MEMORANDUM

TO: Members of the Authority

FROM: Michele Brown
Chief Executive Officer

DATE: August 12, 2014

SUBJECT: Agenda for Board Meeting of the Authority August 12, 2014

Notice of Public Meeting

Roll Call

Approval of Previous Month’s Minutes

Chief Executive Officer’s Monthly Report to the Board

Bond Projects

Loans/Grants/Guarantees

Edison Innovation Fund

Incentive Programs

Board Memorandums

Real Estate

Office of Recovery

Public Comment

Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

July 10, 2014

MINUTES OF THE MEETING

Members of the Authority present: Al Koeppe, Chairman; Rob Romano representing the State Treasurer; Christopher Hughes representing the Commissioner of the Department of Banking and Insurance; Fred Zavaglia representing the Commissioner of the Department of Labor and Workforce Development; Colleen Kokas representing the Commissioner of the Department of Environmental Protection; Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Charles Sarlo, Massiel Medina Ferrara, Philip B. Alagia, and Harold Imperatore, Third Alternate Public Member.

Present via conference call: Public Member Fred B. Dumont.

Absent: Public Members Jerry Langer, William J. Albanese, Sr., 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.

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 June 10, 2014 regular and executive session meeting minutes. A motion was made to approve the minutes by Mr. Zavaglia, seconded by Mr. McNamara, and was approved by the 10 voting members present.

Ms. Ferrara abstained because she was not present.

CEO Brown extended a welcome to three new board members Massiel Medina Ferrara, Philip B. Alagia, and William J. Albanese, Sr.

CEO Brown thanked former board member Elliot Kosoffsky for his six years of service.

CEO Brown also thanked Fred Zavaglia, who is leaving his position as Chief of staff, Dept. of Labor for his years of service.
CEO Brown acknowledged Camden Mayor Dana Redd who was in the audience.

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

BOND PROJECTS

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Centro Comunal Borincano d/b/a El Centro Comunal Borincano  APPL.#39521
LOCATION: Camden/Camden
PROCEEDS FOR: Refinancing
FINANCING: $1,628,400 Tax-exempt bond
MOTION TO APPROVE: Mr. McNamara SECOND: Ms. Kokas AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Ms. Ferrara abstained from voting.
Mr. Alagia entered the meeting at this time.

LOANS/GRANTS/GUARANTEES

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

ITEM: Summary of Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.

PROJECT: Tisha Perez  APPL.#38568
LOCATION: Marlboro/Monmouth
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: $301,310 Petroleum UST Remediation, Upgrade and Closure Fund Grant
MOTION TO APPROVE: Mr. McNamara SECOND: Ms. Kokas AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
PROJECT: Kurtin’s Service Center, Inc.  
APPL.# 38692
LOCATION: Passaic/Passaic
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: $150,990 Petroleum UST Remediation, Upgrade and Closure Fund Grant
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Hughes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

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

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

ITEM: Summary of Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.

PROJECT: Cliflake Associate, LLC  
APPL.# 39083
LOCATION: Clifton/Passaic
PROCEEDS FOR: Remedial Action
FINANCING: $1,000,000 (50% Innocent Party Grant) Hazardous Discharge Site Remediation Fund Grant
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Downes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Camden Redevelopment Agency (Meadows at Pyne Point BDA)  
APPL.# 39477
LOCATION: Camden/Camden
PROCEEDS FOR: Remedial Action, Site Investigation
FINANCING: $381,314 Hazardous Discharge Site Remediation Fund Grant
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
PROJECT: Woodbridge Township (DPW)  APPL.#39393
LOCATION: Woodbridge/Middlesex
PROCEEDS FOR: Remedial Investigation
FINANCING: $92,476 Hazardous Discharge Site Remediation Fund Grant
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. Zavaglia  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Superior Manufacturing Property Management, LLC  APPL.#39520
LOCATION: Bayonne/Hudson
PROCEEDS FOR: Remedial Investigation
FINANCING: $200,000 Hazardous Discharge Site Remediation Fund Loan
MOTION TO APPROVE: Ms. Kokas  SECOND: Mr. McNamara  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

FOR INFORMATION ONLY: Summary of Hazardous Discharge Site Remediation Fund projects approved by the Delegated Authority.

EDISON INNOVATION FUND

PROJECT: Ivy Sports Medicine, LLC  APPL.#39102
LOCATION: Montvale/Bergen
PROCEEDS FOR: Growth Capital
FINANCING: $1,000,000 Edison Innovation VC Growth Fund Program Loan
MOTION TO APPROVE: Mr. Zavaglia  SECOND: Ms. Kokas  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
ANGEL INVESTOR TAX CREDIT PROGRAM

FOR INFORMATION ONLY: Summary of Angel Investor Tax Credit Program projects recommended for approval.

