the technology of the primary business of the applicant and be on the technology that enables the applicant to meet the definition of Technology or Biotechnology Business.
In the 2013 Program cycle, 62 applications were received. Of the 62 applications, 11 benefit requests (17.7%) failed to meet one or more of the eligibility criteria. The 51 applicants recommended for approval are estimated to receive, on average, approximately $1,176,471 this year, approximately 25.5% more than last year’s average.

Based on evaluations by Authority staff, the attached list identifies the applicants recommended for approval.

The following are the applicants being recommended for disapproval for not meeting one or more eligibility requirements of the Program along with a brief description of the reason the eligibility requirement(s) wasn’t met.

**Absecon Mills** – The applicant’s primary business is manufacturing of textiles. However, it is seeking to transition into the manufacturing of textiles for ballistic solutions (bullet-proof vests). The applicant did not have any Protected Proprietary Intellectual Property (PPIP) as of June 30, 2013 (the assignment of the patent application occurred on July 26, 2013) and its primary business as of June 30, 2013 was manufacturing textiles not ballistic solutions therefore, it was not operating as a Technology Business. The applicant’s financial statements were also not prepared according to GAAP.

**American CryoStem Corporation** - The applicant did not have the required minimum number of Full-Time Employees (5) on June 30, 2013 as 2 of the 5 individuals listed as Full-Time Employees draw no salary. The Statute requires Full-Time Employees to have wages paid that are subject to withholding per the New Jersey Gross Income Tax Act. The applicant did not offer healthcare to its employees at June 30, 2013.

**Bai Brands, LLC** – The applicant is a juice company that is taxed as a partnership. As such, it does not have any Net Operating Losses or R & D Tax Credits to sell. The applicant provided no documentation showing ownership of PPIP, no financial statements, and, as a juice company with no PPIP, does not meet the definition of Technology Business.

**CareKinesis, Inc.** – The applicant’s primary business is operating as a pharmacy. The applicant has created software to assist in the dispensing of medications as accurately as possible with correct dosages and screening for harmful drug interactions when more than one prescription is written. The applicant’s primary business is operating as a pharmacy not writing software. As the applicant does not have any PPIP on its primary business (pharmacy) it is not a Technology Business (as the PPIP must be on the primary business of the applicant and the PPIP must be what makes the applicant a Technology Business).

**Conolog Corporation** – The applicant has manufactured electronic components since 1968 and has recently filed a patent application for a method of detecting optical signals within a fiber optic cable. All of the 2012 revenues for the applicant were from the traditional, unprotected electronic components. As the applicant does not have any PPIP on its primary business (electronic components manufacturing) it is not a Technology Business (as the PPIP must be on the primary business of the applicant and the PPIP must be what makes the applicant a Technology Business).
Deltronic Crystal Industries, Inc. – The applicant showed Net Operating Income on its 2/29/2012 financial statements and its 2/28/2013 financial statements are drafts not executed by the CPA.

IntegriChain, Inc. – The application was received after the deadline on July 1, 2013.

Midawi Holdings – Based on our review, the applicant does not meet the Statutory definition of Technology Business. The applicant has developed a website that is intended to enhance financial literacy in children and to prepare them to act fiscally responsibly. The copyrights are on the web architecture rather than on any technology and the patent is on a process rather than any technology. In order to be considered PPIP, the IP needs to be on the applicant’s primary business. The applicant’s IP is on how the website operates/functions. Therefore, the applicant is not operating as a Technology Business. The applicant does not have any (PPIP).

Symbolic IO Corporation – The applicant creates digital data storage efficiencies. The applicant does not own or exclusively license any PPIP and is, therefore, not a Technology Business.

VectraCor, Inc. – The applicant did not have the required minimum number of Full-Time Employees (5) on June 30, 2013. The president’s wife was recently hired but works less than the 35 hours/week minimum necessary to be considered a Full-Time Employee per the Statute. On June 24, 2013, the applicant’s president certified to the applicant’s healthcare provider that his wife works exactly 30 hours/week while everyone else on staff worked 40+ hours/week.

Verbex Acquisition Corp. – The applicant develops speech recognition systems. The list of patents submitted by the applicant contained numerous patents/patent applications that were all expired and no longer in force. As such, the applicant does not have any PPIP and is not a Technology Business (as the PPIP must be on the primary business of the applicant and the PPIP must be what makes the applicant a Technology Business).

RECOMMENDATION:

Based on the above, approval is recommended for a total of 51 projects which have been evaluated according to the criteria established by the Members of the Board and met the criteria for approval. Disapproval is recommended for the 11 projects that failed any of the eligibility criteria. These companies have not met the criteria for approval as described above.

Prepared by: J. Rosenfeld
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<td>SightLogix, Inc. (Formerly Automated Threat Detection)</td>
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<td>Vaxinnate Corporation</td>
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<td>Voxware, Inc.</td>
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<td>VPISystems Corporation</td>
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<td>51</td>
<td>World Water &amp; Solar Technologies, Inc.</td>
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MEMORANDUM

TO: Members of the Authority

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

DATE: September 12, 2013

SUBJECT: 1200 Ferry Avenue Associates, LLC
$226,583 LDFF Loan
P15030 - Satisfactory

Request:
Extend the loan balloon maturity from 08/01/2013 to 08/01/2023 at a fixed rate of 3.0% for the first 5 years, to be reset at 5-year anniversary to the then 5-year Treasury plus 1.0% with a floor of 3.0%.

Background:
1200 Ferry Avenue Associates, LLC was created in 2003 to purchase a 120,000 sf industrial property located at 1200 Ferry Ave., Camden, NJ, leased by related entity, Camden International Commodities Terminal, LLC (“CICT”). CICT was formed by Gary Mahon and Jeffrey Wheeler in 1994 to provide public warehousing facilities and terminal operations for the cocoa industry. CICT manages nine cocoa warehouse facilities in Camden, Gloucester and Burlington Counties with 964,000 sf warehousing capacity. The cocoa arrives by ship in bags or containers from the Ivory Coast of Africa and the Far East and is then shipped out in bulk to the US chocolate manufacturers such as Ghirardelli Chocolate, Hershey and M&M Mars. CICT is the largest private warehousing operation in Camden and the Port’s largest producer of jobs (43 employees) for the City of Camden.