INVESTOR: David R. Fischell
TECHNOLOGY BUSINESS: Svelte Medical Systems, Inc.
LOCATION: New Providence/Union BUSINESS: Medical Device
QUALIFIED INVESTMENT: $1,780,000
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

INVESTOR: Robert Fischell
TECHNOLOGY BUSINESS: Svelte Medical Systems, Inc.
LOCATION: New Providence/Union BUSINESS: Medical Device
QUALIFIED INVESTMENT: $1,107,576
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

INVESTOR: Robert W. Croce
TECHNOLOGY BUSINESS: Svelte Medical Systems, Inc.
LOCATION: New Providence/Union BUSINESS: Medical Device
QUALIFIED INVESTMENT: $800,000
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

ITEM: Budget request for a competitive solicitation for technology startup shared space
REQUEST: To approve funding and issuance of a competitive solicitation for new shared space development project(s) for technology entrepreneurs and startups
MOTION TO APPROVE: Mr. Zavagalia SECOND: Ms. Kokas AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
INCENTIVE PROGRAMS

ECONOMIC REDEVELOPMENT AND GROWTH PROGRAM

ITEM: GLTC Partners 2014, LLC Residential Economic Redevelopment and Growth Grant Program P # 38867
REQUEST: To approve the application of GLTC Partners 2014, LLC for a Trenton, Mercer County residential project for the issuance of tax credits pursuant to the Residential Economic Redevelopment and Growth Grant program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 for an award not to exceed $4,740,220.
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

ITEM: GLTC Partners 2014, LLC Residential Economic Redevelopment and Growth Grant Program P # 38866
REQUEST: To approve the application of GLTC Partners 2014, LLC for a Trenton, Mercer County residential project for the issuance of tax credits pursuant to the Residential Economic Redevelopment and Growth Grant program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 for an award not to exceed $6,384,259.
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

ITEM: Hotel 1160, L.L.C or Affiliate Economic Redevelopment and Growth Grant Program P # 39423
REQUEST: To approve the application of Hotel 1160, L.L.C for a Newark, Essex County project for the issuance of tax credits pursuant to the Economic Redevelopment and Growth Grant program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 for an award not to exceed $6,638,580.
MOTION TO APPROVE: Mr. Downes SECOND: Ms. Kokas AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
GROW NEW JERSEY ASSISTANCE PROGRAM

PROJECT: AP&G Co., Inc. APPL.#39523
LOCATION: Bayonne/Hudson
ANNUAL GRANT AWARD: $1,125,000 10-year term
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Imperatore AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Frontage Laboratories, Inc. APPL.#39517
LOCATION: Seacaucus/Hudson
ANNUAL GRANT AWARD: $237,500, 10-year term
MOTION TO APPROVE: Mr. Downes SECOND: Mr. Zavaglia AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Mr. Sarlo recused himself because one of the parties is a client of his firm.
Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Holtec International APPL.#38929
LOCATION: Camden/Camden
REQUEST: To approve the finding of jobs as risk
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Holtec International APPL.#38929
LOCATION: Camden/Camden
ANNUAL GRANT AWARD: $26,000,000, 10-year term
ITEM: Approve policy for Grow NJ projects that use the alternate award method that divides
the total capital investment by the total number of full-time jobs in which the Net Benefit to
the State will be recalculated if the CPA certification shows a 10% or more reduction of the
number of eligible jobs, capital investment, or payroll from the amounts approved by the
Board. If the Net Benefit analysis does not support awarding a tax credit for the entire
amount of the capital investment, then the amount of the award will be reduced accordingly.
MOTION TO APPROVE: Mr. Downes SECOND: Mr. Zavaglia AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
PROJECT: Jacmel Jewelry
APPLICATION #: #39470
LOCATION: Secaucus/Hudson
ANNUAL GRANT AWARD: $300,000, 10-year term
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Post Closing Delegated Authority Approvals for 2nd Quarter 2014.

FOR INFORMATION ONLY: Summary of the incentives modifications and Salem/UEZ renewal extensions that were approved in the 2nd Quarter ending June 30, 2014.

FOR INFORMATION ONLY: Summary of Angel Investor Tax Credit Program projects approved under delegated authority during the second quarter of 2014.

FOR INFORMATION ONLY: Summary of projects approved under Delegated Authority in June 2014:

New Jersey Business Growth Fund Program: Scheininger Real Estate, LLC (39543)

NJ Main Street Program: Broadway Packaging Solutions, Inc. and Broadway Kleer-Guard (P39240)

Small Business Fund Program: CorFish Creative LLC (P39454); Tuckers Management LLC (P39433)

Stronger NJ Loan Program: 29 Beach Road LLC (P39366); FJS Foods, Inc. (P39346); Lakewood Candies LLC (P38639); Long Key Marina, Inc. (P39191); Opirhory Real Estate Inc. (P38982); Reilly Bonner Funeral Home LLC (P39343); Stesor Enterprises, Inc. (P38975)

Camden ERB: WebiMax LLC (P39172)
New Jersey Business Growth Fund – Modification: 1401 West Chapel, LLC & Metro Public Adjustment, Inc. (P39507)

Direct Loan Program – Modification: Big Top Arcade, Inc. (P39042); Tuckers Management, LLC (P39433)

Stronger NJ Loan Program - Modification: Charlroy Corporation d/b/a Charlroy Motel (P39044)

REAL ESTATE

ITEM: Intergovernmental Agreement between New Jersey Economic Development Authority and New Jersey Housing and Mortgage Finance Agency Technology Centre of New Jersey, North Brunswick, New Jersey

REQUEST: To approve to enter into an Intergovernmental Agreement with the New Jersey Housing and Mortgage Finance Agency created in, but not of, the New Jersey Department of Community Affairs, to allow both NJHMFA’s continued use of the Authority’s disaster recovery site located at the Commercial Center for Innovative Technology in North Brunswick, NJ and a delegation of authority to the President/Chief Operating Officer to enter into extensions of this Agreement for four additional one year periods through August 15, 2019.

MOTION TO APPROVE: Mr. Zavaglia SECOND: Mr. Imperator AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

FOR INFORMATION ONLY: Summary of approvals made pursuant to Delegated Authority for Leases and ROE/Licenses in April, May and June 2014.

ITEM: Mid-Atlantic Aviation Partnership Memorandum of Understanding and Rutgers, The State University Memorandum of Understanding

REQUEST: To approve 1) the execution of the attached Memorandum of Understanding for the Mid-Atlantic Aviation Partnership and 2) the execution of the attached Memorandum of Understanding for services to be provided by Rutgers, The State University in conjunction with the implementation of the NJ Unmanned Aircraft System Consortium

MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
OFFICE OF RECOVERY

PROJECT: DC Plastic Products Corp.  APPL.#39429
LOCATION: Bayonne/Hudson
PROCEEDS FOR: Working capital
FINANCING: $1,200,000 Stronger NJ Business Loan
MOTION TO APPROVE: Mr. Zavaglia SECOND: Ms. Kokas AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: DC Plastic Products Corp.  APPL.#39430
LOCATION: Bayonne/Hudson
PROCEEDS FOR: Purchase of equipment and machinery
FINANCING: $3,800,000 Stronger NJ Business Loan
MOTION TO APPROVE: Mr. Zavaglia SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Superior Manufacturing Property Management LLC  APPL.#39558
LOCATION: Bayonne/Hudson
PROCEEDS FOR: Purchase of equipment and machinery
FINANCING: $500,000 Direct Term Loan
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

PROJECT: Providence Seashore House LLC  APPL.#39524
LOCATION: Atlantic City/Atlantic
PROCEEDS FOR: Renovation of existing building
FINANCING: $444,736 Stronger NJ Business Loan
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Downes AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
PROJECT: Providence Seashore House LLC
APPL.#39388
LOCATION: Atlantic City/Atlantic
PROCEEDS FOR: Working capital
FINANCING: $371,480 Stronger NJ Business Loan
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Zavaglia AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

ITEM: Superstorm Sandy New Program Creation: Energy Resilience Bank
REQUEST: To approve two documents related to the creation of the Energy Resilience Bank, proposed under the New Jersey Department of Community Affairs, Community Development Block Grant Disaster Recovery (CDBG-DR), Substantial Amendment for the second allocation of CDBG-DR Funds.
MOTION TO APPROVE: Mr. Zavaglia SECOND: Mr. Imperator AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

ITEM: Delegations Regarding Disqualification Matters
REQUEST: To establish additional delegations for certain disqualification matters related to applicants to the Stronger NJ financial assistance programs.
MOTION TO APPROVE: Mr. Downes SECOND: Ms. Kokas AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

ITEM: Stronger NJ Business Grant Program Appeals – Gert’s Snack & Spices, Sandy Beach Ventures, Scrooge & Marley, and Stuart Levine
REQUEST: To approve the Hearing Officer’s report to uphold the declinations for Gert’s Snack & Spices, Sandy Beach Ventures, Scrooge & Marley, and Stuart Levine.
MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Imperator AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.
PUBLIC COMMENT

Mr. Rod Bryant, Camden Churches for Organized People, asked why so much incentive money was being provided for 250 new full time jobs for the Holtec International project. Chairman Koeppe explained that much of the decision is driven by the EDA’s obligation under the legislation where capital investment is also considered.