The total project cost of $1,039,900 was financed with a $537,000 first mortgage from Bank of America, $396,000 LDFF loan and $106,900 in equity. Bank of America’s loan had a 20-year term at a variable interest rate of Libor + 1.5% (currently, 1.69%), while the EDA loan had a 10-year term with a 20-year amortization. All payments have been made as agreed. The LDFF loan matured on 08/01/13, and the borrower is requesting an extension over the remaining 10 year term/amortization.

Current policy for Delegated Authority approvals allows extensions where original plus new term does not exceed 10 years. As a result, the request no longer meets the criteria for the loan maturity extensions under Delegated Authority and the extension is being presented for the Members’ approval. Staff recommends a ten year extension to permit the borrower to continue amortizing the loan.
**Recommendation:**
Extend the loan maturity for 10 years to 08/01/2023 at a fixed rate of 3.0% for the first 5 years, to be reset at 5-year anniversary to the then 5-year Treasury plus 1.0% with a floor of 3.0% to allow borrower to continue to amortize the loan.

**Prepared by:** Natalia Nagovsky
MEMORANDUM

To: Members of the Authority

From: Timothy Lizura
President and Chief Operating Officer

Date: September 12, 2013

RE: Fountains Applied LWAG, LLC (P # 37381)
Economic Redevelopment and Growth Grant Program ("ERG")

Request:

This memorandum will approve an extension of the date required to sign the ERG agreement from September 4, 2013 to September 4, 2014.

Background:

On December 13, 2011 the Members of the Authority approved an ERG for up to $8,401,459 which represents 20% of the eligible costs of the project which were estimated at $42,007,296. The Authority issued a commitment letter to the subject on March 4, 2012 with certain conditions to be met by March 4, 2013 in order to receive the ERG grant agreement.

The proposed Fountains Applied LWAG, LLC project (also known as Pier Village Hotel and Retail or "Pier Village Phase 3") involves the construction of a new, five story, 68-room, 52,126 square foot limited-service hotel with 34,950 gross square feet of ground floor mixed use-retail space. The project is located in the Town of Long Branch, Monmouth, New Jersey and is expected to operate without a brand affiliation. The site was historically used for surface parking. Long Branch is an urban aid community which has undergone significant redevelopment over the past several years. This progress has sought to transform the dilapidated and rundown waterfront into a lively retail and recreation destination that generates employment and taxes to the community. The project is located at Melrose Street and Ocean Avenue with beachfront views/access of the Atlantic Ocean. Pier Village (the project name which encompasses the proposed project plus Phases 1 and 2 which have already been completed) is located in an area designated for mixed-use development and will target retail, hospitality and recreational users from New York City, Philadelphia and other New Jersey locations by complimenting existing and ongoing commercial, residential and retail development in the nearby surrounding areas of Long Branch.
In March of 2013 Fountains Applied LWAG, LLC (the “Applicant” or “Developer”) submitted a revised pro forma showing a $3.6 million increase in the hard costs for the hotel and the retail spaces (to $32.5 million from $28.9 million) which results in an overall total development cost of $50.7 million. The Authority approved a six month extension via delegated authority which allowed the Developer until September 4, 2013 to meet the conditions to receive the ERG grant agreement. The debt of $30.4 million is anticipated to be sourced from PNC Bank (which provided a term sheet) and the equity of $20.3 million will be funded by the Applicant. The IRR’s and overall profitability of the project have declined about 1% from the original approval and remain below typical benchmarks however the Developer has other investments in the vicinity which serve to enhance their overall return. The ERG amount will remain at $8.4 million as approved December 2011 by EDA for Fountains Applied LWAG, LLC. Unfortunately, a redesign of portions of the improvements (the boardwalk and bulkhead) in the wake of Superstorm Sandy were required and caused unanticipated timing delays. Additionally, NJ Department of Labor recently advised the municipality and the Developer that the public infrastructure costs aggregating approximately $20 million would need to comply with prevailing wages. This will result in an estimated $4 million in costs which need to be sourced by a yet to be determined combination of the city and the Applicant. While specifics have yet to be provided, the implied impact to the IRR will be downwardly modest at worst. The Developer and city are working together in an effort to move forward with the project and expect to resolve the matter over the next several months such that construction can commence in mid 2014.

**Recommendation:**

A one year extension of the date by which the ERG grant is to be signed from September 4, 2013 to September 4, 2014 is recommended to allow Fountains Applied LWAG, LLC sufficient time to address the conditions of the approval.

Timothy Lizura

**Prepared by:** Michael A. Conte
MEMORANDUM

TO: Members of the Authority

FROM: Tim Lizura
      President and Chief Operating Officer

DATE: September 12, 2013

SUBJECT: Milestone Venture Partners IV, LP

Request:

Approval is requested to make a limited partnership investment in Milestone Venture Partners IV, LP ("MVP4" or "the Fund") up to $1.3 million. Funding for the investment will be made from the State Small Business Credit Initiative fund ("SSBCI").

Background:

MVP4 is a Delaware limited partnership that was formed in 2012 to provide investors with long-term capital appreciation through venture capital investments in technology companies with a focus on the digital healthcare market. The Fund will seek investments located in the U.S. with a focus on the Tri-State Area. MVP4 is part of the Milestone Venture Partners family of funds, which date back to 1999. The Fund is managed by a group of business executives including Todd Pietri, Morgan Rodd, Richard Dumier and Edwin Goodman. Combined, the Management Team has more than 100 years of investing experience.

MVP4 is seeking to raise up to $50 million; however, it is expected that the Fund will be approximately $35 million. Of note, the Fund has raised approximately $27 million to date. MVP4 has agreed to invest two dollars for every one dollar the Authority invests in New Jersey-based companies, thereby resulting in a minimum of $3.9 million of capital invested in New Jersey-based companies. This arrangement of leveraging the Authority’s public investment with MVP4’s private investment will be documented in a side letter agreement consistent with all prior venture fund LP investments.
In support of the State’s focus on growing technology jobs, the EDA’s strategic plan includes goals to assist in the expansion of technology companies in the State through funding direct loans and investing in venture capital funds. The proposed investment in MVP4 is consistent with the EDA’s strategic plan as it will assist in developing employment in the State by supporting the growth of start-up technology companies located in New Jersey.