Mr. Bryant stated that 19% of Camden’s residents are unemployed, and asked how the EDA would ensure their employment in the Holtec project. Chairman Koeppe stated that it was out of the realm of the EDA and referred him to Camden’s Mayor Dana Redd who was present in the audience.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a real estate matter. The minutes will be made public when the need for confidentiality no longer exists.

MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

Ms. Ferrara abstained from voting.
Mr. Alagia abstained from voting.

There being no further business, on a motion Mr. Downes, and seconded by Mr. McNamara, the meeting was adjourned at 12:00 pm.

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/
Kim Ehrlich, Sr. Governance & Outreach Officer
Assistant Secretary
MEMORANDUM

TO:       Members of the Authority

FROM:     Michele A. Brown
           Chief Executive Officer

DATE:     August 12, 2014

RE:       Chief Executive Officer’s Report to the Board

STRONGER NJ PROGRAM MARKS 700 GRANT APPROVALS

The EDA marked a significant milestone in July with the approval of its 700th Stronger NJ Business grant. A total of $35 million in grants has been approved to date. Last month alone, 100 grants were approved, supporting a wide range of businesses in locations across New Jersey. This includes:

- Little Falls Laundromat, Little Falls
- H&H Graphic Printing, Carlstadt
- Field Station: Dinosaurs, Bloomfield
- Carlasco Orthopedics, Jersey City
- Barlow Flower Farm, Sea Girt
- Cunningham’s Gift Shop, Long Beach
- Baba Jones Food Market, Atlantic City
- Sundae Best Ice Cream Parlor, Avalon
- June Bug Sportfishing, Moorestown
- Spring Garden Marina, Maurice River
GRAND OPENINGS CELEBRATED IN JERSEY CITY AND WOODBRIDGE

Last month, Kushner Real Estate Group and Ironstate Development Company celebrated the opening of 18 Park, a 422-unit rental building within the Liberty Harbor Redevelopment District in Jersey City. The mixed-use project, supported through the Urban Transit Hub Tax Credit Program, will include 550,000 square feet of residential space, 10,500 square feet of ground-level retail, and also will be home to a new, state-of-the-art facility for the Boys & Girls Club of Hudson County.

The 11-story building offers a mix of studio, one- and two-bedroom units and includes an outdoor swimming pool, dog run, wifi lounge and enclosed parking garage. The Boys & Girls Club will feature high-tech classroom spaces, rooms for arts and music programs, and a gymnasium. The project was expected to create an estimated 600 construction jobs and 50 new, permanent jobs.

Also in July, Lt. Governor Kim Guadagno attended a ribbon-cutting to officially open the CLS Group’s new, 16,000-square-foot facility in Woodbridge. After its offices in New York City were impacted by Superstorm Sandy, CLS sought a backup recovery location outside of Manhattan. The New Jersey Partnership for Action worked closely with CLS to encourage the company to choose New Jersey for its expansion. This included a personal visit from the Lt. Governor, as well as the EDA’s approval of a Business Employment Incentive Program grant.

The company, which expects to create 50 new jobs, provides transaction settlement services for the foreign exchange market in 17 currencies.

FORMER BASE OFFERS COMMUNITY NEW RECREATIONAL OPPORTUNITIES

July 19th marked the opening of the newly refurbished outdoor pool at the Fort Monmouth Recreation Center in Tinton Falls. This milestone completes the new Recreation Center at the former base, which now offers a wide variety of amenities, including classrooms, a full gymnasium featuring a basketball court and bleachers, a game room, and programs including arts and crafts, sports, exercise classes, and special events.

At its February 2013 meeting, the FMERA Board approved the Authority’s lease of the former teen center and pool from the Army, and its sublease of the property to Monmouth County. The two buildings total 22,636 square feet and sit on approximately 6.5 acres in the Tinton Falls Area of Charles Wood.

Also as of July 19th, small craft rentals are available to the public at the recently opened Fort Monmouth Marina, located on Oceanport Avenue and Oceanport Creek. Rentals include paddle boats, canoes and kayaks. In addition to water activities, visitors can enjoy beer, wine and a “signature” mojito drink at the Marina, which has been open since July 4th. Extensive renovations to repair damage from Superstorm Sandy are underway, and a full service bar and 80-seat restaurant are expected to open by next month.