**Recommendation:**

Approval of an investment up to $1.3 million in MVP4 is recommended based upon the experienced management team and the satisfactory historic performance of the Milestone family of funds. In addition, the proposed funding will support the growth of technology companies located in the State. This approval will authorize the CEO or COO to execute all documents required, subject to the review of the New Jersey Attorney General's office, and will permit the use of outside counsel.

**Conditions:**

1. Waiver of interest charge for late investment in MVP4.
2. Authority will receive a seat on MVP4’s advisory and valuation committees.
3. Proposed investment is subject to availability of SSBCI funding.
4. MVP4 agrees to provide additional quarterly and portfolio reporting as required by the NJEDA to fulfill SSBCI reporting requirements.
5. Execution of a side letter by MVP4 in a form substantially similar to EDA's standard form side letter used in investment deals and with terms acceptable to EDA and the AG’s Office.

![Signature]

Tim Lizura  
President and Chief Operating Officer

**Prepared by:** Sean V.M. Brady
MEMORANDUM

TO: Members of the Authority

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

DATE: September 12, 2013

SUBJECT: Silvia Brodrick, LLC
$51,789 SLP Participation
P14542

Request:
Extend the SLP participation loan maturity for 10 years to 12/01/2022 at a fixed rate of the 5-year Treasury plus 1.00% with a floor of 3.0%, with a rate reset at 5 years.

Background:
Silvia Brodrick owns LKC Enterprises, Inc. t/a Little Tots Preschool and Camp (LKC) which has operated as a child care facility since 1990. LKC has a pre-school and after care program as well as a summer camp for children ages 3 and 4 funded under the Abbott Program. Silvia Brodrick, LLC was created to acquire a 6,480 s.f. facility at 500 Grand Avenue in Asbury Park which is leased entirely to LKC.

In 2002, Commerce Bank provided a $580,000 20-year loan with a $145,000 (25%) SLP participation and a 25% guarantee for 5 years. Proceeds of the financing were used to acquire and renovate the adjacent property at 502 Grand Ave., in order to expand classroom capacity and allow greater student enrollment. NJEDA participation had a 10-year term with a 20-year amortization and matured on 12/1/2012.

Prior to maturity the account was handled as agreed, and was pre-paid by approximately $14,000. However, due to the illness of the company’s accountant, the financial statements needed for renewal were not available until recently. As a result, the loan maturity was not able to be extended and the participation loan has been past due since 11/1/12. As staff worked to resolve the delinquency as well as operational issues with the Bank, the Borrower continued to remit loan payments to the Bank. All NJEDA past-due balances will be brought current as a condition of closing.

Presently, the Borrower has provided financial statements and with TD Bank, successor to Commerce Bank, has requested extension of the EDA participation for an additional 10 years to allow the child care facility to amortize the balance of the loan.
Current Delegated Authority allows loan maturity extensions where original term plus extensions does not exceed 10 years. As the Borrower’s loan will have a total term of 20 years, the request no longer meets the criteria for Delegated Authority and the extension is being presented for the Members’ approval.

**Recommendation:**
Extend the loan maturity for 10 years to 12/01/2022 at a fixed rate of the 5-year Treasury plus 1.0% with a floor of 3.0%, with a rate reset at 5 years, to permit the borrower to fully amortize the loan. Closing is conditional upon all NJEDA past-due balances being brought current.

**Prepared by:** Katina Tolly
MEMORANDUM

TO: Members of the Authority

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

DATE: September 12, 2013

SUBJECT: YSC Property Management, LLC
YSC Business Management, LLC
$50,677 LDFF Loan
P15169

Request:
Extend the loan balloon maturity from 09/01/2013 to 09/01/2018 at a fixed rate of the 5-year Treasury plus 0.50% with a floor of 3.0%.

Background:
In 2003, Kenneth S. Giaccio established the Borrowers to purchase the assets of 30-year old Eagle Pallet Co., LLC. YSC Property Management, LLC is a holding company formed to acquire property for affiliate company YSC Business Management, LLC, dba Eagle Pallet (“Eagle”). Eagle manufactures, repairs and distributes commercial wooden pallets and crates. The Borrowers increased staffing from 6 to 16 full-time employees today.

In 2003, the Members approved a $130,000 LDFF loan to supplement PNC Bank’s $490,000 SBA loans, a $100,000 term loan from the Millville UEZ, and $150,000 from equity. The LDFF loan had a 5-year term with a 15-year amortization.

In 2007, the EDA consented to additional debt and to subordinate its second mortgage on the project property to a $250,000 line of credit from PNC Bank to allow the company to obtain needed working capital. In 2008, the loan was extended pursuant to Delegated Authority for 5 years and is presently scheduled to mature on 09/01/13.

Current Delegated Authority allows loan maturity extensions where original term plus extensions does not exceed 10 years. As the Borrower’s loan will have a total term of 15 years, the request no longer meets the criteria for Delegated Authority and the extension is being presented for the Members’ approval.
**Recommendation:**
Extend the loan maturity for 5 years to 09/01/2018 at a fixed rate of the 5-year Treasury plus 0.50% with a floor of 3.0% to permit the borrower to fully amortize the loan. Staff recommends an extension to permit the borrower to fully amortize the loan based on satisfactory payment history and the Borrower’s ability to repay the loan over 5 years.

**Prepared by:** Katina Tolly
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and COO

DATE: September 12, 2013

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

The following project was approved under Delegated Authority in August 2013:

New Jersey Business Growth Fund:

1) BC Real Estate Holdings LLC (BC”) (P38493), located in Winslow Township, Camden County, is a real estate holding company that will purchase an office condominium for the administrative office for a Chick-fil-A restaurant franchise. PNC Bank approved a $125,000 bank loan with a five-year, 25% guarantee of principal outstanding, not to exceed $31,250. Currently, the Company has two employees and plans to create one new job over the next two years.