In October 2013, FMERA issued a Request for Offers to Purchase (RFOTP) for the Marina. As FMERA continues to negotiate sales terms for the property, a subsequent Request for Proposals (RFP) was issued for an interim marina operator to ensure that the public would have access this summer.
2014 CLOSED PROJECTS

To date in 2014, the EDA has closed financing and incentives totaling more than $292 million for 95 projects that are expected to support the creation of more than 2,800 new jobs and involve total public/private investment of more than $608 million in New Jersey’s economy.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 12 events in July. These included the NJ Chamber Summer Member Networking Breakfast in Cranbury and the Burlington County Bridge Commission Economic Opportunity Act Seminar in Westhampton.
AMENDED BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: Marcus L. Ward Home  P39622

PROJECT USER(S): Same as applicant  *

PROJECT LOCATION: 333 Elmwood Avenue Maplewood Township (N) Essex

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

APPLICANT BACKGROUND:
Marcus L. Ward Home d/b/a Winchester Gardens at Ward Homestead, a New Jersey not-for-profit corporation formed in 1921, owns and operates a continuing care retirement community consisting of 40 villas, 162 apartments, 101 licensed assisted living units and 6 comprehensive personal care beds located on 37 acres in Maplewood, Essex County ("Winchester Gardens"). Winchester Gardens serves approximately 335 residents and currently employs 92 full time employees. Francis V. Bonello is the Chairman.

In 2004, the Applicant closed on a $35,810,000 Series A Bond and an $10,000,000 Series B Bond (Appl. P15410) to advance refund the prior outstanding bonds originally issued in 1996, proceeds for which were used to construct, renovate and equip Winchester Gardens. The 2004 Series A Bond was underwritten by UBS Financial Services as serial and term bonds with fixed interest rates ranging from 4.8% to 5.8% and final maturity in 2031. The 2004 Series B are variable rate bonds, resetting weekly, secured by letter of credit provided by Valley National Bank which expires in 2019.

The Applicant is a 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 refund the 2004 Series A and the 2004 Series B Bonds. The proposed 2014 Refunding Bond in the principal amount of $33,500,000, together with the Series 2004 Bond debt service reserve fund, will be used to complete the refunding and pay for a portion of the costs of issuance. Any difference in the project costs and bond amount will be funded with Applicant’s equity.

FINANCING SUMMARY:
BOND PURCHASER: STI Institutional & Government, Inc., a subsidiary of SunTrust Bank (Direct Purchase)

AMOUNT OF BOND: up to $33,500,000 Tax-exempt bond

TERMS OF BOND: 25 years (max.); Variable interest rate based on the tax-exempt equivalent of 30-day LIBOR plus 1.5%; initial interest rate not to exceed 4%. On the closing date, the applicant has an option to enter into a fixed interest rate swap for up to 15 years; estimated fixed rate is 3.20% as of 7/31/14; subject to call option on the 15th anniversary.

ENHANCEMENT: N/A

PROJECT COSTS:

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<th>Description</th>
<th>Amount</th>
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<tr>
<td>Principal amount of bond(s) to be refund</td>
<td>$34,605,000</td>
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<td>Finance fees</td>
<td>$350,000</td>
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<td>Legal fees</td>
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TOTAL COSTS $35,105,000

PUBLIC HEARING: 08/12/14 (Published 07/29/14)  BOND COUNSEL:  McCarter & English, LLP
DEVELOPMENT OFFICER:  M. Piliere  APPROVAL OFFICER:  T. Wells
APPLICANT: United Methodist Homes of New Jersey and Bristol Glen, Inc.

PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: United Methodist Homes of New Jersey and Bristol Glen, Inc. P39623

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

PROJECT LOCATION: Various Statewide (N) Multi Count County

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

APPLICANT BACKGROUND:
United Methodist Homes of New Jersey ("UMH") is a not-for-profit organization founded in 1907, which owns and operates 10 senior housing, residential health care, comprehensive personal care, memory and skilled nursing facilities in NJ. Bristol Glen, Inc., also a not-for-profit organization, is a continuing care retirement community ("CCRC") in Newton, Sussex County, consisting of 88 independent apartments, 84 assisted living units and 60 skilled nursing beds. The Shores at Wesley Manor, a not-for-profit retirement community located in Ocean City, Cape May County, consists of 190 residential apartments, licensed as assisted living units and 60 skilled nursing beds. Collingswood Manor is a retirement community in Collingswood, Camden County, consisting of 116 assisted living apartments and 60 skilled nursing beds. Frank Kardashian is the President of UMH.

In 1998, the Authority issued a $34,280,000 tax-exempt bond (Appl. P10080) to enable UMH to refund three existing EDA Bonds, the proceeds of which were used to complete the first phase of the construction of the Shores at Wesley Manor and for the construction of the Collingswood Manor (the "1998 Bonds"). The 1998 Bonds were underwritten by Herbert J. Sims & Co., as serial and term bonds with interest rates ranging from 3.95% to 5.125% and final maturity in 2025.

In 1999, Authority assistance via a $35,590,000 tax-exempt bond (Appl. P17881) enabled Bristol Glen, Inc. to construct and equip the CCRC (the "1999 Bonds"). The 1999 Bonds were underwritten by Herbert J. Sims & Co. with a fixed interest rate of 5.75% and final maturity in 2029.