2) Tulip Associates Limited Liability Company (P38444), located in Camden City, Camden County, is a real estate holding company formed to purchase a commercial property for use by the operating company, Main Line Medical Supplies (“MLM”). MLM was formed in 1983 as a medical supply company with locations in NJ and PA. PNC Bank approved a $500,000 bank loan with a five-year, 25% guarantee of principal outstanding, not to exceed $125,000. Proceeds will be used to purchase commercial real estate in Camden. The Company currently has 20 employees and plans to create ten additional jobs within two years.

NJ Main Street Program:

1) Triangle Realty of NJ, LLC (P38438), located in Carlstadt Borough, Bergen County, is a newly formed real estate holding company to purchase commercial property for use by the operating company, Sunwear Fashion, LLC (“SF”). SF was formed in 2008 as a distributor of clothing (primarily T-shirts, sweatshirts and socks). Currently, SF operates from a leased facility in Moonachie with four employees. Atlantic Stewardship Bank has approved a $1,727,000 commercial mortgage contingent upon a $500,000 loan from the EDA. The Company currently has four employees and plans to create three new positions within two years. SSBCI funds will be utilized for this project.
2) Z2 Technologies LLC (P38402), located in Tinton Falls Borough, Monmouth County, provides IT services to the U.S. Department of Defense, primarily the Army. The Provident Bank approved a $250,000 line of credit contingent upon an Authority $125,000 (50%) Main Street guarantee of principal outstanding, not to exceed $125,000. Currently, the Company has 22 employees and plans to create three new jobs over the next two years.

Premier Lender Program:

1) Monopoly Management, LLC (P38462), located in Egg Harbor City, Atlantic County, is a newly formed real estate holding company created to purchase commercial property currently occupied by National Spray Foam & Coatings, LLC d/b/a GreenLife Energy Solutions (“GLES”). GLES is a multi-trade contractor offering comprehensive weatherization and construction for commercial, industrial and homeowner markets. The Company specializes in insulation, air sealing, energy conservation, renovation and repairs resulting from energy upgrades and storm damage. Susquehanna Bank approved a $535,000 bank loan contingent upon a 25%, $133,750 Authority participation. Proceeds will be used to purchase the commercial property. The Company currently has 50 employees and plans to create 15 new positions within two years. SSBCI funds will be utilized for this project.

Small Business Fund Program:

1) Aurora Multimedia Corp. (P38450 & P38453), located in Marlboro Township, Monmouth County, was formed in 1997 as a manufacturer of building control systems, touch panels, matrix switches and video wall processors for commercial and residential application. Investors Bank approved a $335,000 loan with a $167,500 (50%) Authority participation and a $350,000 loan with a 50% Authority guarantee, not to exceed $175,000 under the Main Street program. Proceeds will be used to refinance existing debt and provide working capital. Currently, the Company has 25 employees and plans to create ten additional jobs over the next two years. SSBCI funds will be utilized for this project.

2) C & L Machining Company, Inc. (P38416), located in Brooklawn Borough, Camden County, has been in business since 1968 as a full service machine shop. The Company was approved for a $200,000 direct term loan under the Small Business Fund program. Proceeds will be used for the purchase of equipment and machinery. Currently, the Company has six employees and plans to create one new job within the next two years.

3) Sire Stakes Holdings, LLC (P38359), located in Ocean Township, Monmouth County, is a real estate holding company that was formed in 2009 to purchase commercial property to be used by the operating company, MVP Medical Associates, PA d/b/a Family First Urgent Care. MVP was founded in 1981 by Dr. Dennis E. Mojares, Sr., as a walk-in medical practice providing traditional family medicine, urgent care and workman's compensation/occupational medicine. Dr. Richard Mojares, MD, FAAP joined the practice in 2002 and is dual board certified in Internal Medicine and Pediatrics. The Provident Bank approved a $1,180,000 term loan contingent upon a 25% ($295,000) Authority participation. Proceeds will be used to refinance an existing mortgage on the commercial property. The Company currently has twenty employees and plans to create two new positions within two years. SSBCI funds will be utilized for this project.
New Jersey Business Growth Fund - Modification:

1) Caspenny, LLC and International Welding Technologies, Inc. (P38465) are located in Lindenwold Borough, Camden County. International Welding Technologies, Inc. was established in 1990 as a manufacturer, distributor and supplier of capacitor discharge fasteners, including designing and manufacturing capacitor discharge stud welding equipment for their clients. PNC Bank approved a five-year renewal of a $301,901 loan with a five-year, 25% guarantee of principal outstanding, not to exceed $75,475.25. Original loan proceeds were used to purchase commercial real estate to be used for business operations. All other terms and conditions of the original approval remain unchanged.

Prepared by: D. Lawyer
DL/gvr
REAL ESTATE
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President/Chief Operating Officer

DATE: September 12, 2013

RE: Sale of Property
Waterfront Development Tract – Battleship Place
Block 139, Lot 11.03, Camden, NJ

Summary
The Members are requested to approve the sale of property located in Camden, New Jersey to The Home Port Alliance for the USS New Jersey, Inc., a New Jersey not-for-profit corporation (the “Purchaser”), for nominal consideration, on terms generally outlined on the attached Term Sheet.

Background
The Authority holds title ownership to a 1.843 acre lot located on the Camden Waterfront adjacent to the Promenade and the Battleship New Jersey (the “Property/Site”). The Authority acquired the property in 1995 as part of the development of the Susquehanna Bank Center. The subject site is irregularly shaped and encumbered with six (6) easements which restrict development to three small non-contiguous sections and result in 0.3519 useable acres. The property’s site improvements include fencing, trees and shrubs, block landscape borders, gravel walkways and partial pavement. It is suspected that the Battleship’s Visitor’s Center partially encroaches on the Property. The Site does not have road frontage and access to roadways is limited to easements on adjoining property. The Property has no known title issues. Since October 2001, the Purchaser has used the Property for visitor access to board the Battleship.