This project is related to a 2013 Series refunding tax-exempt bond in the amount of $35,995,000 (Appl. P38126) which refunded prior bonds from 2003, which proceeds were used by UMH to complete the second phase of an expansion at the Shores at Wesley Manor and 2008 Bond issued on behalf of Bristol Glen for expansion of its facility.

The applicants are 501(c)(3), not-for-profit entities 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 outstanding balance of the 1998 Bonds and 1999 Bonds plus fund a debt service reserve fund and pay costs of issuance. The 2014 Series will consist of a public offering for the refunding of the 1999 Bonds with Herbert J. Sims & Co. acting as the underwriter and a direct purchase for the refunding of the 1998 Bonds with Investors Bank, for a total tax exempt bond issue not to exceed $38,000,000. The proposed refunding will allow UMH to lower its debt service and operating expenses, thereby enabling it to increase its financial strength. Other sources of funds include the debt service reserve funds from prior bond issues as well as Applicant's equity if necessary.

FINANCING SUMMARY:

<table>
<thead>
<tr>
<th>BOND PURCHASER:</th>
<th>Herbert J. Sims &amp; Co. (Underwriter)</th>
<th>Investors Bank (Direct Purchase)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMOUNT OF BOND:</td>
<td>Series A $22,000,000 (est.) Tax-exempt Bond</td>
<td>Series B $16,000,000 (est.) Tax-exempt Bond</td>
</tr>
<tr>
<td>TERMS OF BOND:</td>
<td>Series A 15 years; Serial and term bonds with not to exceed fixed interest rates of 8%. Estimated fixed interest rate as of 8/5/14 is 4.375% for 15 years.</td>
<td>Series B 11 years; Fixed interest rate based on 70% of Investors Bank's Cost of Funds; estimated rate is 2.79% as of 8/5/14.</td>
</tr>
<tr>
<td>ENHANCEMENT:</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>PROJECT COSTS:</td>
<td>Principal amount of bond(s) to be refund $38,510,000</td>
<td>Debt service reserve fund $1,999,500</td>
</tr>
<tr>
<td></td>
<td>Debt service reserve fund $1,999,500</td>
<td>Finance fees $527,995</td>
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<tr>
<td></td>
<td>Finance fees $527,995</td>
<td>Legal fees $150,000</td>
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<tr>
<td></td>
<td>Legal fees $150,000</td>
<td>Accounting fees $40,000</td>
</tr>
<tr>
<td></td>
<td>Accounting fees $40,000</td>
<td>TOTAL COSTS $41,227,495</td>
</tr>
</tbody>
</table>

PUBLIC HEARING: 08/12/14 (Published 07/29/14)  BOND COUNSEL: McCarter & English, LLP
DEVELOPMENT OFFICER: M. Piliere  APPROVAL OFFICER: T. Wells
COMBINATION PRELIMINARY AND BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: 75 Spruce Street Development, Inc.  P39427
PROJECT USER(S): Community Charter School of Paterson * * - indicates relation to applicant
PROJECT LOCATION: 75 Spruce Street  Paterson City (T/UA)  Passaic
GOVERNOR'S INITIATIVES: (X) Urban  ( ) Edison  ( ) Core  ( ) Clean Energy

APPLICANT BACKGROUND:
75 Spruce Street Development, Inc., is a 501(c)(3) not-for-profit organization formed to carry out the purposes of the New Jersey Community Development Corporation ("NJCDC"), a NJ not-for-profit organization with the mission to serve low-income communities and low-income families in Paterson, NJ. Specifically, the applicant was established in 2007 to purchase and own the property located at 75 Spruce Street, Paterson, Passaic County, which was developed to house the Community Charter School of Paterson, created by NJCDC. The Community Charter School of Paterson is a 35,000 sq. ft. charter school for 500 students, grades K-4. Within the next few years, the School will be expanding up to grade 8. The School is in good standing with Department of Education. Robert F. Guarasci is the President of 75 Spruce Street Development and CEO of the Community Charter School.

This project is related to Appl. P36786 for a $1,500,000 tax-exempt bond (closed in 2012) for benefit of NJCDC to refinance the purchase and construction of a building for its headquarters and several of its community and social services agencies, located at 32 Spruce Street, Paterson.

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

APPROVAL REQUEST:
Authority assistance will enable the applicant to refinance the outstanding debt on the project facility. The project property was purchased in 2007 in part with new market tax credits and the initial seven year term ends October 2014. Other sources of funds include a loan from the NJ Reinvestment Fund and the applicant's equity.