The Battleship New Jersey is a good tourist attraction for the Camden waterfront. Since opening in October of 2001, 1.5 million guests have toured the Battleship New Jersey Museum and Memorial. The Battleship averages 100,000 visitors per year. Of these visitors, 12,000-15,000 are overnight campers and 15,000-20,000 are school children on field trips. The Battleship also provides a venue for veterans and military events such as retirement and reenlistment ceremonies. The Museum also offers 10 scholarships per year to Camden City high school graduates that pursue a college education. There are in excess of 300 active volunteers that provide guided tours, oversee the campers and perform restoration of the Battleship.
The Purchaser’s use of this Site is consistent with the Site’s original intention of providing public access to the Camden Waterfront. It is also complimentary and compatible with the other entertainment sites along the Waterfront including the Susquehanna Bank Center, the Adventure Aquarium, the Riversharks Baseball Stadium, and Wiggins Park and Marina.

An appraisal was prepared for the Authority by J. McHale & Associates, Inc. and the property was appraised at $95,000. Inquiries were made to the adjacent property owner but they were not interested in purchasing the property. Selling the Property to a third party would be difficult due to the easements, lack of road frontage and the requirement that the Purchaser’s existing Visitor’s Center would need to be removed. Pursuant to the Authority’s Property Disposition Procedures, staff may recommend a discounted sale of property to a non-profit entity when the conveyance is for a specific economic development purpose and the purchaser covenants that it will devote the property to this purpose.

The Purchaser is interested in obtaining title to the Property for nominal consideration. The Property will be sold to the Purchaser “as is, where is” and the Purchaser will agree to devote the Property to support tourism at the Battleship. This covenant will be enforceable through a twenty (20) year Deed reverter clause. If, at any time during the 20-year period, the Battleship relocates, the Battleship is no longer open to the public or the Property is used for purposes that are not related to the Battleship, the Authority may require the Purchaser to convey the Property back to the Authority for no consideration. Authority staff has confirmed that the Purchaser does not have the ability or resources to pay more than nominal consideration. This sale will enable the current use of the Site to continue while eliminating the Authority’s risks of ownership.

Closing on the Property will be scheduled within ninety (90) days of Purchaser’s Board approval and receipt of compliance documentation.

**Recommendation**

In summary, I am requesting the Members’ approval to: 1) negotiate and execute an Agreement for Sale of Property with The Home Port Alliance for the USS New Jersey, Inc. for the sales price of $1 generally consistent with the attached Term Sheet; and 2) execute any and all other documents required to effectuate this transaction, on final terms acceptable to the Attorney General’s Office and the Chief Executive Officer and the President/Chief Operating Officer.

Timothy J. Lizura
President/Chief Operating Officer

Prepared by: Donna T. Sullivan
SELLER: New Jersey Economic Development Authority

PURCHASER: The Home Port Alliance for the USS New Jersey, Inc., a New Jersey not-for-profit corporation

PROPERTY: Waterfront Development Tract – Battleship Place Block 139, Lot 11.03, Camden, NJ [1.843+ acres]

PURCHASE PRICE: $1

PURCHASER’S DEPOSITS: None

PURCHASER’S DUE DILIGENCE PERIOD: None

TITLE INSURANCE: Purchaser pays for its title insurance

ENVIRONMENTAL: None – property sold “as is, where is”. On October 30, 2001, the New Jersey Department of Environmental Protection issued a No Further Action letter to NJEDA. A Deed Notice was recorded with the Camden County Clerk’s Office on March 27, 2001.

ADJUSTMENTS AT CLOSING: Any typical items subject to adjustment

BROKERAGE COMMISSIONS: None

CLOSING: Ninety (90) days of Purchaser’s Board approval and receipt of compliance documentation.
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President and Chief Operating Officer

DATE: September 12, 2013

RE: NJDEP MOA for compliance with environmental reviews for Stronger NJ Programs

Request:

The Board is requested to approve the attached Memorandum of Agreement ("MOA") between the Authority and the New Jersey Department of Environmental Protection ("NJDEP") to ensure the State’s compliance with the requirements of the U.S. Housing and Urban Development federal Community Development Block Grant Disaster Recovery Program and a number of federal cross-cutting requirements including the National Environmental Policy Act of 1969 ("NEPA"), as amended and federal Section 106 of the National Historic Preservation Act ("NHPA"), and 24 CFR Part 55 and 24 CFR Part 58, as they relate to Stronger NJ Programs.

Background:

As the Members are aware, in response to Superstorm Sandy, which occurred in October of 2012, President Obama declared all twenty-one counties of the state major disaster areas, which was followed by a commitment by the federal legislature and the President of $16 billion to New Jersey and its neighboring states. Immediately after receiving federal regulations regarding the first tranche of this funding for New Jersey through $1.83 billion of Community Disaster Block Grant Disaster Recovery ("CDBG-DR"), NJEDA launched its Stronger NJ Grant program for small businesses, followed by its Stronger NJ Loan Program. The Board also approved the Neighborhood and Community Revitalization Program in late August.

As the Board is also aware, the New Jersey Department of Community Affairs ("NJDCA") has been designated to administer the State’s CDBG-DR programs which are subject to the federal statutes and regulations governing CDBG grants.

NJDCA has designated the Authority to serve as a sub-recipient of the CDBG-DR program for the purpose of administering the economic revitalization programs set forth
in the New Jersey Action Plan. These programs must be administered in compliance with the requirements of the U.S. Housing and Urban Development CDBG-DR program requirements and a number of federal cross-cutting requirements including the NEPA.

As the NJDEP is the State’s primary entity charged with environmental protection and has the requisite expertise to ensure the State’s compliance with these federal requirements as it relates to disaster recovery, the EDA and NJDEP have drafted an MOA for the Board’s consideration to set forth the basic framework with which NJDEP will assist the Authority to ensure full compliance with HUD, NEPA, and NHPA reviews, collectively referred to as environmental reviews in this memorandum.