FINANCING SUMMARY:
BOND PURCHASER: TD Bank, N.A. (Direct Purchase)
AMOUNT OF BOND: $6,000,000 Tax-exempt bond
TERMS OF BOND: 20 years; Variable interest rate based on the tax-exempt equivalent of one month LIBOR plus 2.75%; subject to call options on the 8th anniversary of the closing and on every 5th anniversary thereafter. On the closing date, the borrower may enter into a fixed interest rate swap for 5 years estimated as of 8/6/14 to be 3.50%.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
<td>$7,389,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$100,500</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$41,500</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$7,531,000</strong></td>
</tr>
</tbody>
</table>
JOBS:  At Application 95 Within 2 years 13 Maintained 0 Construction 0

PUBLIC HEARING: 08/12/14 (Published 07/23/14)  BOND COUNSEL: Wolff & Samson
DEVELOPMENT OFFICER:  D. Johnson  APPROVAL OFFICER:  T. Wells
APPLICANT: Vieira’s Bakery Inc.  
PROJECT USER(S): Same as applicant  
PROJECT LOCATION: 34-48 Avenue K Newark City (T/UA) Essex  
GOVERNOR’S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Vieira’s Bakery Inc. is a manufacturer of par-baked fresh breads and rolls. The company was founded by Carlos Vieira in 1974, and is a family operated business with approximately 130 employees. The company was the first in the United States to begin producing par-baked Portuguese rolls 25 years ago, and has just completed its 40th Anniversary. The company currently distributes frozen breads and rolls to nearly 30 states, as well as daily deliveries to New Jersey, New York, and Pennsylvania. Vieira’s Bakery is KOF-K Parve Kosher certified & its products are considered Pas Yisrael.

The company intends to purchase a production line that will produce 1.0 ounce to 4.5 ounces rolls. The line will be acquired from Mechatherm S.A. This line will increase capacity and will also produces rolls, which will be placed in an ovenable bag. This product was developed for airline companies and the food service industry; the bags are prepared to be heated in the oven with the rolls inside. The company currently operates one line that produces the ovenable bagged rolls and this new line will increase business opportunities tremendously.

APPROVAL REQUEST:
Authority assistance will enable the company to purchase a new production line and pay the cost of issuance.

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

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of equipment &amp; machinery</td>
<td>$2,800,000</td>
</tr>
<tr>
<td>Cost of Issuance</td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$3,000,000</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 130 Within 2 years 24 Maintained 0 Construction 0

PUBLIC HEARING: 
DEVELOPMENT OFFICER: T. Gill 
BOND COUNSEL: McManimon, Scotland & Bauman 
APPROVAL OFFICER: J. Horezga
LOANS/GRANTS/GUARANTEES
STATEWIDE LOAN POOL PROGRAM
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM - (PREMIER LENDER)

APPLICANT: 1655 Imperial Realty LLC
PROJECT USER(S): South Jersey Bakery, LLC *
PROJECT LOCATION: 1655 Imperial Way West Deptford Township (N) Gloucester
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
1655 Imperial Realty, LLC ("IR" or the "Company") is a newly formed entity that will own real estate consisting of a 45,000 square foot industrial facility on 5.8 acres in West Deptford, NJ. South Jersey Bakery, LLC ("SJB") will occupy the facility and open a new centralized manufacturing location ("CML") for five Dunkin Donut franchise networks in the Philadelphia and Southern New Jersey market.

Each network currently operates their own individual CML out of one of their franchise locations. Due to inefficiencies and the rising cost of producing donuts, the networks are forming this partnership to consolidate the manufacturing function which will result in improved quality and higher margins. IR will be owned equally by Arun Mandi, Mital Rao, Perry Shah, Rohit Patel and Darshan Patel. The ownership of SJB is slightly different (as it is based on the number of individual stores owned and includes the parents of Darshan Patel) with the five individuals who own IR having 88.75% ownership.

APPROVAL REQUEST:
TD Bank and the Company have requested that the Authority provide a five-year, 31.95%, $1,000,000 participation in a $3.13 million mortgage loan under the Statewide Loan Pool program. TD will also be providing two credit facilities of $3.5 million and $700,000 to a SJB as part of this project.

FINANCING SUMMARY:
LENDER: TD Bank
AMOUNT OF LOAN: $3,130,000 mortgage loan with a 31.95%, $1,000,000 Authority participation.

TERMS OF LOAN: Floating at Libor + 300 basis points during construction, 3.95% fixed at conversion to permanent for ten years with call option at end of year ten. Interest only for six months thereafter converting to a ten year term based on a 20 year amortization.