In particular, this MOA calls out that the Authority will provide the NJDEP with required data to perform the environmental reviews for the Stronger NJ Business Grant program, the Stronger NJ Business Loan program and the Neighborhood and Community Revitalization program. NJDEP will determine the appropriate environmental reviews and also, as necessary, prepare and cause to be executed or adopted the appropriate site specific environmental reviews record.

As stated in the MOA, NJDEP staff will perform 58.6 compliance reviews for site-specific applications that are Categorically Excluded Not Subject To 24 CFR Part 58.5. All additional Environmental Assessments, Categorically Excluded Subject To, Exemptions and any potential Environmental Impact Statements will be performed by NJDEP’s contractors/subcontractors. NJDEP will ensure that as sites are identified each is properly assessed in relation to proposed activities and potential Environmental Reviews and FEMA National Flood Insurance Program (“NFIP”) coverage necessary.

If NJDEP or its contractors determine that additional environmental assessment, mitigative or remedial work is required to complete the Environmental Review, NJDEP will provide NJEDA with a scope of work and cost estimate for the additional work for approval prior to proceeding.

Along with the Environmental Review, NJDEP will provide a detailed explanation of actions required to pass Environmental Review and to trigger HUD’s release of funds, which wherever possible will explicitly describe what documentation is needed to verify the remediating action has been completed.

NJDEP will have its contractors obtain site-specific information regarding the prior ground disturbance of all facilities assisted, to determine compliance requirements with Section 106 of the National Historic Preservation Act of 1966, and the Preservation of Archaeological and Historical Data Act of 1966.

In addition the MOA states that NJDEP will begin the appropriate environmental reviews within two business days of receiving the request. NJDEP will provide a weekly status summary of all outstanding requests. The MOA also details the compensation the NJDEP will receive which shall not exceed $10 million, for which cost estimates are provided in the MOA. Disbursements will be based on actual project costs.
**Recommendation:**

The Members are requested to approve the Memorandum of Agreement between the Authority and the New Jersey Department of Environmental Protection, attached in substantially final form, to ensure the State's compliance with the requirements of the U.S. Housing and Urban Development federal Community Development Block Grant Disaster Recovery Program and a number of federal cross-cutting requirements including the National Environmental Policy Act of 1969, as amended and federal Section 106 of the National Historic Preservation Act, and 24 CFR Part 55 and 24 CFR Part 58, as they relate to Stronger NJ Programs.

Attachment: MOA

Prepared by: Kim Ehrlich and Sara Maffey Duncan
MEMORANDUM OF AGREEMENT

between the
NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

and the
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

I. PARTIES

THIS MEMORANDUM OF AGREEMENT (hereinafter “the Agreement” or “MOA”) is by and between the New Jersey Department of Environmental Protection (hereinafter “NJDEP”), 401 E. State St., 7th Floor, East Wing, Trenton, NJ 08625-0402 and the New Jersey Economic Development Authority (hereinafter “NJEDA”) 36 West State Street, Trenton, New Jersey 08625, and is made and entered into as of the date last executed by the parties thereto as evidenced by the dates written below.

II. INTRODUCTION

In the aftermath of Superstorm Sandy, the United States Congress, through Public Law 113-2, appropriated approximately $1.8 billion to the U.S. Department of Housing and Urban Development (hereinafter “HUD”) Community Development Block Grant Program for use in the State of New Jersey (hereinafter the “State”) for disaster recovery (hereinafter “CDBG-DR”).

The programs funded by the CDBG-DR program will assist in the delivery of critical disaster recovery resources to the State’s citizens and will promote the recovery and revitalization of areas in the State adversely affected by Superstorm Sandy.

The New Jersey Department of Community Affairs (“DCA”) has been designated to administer the State’s CDBG-DR funds which are subject to the federal statutes and regulations governing CDBG grants. DCA has designated the NJEDA to serve as subrecipient of the CDBG-DR Program for the purpose of administering certain economic revitalization activities set forth in the New Jersey Action Plan. Implementation of the New Jersey Action Plan must be done in compliance with the requirements of the U.S. Housing and Urban Development federal Community Development Block Grant Disaster Recovery Program and a number of federal cross-cutting requirements including the National Environmental Policy Act of 1969 (“NEPA”), as amended { (Pub. L. 91-190, 42 U.S.C. 4321-4347, January 1, 1970, as amended by Pub. L. 94-52, July 3, 1975, Pub. L. 94-83, August 9, 1975, and Pub. L. 97-
NJDEP is the State’s primary entity charged with environmental protection and historic preservation, and has the requisite expertise to ensure the State’s compliance with NEPA and Section 106 of the NHPA as they relate to disaster recovery.

III. PURPOSE

The purpose of this memorandum is to set forth the basic framework within which NJDEP will assist NJEDA to ensure full compliance with HUD, NEPA and NHPA reviews (collectively referred to as “Environmental Reviews”) and the compensation from NJEDA to NJDEP for same.

IV. SCOPE

A. NJDEP has prepared and caused to be executed by NJDEP and DCA a Finding of Categorical Exclusion for NJEDA “Stronger than the Storm” Marketing and Tourism Campaign.

B. NJDEP has prepared and caused to be executed by NJDEP and DCA a Finding of Categorical Exclusion for the Stronger NJ Business Grant program and Stronger NJ Business Loan program. NJDEP has determined that grants and loans that fund only working capital expenses and equipment, machinery, and furnishings expenses in aggregate of less than $5,000 and that do not involve installation are programmatically classified as Categorically Excluded Not Subject to Section 58.5.

C. For applications not covered by the Categorical Exclusion, NJEDA will submit to NJDEP mutually agreed upon data with project-level and site-specific information for review. NJDEP will determine the appropriate level of environmental and historic preservation review and also prepare and cause to be executed or adopted by the DCA the appropriate site specific environmental and historic preservation review record for the following programs as needed, which include:

1. Stronger NJ Business Grant Program
2. Stronger NJ Business Loan Program
3. Stronger NJ Neighborhood and Community Revitalization Program.

D. NJEDA will give NJDEP any necessary contact information for its project applicants to facilitate NJDEP or its contractor’s reviews. NJEDA will also coordinate its applicant’s approval for site access via a Right of Entry form. NJDEP will be responsible for its contractor’s site visits and will provide NJEDA with weekly updates of field visits for the previous and forthcoming weeks. Field staff will not be precluded from conducting site visits due to advance notice requirements.
E. NJDEP will begin the in-house appropriate Environmental Review within two (2) business days of receiving a complete package of required data for the Environmental Review from NJEDA. NJDEP will task their contractors within two (2) days of receipt of a complete package and require contractors to begin the appropriate Environmental Reviews within two (2) days of their receipt. NJDEP will provide a weekly status summary of all outstanding requests.

F. NJDEP will have its contractors obtain site-specific information regarding the prior ground disturbance of all facilities assisted, to determine compliance requirements with Section 106 of the National Historic Preservation Act of 1966, and the Preservation of Archaeological and Historical Data Act of 1966. NJEDA will provide facility age and location information from its applicants.

G. NJEDA will electronically submit required data fields to the NJDEP in an NJDEP developed database referred to as the Electronic Record Management System (“ERMS”). NJDEP will provide access to NJEDA to ERMS which will exist until replaced with the DCA Superstorm Sandy Information Resource Management System (“SIROMS”). Upon finalization of SIROMS, all applications for Environmental Reviews will be assigned by NJEDA to the NJDEP through SIROMS. NJDEP understands that NJEDA may not have the ability to transfer this data directly from a data system, but that it may need to provide the required data fields in an Excel format to be uploaded into NJDEP’s or the SIROMS database.

H. NJEDA will provide for each geographic business location all required and agreed upon data electronically (in a format acceptable to NJDEP and its Program Manager) to the NJDEP for NJDEP or its contractors to perform the Environmental Reviews. This data includes the following fields:
   a. Agency Name
   b. Date of Application Submittal to NJDEP
   c. CDBG-DR Program Name
   d. Name of Business
   e. Unique Application ID Number (ID followed by A, B, C, etc. to indicate individual locations within a single application)
   f. National Objective of Application
   g. Project Location (street address, zip code, municipality and county)
   h. Project Location (Block and Lot)
   i. Brief narrative description of the project
   j. Electronic copy of Access to Property Agreement Signed by Applicant Any photographs, contractor estimates, site plans, or other appropriate information for a review that have been provided by the applicant
   k. Completed Project Description Checklist

I. NJDEP or its contractors will evaluate the project activities to determine the appropriate level of environmental and historic review. NJDEP staff will perform 58.6 compliance reviews for site-specific applications that are Categorically Excluded Not Subject To 24 CFR Part 58.5. All additional Environmental Assessments, Categorically Excluded
Subject To, Exemptions and any potential Environmental Impact Statements will be performed by NJDEP’s contractors/subcontractors. NJDEP will ensure that as sites are identified each is properly assessed in relation to proposed activities and potential Environmental Reviews and FEMA National Flood Insurance Program (“NFIP”) coverage necessary.

J. If NJDEP or its contractors determine that additional environmental assessment, mitigative or remedial work is required to complete the Environmental Review, NJDEP will provide NJEDA with a scope of work and cost estimate for the additional work for approval prior to proceeding. NJEDA will determine if the additional work is reimbursable and appropriate and advise NJDEP whether or not to proceed. NJDEP staff will be available to consult with NJEDA as needed during this evaluation.

K. NJDEP will maintain documents and Environmental Review records and reports in ERMS for those reviews performed by NJDEP. DCA will build a connection/interface between the NJDEP (ERMS) and DCA (SIROMS) information technology systems so NJEDA can electronically transmit applications to NJDEP and its contractors and NJEDA will have access to both project-level and site-specific Environmental Review clearances.

L. NJDEP intends to electronically provide NJEDA with the Environmental Reviews and any necessary explanation or mitigative actions required for NJEDA to keep in its electronic application files, in a format that is acceptable to NJEDA and NJDEP and their contractors.

M. Along with the Environmental Review, NJDEP will provide a detailed explanation of actions required to pass Environmental Review and to trigger HUD’s release of funds, which wherever possible will explicitly describe what documentation is needed to verify the remedying action has been completed. If an action required involves remediation or historic preservation, NJDEP may be asked to assist with verifying its completion. NJEDA will verify any flood insurance required and any mitigation or construction required with its own staff.

N. NJEDA is prohibited from authorizing applicants to begin any physical activities that require documentation of compliance with 24 CFR Part 58 until NJDEP has provided its exemption, Environmental Review clearance or conditional Environmental Review clearance.

O. NJDEP’s exemption, Environmental Review clearance or conditional Environmental Review clearance will be documented in the ERMS/SIROMS database. Conditional Environmental Review clearance will indicate the requirements for environmental compliance and those conditions will also be documented in the database.

P. NJDEP will, upon request, provide to NJEDA process and procedure documents as well as training regarding NJDEP’s process for ensuring compliance with HUD regulations, NEPA, and Section 106 of the NHPA.
Q. It is expressly stated and understood that NJDEP’s responsibility is to ensure that the required Environmental Reviews are performed which includes assisting with any investigative work required to conduct the appropriate review, preparation of the Environmental Review record, identification of required mitigative actions (if any), and provision of this record and recommendation to NJEDA. Compliance with all federal and State environmental requirements identified by NJDEP is, to the extent required by HUD, the responsibility of DCA as the Grantee. NJEDA will provide any recommendations from NJDEP to its applicants for adoption prior to award, but neither the NJEDA nor the NJDEP will be responsible under this MOA for monitoring compliance with environmental conditions identified during the Environmental Review.

V. COMPENSATION

Cost Estimates

NJDEP expenses for the scope of work herein shall not exceed $10,000,000 without prior written approval of NJEDA. Estimated expenses are shown in the table below and are based on NJEDA projections of the total number of Environmental Assessment (EA), Categorical Exclusions Subject To 58.6 (CEST), and Environmental Impact Statement (EIS) reviews and calculated average costs for all contractors for each level of Environmental Review. A change in the actual number of reviews in each category will result in a change in the average annual cost. The program manager costs are also estimated based on bid proposals and are subject to changes based on the final contract award. The total projected amount of NJDEP staff time and operating costs is estimated below and any amounts exceeding this estimate will be discussed with NJEDA before those costs are incurred.

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<thead>
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<th>Item</th>
<th>Description</th>
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</thead>
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<tr>
<td>CEST</td>
<td>Avg Contractor Cost X EDA Est. # Reviews (220)*</td>
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<td>EIS</td>
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<td>$3,200,000</td>
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<td>$ 238,412</td>
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<tr>
<td>Estimated DEP Salary &amp; Operating Costs</td>
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<tr>
<td>Total</td>
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</table>

*40% of program manager costs is an estimate for the scope of work to oversee all aspects of the Environmental Review programs including assignment, quality, timeliness, accounting,
etc. 40% is an estimate based on the assumption that NJEDA’s programs will be more complex and timely based on their required level of Environmental Review than DCA’s programs, particularly if they involve environmental assessments and environmental impact statements. The percentage is an estimate only and is a considered a placeholder, but billing will be based on actual cost associated with the program manager’s time spent on NJEDA programs or a percent thereof for accounting and recordkeeping.

**Actual Costs**

NJDEP will document and provide on a quarterly basis to NJEDA actual Program Delivery Costs related to the completion of environmental and historic review responsibilities completed pursuant to 24 CFR Part 58 and 55, 10 CFR Part 800, including staff and fringe costs, directly related to carrying out activities under 24 CFR Part 570.201 through Part 570.204; these costs are eligible as part of such activities and are specifically excluded from the definition of administrative costs set forth in 24 CFR Part 570.206.

These may include, but are not limited to:

a. Coordination with NJEDA to develop work flow process for performing reviews.

b. Oversight and planning of environmental and historic preservation reviews including NJDEP staff and contractors.

c. DEP and contractor costs (staffing and operational) for performing the required Environmental Reviews.

**Payment Process**

A. Actual costs will be tracked according to National Objective and NJEDA Program.

B. NJDEP shall submit contractor payment and NJDEP salary and operating expense reimbursement requests to NJEDA for approval; NJEDA will submit Draw Down requests for payment of Eligible Expenses payable under this Agreement to the Commissioner of DCA for all NJEDA programs for which NJDEP is acting as the primary entity charged with environmental and historic preservation reviews. Requests for payment will be submitted for approval. Such requests shall be made on a schedule formatted and provided by DCA and agreed to by NJDEP and NJEDA. Pursuant to the MOA between DCA and NJDEP, following review and approval of the draw requests by the Commissioner of DCA, or his designee, payment will be remitted by DCA to NJDEP or its contractors on behalf of NJEDA, and NJEDA so notified.

C. NJEDA’s assignment to NJDEP to perform an Environmental Review will constitute authorization to proceed to issuance of a Task Order to its contractors. Pursuant to the MOA between DCA and NJDEP, simultaneous to the issuance of a Task Order, NJDEP will electronically notify DCA and NJEDA, DCA will issue a Purchase Order consistent with the reviews and amounts specified in the Task Order, DCA will send the Purchase
Order directly to the contractor, and DCA will provide electronic copies to NJDEP and NJEDA of the Purchase Order.

D. NJDEP will review all invoices received by contractors and verify that the invoiced work is consistent with the Task Order and the issued Purchase Order. Approved invoices will be forwarded to NJEDA for review and processing through DCA.

E. Draw requests not approved by either NJEDA or DCA shall be discussed and resolved by the respective chief officers of NJEDA, NJDEP and DCA or their designees.

VI. CONFLICT OF INTEREST
Except for approved eligible administrative and personnel costs, none of NJDEP’s designees, agents, members, officers, employees, consultant, and no other public official who exercises or who has exercised any functions or responsibilities with respect to the project during his or her tenure, or who is in a position to participate in a decision-making process or gain inside information with regard to the project, has or shall have any interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work performed in connection with the project or in any activity, or benefit there from, which is part of this agreement at any time during or after such person's tenure unless all procedures for an exception have been documented and submitted in writing to the NJEDA and NJEDA has approved such exception.

VII. OTHER REQUIREMENTS

NJDEP agrees to adhere to all applicable federal, and State program requirements, including such federal cross-cutting requirements as may apply to the use and expenditure of CDBG-DR funds, and the CDBG authorizing legislation subject to exceptions noted in the Federal Register for the CDBG-DR allocation. NJDEP will ensure that it contractors and their subcontractors also comply with these provisions.

VIII. MISCELLANEOUS PROVISIONS

A. The parties agree that the obligations imposed upon them are for the benefit of the parties and the timely fulfillment of each and every obligation in accordance with this Agreement is necessary.

B. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof, supersedes all existing agreements among them concerning the subject matter hereof, and may be modified only by a written instrument duly executed by each of the parties hereto.
C. Should any provision of this Agreement be deemed invalid or unenforceable, it will not affect the other provisions of this Agreement, and this Agreement will be construed in all respects as if the invalid or unenforceable provisions were omitted.

D. Time is of the essence in the performance of each of the terms and conditions of this Agreement.

E. This Agreement will be construed pursuant to the laws of the State of New Jersey.

F. All notices, requests, demands, waivers, and other communications given as provided in this agreement shall be in writing, and shall be addressed as follows:

   If to NJDEP: Commissioner Bob Martin  
   Department for Environmental Protection  
   401 E. State Street, 7th Floor, East Wing  
   Trenton, NJ 08625-0402

   If to NJEDA: Michele A. Brown, Chief Executive Officer  
   New Jersey Economic Development Authority  
   36 West State Street  
   Trenton, NJ 08625

IX. MODIFICATIONS TO THE MOA

This MOA may be modified with the mutual written consent of both parties.

IX. TERMINATION

This Agreement may be terminated by either party at any time for cause and may be terminated by either party without cause upon 30 days written notice to the other party. Termination of this Agreement shall not diminish or in any other manner affect any other remedy that may be available to the parties for any breach of the Agreement that occurs prior to the termination.

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

NAME: Bob Martin, Commissioner
DATE: ____________

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

NAME: Michele A. Brown, Chief Executive Officer
DATE: ____________