TERMS OF PARTICIPATION: Fixed rate of the 5 year US Treasury or 2%, whichever is greater plus 300 basis points. Five year term based on a 20 year amortization.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of existing building</td>
<td>$2,400,000</td>
</tr>
<tr>
<td>Acquisition of existing building</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$6,000</td>
</tr>
</tbody>
</table>

TOTAL COSTS $4,006,000

JOBS: At Application 0 Within 2 years 10 Maintained 0 Construction 20

DEVELOPMENT OFFICER: D. Benne
APPROVAL OFFICER: M. Conte
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM - (PREMIER LENDER)

APPLICANT: Jimmy's Cookies, LLC d/b/a Jimmy's Cookies P39633
PROJECT USER(S): Same as applicant *
PROJECT LOCATION: 125 Entin Road Clifton City (T/UA) Passaic
GOVERNOR'S INITIATIVES: (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Jimmy's Cookies, LLC d/b/a Jimmy's Cookies is manufacturer of high quality branded and private label cookies for in-store bakeries, caterers, supermarkets and food service distributors across the United States. The Company was founded in 1984 and is owned equally by Howard Hirsch and Michael Pisani, who purchased the business in December of 2010. Jimmy’s operates out of a 38,000 square foot leased facility in Fair Lawn. Jimmy's is finalizing the terms of a ten year lease for a 87,280 square foot building in Clifton and will purchase new equipment and relocate the entire operation to this facility.

APPROVAL REQUEST:
$1 million participation by NJEDA in a $2 million term loan from Valley National Bank to be used for equipment and other costs associated with the relocation of the business to Clifton. Concurrently being presented for approval under P 39687 is a $2 million working capital line of credit from Valley National Bank with a 37.5% NJEDA guarantee of principal, not to exceed $750,000.

FINANCING SUMMARY:
LENDER: Valley National Bank
AMOUNT OF LOAN: $2 million term loan with a 50% ($1 million) NJEDA participation.
TERMS OF LOAN: 5.5% fixed for five years, thereafter adjusting to 5 year FHLBR + 250 basis points. During the first 12 months of the loan interest only payments followed by 9 years of equal principal payments based on a 15 year amortization.
TERMS OF PARTICIPATION: Fixed for five years at the time of closing at the five-year US Treasury or 2%, whichever is greater, plus 200 basis points. Rate reset at the same index at the end of year five. During the first 12 months of the loan interest only payments followed by 9 years of equal principal payments based on a 15 year amortization.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of equipment &amp; machinery</td>
<td>$1,759,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$707,000</td>
</tr>
<tr>
<td>Relocation Costs</td>
<td>$641,000</td>
</tr>
<tr>
<td>Working capital</td>
<td>$425,000</td>
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<tr>
<td>Deposit/Prof Fees</td>
<td>$353,000</td>
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<tr>
<td>Renovation of existing building</td>
<td>$115,000</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$4,000,000</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 43 Within 2 years 79 Maintained 43 Construction 1

DEVELOPMENT OFFICER: T. Gill APPROVAL OFFICER: M. Conte
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM - (PREMIER LENDER)

APPLICANT: Jimmy's Cookies, LLC d/b/a Jimmy's Cookies P39687

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

PROJECT LOCATION: 125 Entin Road Clifton City (T/UA) Passaic

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

APPLICANT BACKGROUND:
Jimmy's Cookies, LLC d/b/a Jimmy's Cookies ("Jimmy's" or "Company") is manufacturer of high quality branded and private label cookies for in-store bakeries, caterers, supermarkets and food service distributors across the United States. The Company was founded in 1984 and is owned equally by Howard Hirsch and Michael Pisani, who purchased the business in December of 2010. Jimmy's operates out of a 38,000 square foot leased facility in Fair Lawn. The Company has continued to grow and has been holding back on new large customers due to capacity constraints. Jimmy's is finalizing the terms of a ten year lease for an 87,280 square foot building in Clifton and will purchase new equipment and relocate the entire operation to this facility.

APPROVAL REQUEST:
One year 37.5% NJEDA guarantee of principal outstanding, not to exceed $750,000 in a $2 million working capital line of credit from Valley National Bank. Concurrently being presented for approval under P 39633 is a $1 million NJEDA participation in a $2 million term loan from Valley National Bank for equipment purchases and other project expenses associated with the relocation of the business from Fair Lawn to Clifton. Applicant was previously approved by the Members of the Authority for a Grow NJ incentive valued at $7.5 million (P 39372).

FINANCING SUMMARY:
LENDER: Valley National Bank

AMOUNT OF LOAN: $2,000,000 bank line of credit with a 37.5% Authority guarantee of principal outstanding not to exceed $750,000.

TERMS OF LOAN: One year term. Interest only at Valley National Prime with a floor of 4.5%.

PROJECT COSTS:

TOTAL COSTS $0 *

* - Indicates that there are project costs reported on a related application.

JOBS: At Application Within 2 years Maintained Construction 0
Jobs on Related P039633 43 79 43 1

DEVELOPMENT OFFICER: T. Gill APPROVAL OFFICER: M. Conte
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM - (PREMIER LENDER)

APPLICANT: Megas Yeeros LLC  P39537
PROJECT USER(S): Same as applicant  *
PROJECT LOCATION: 165 Chubb Avenue Lyndhurst Township (N) Bergen
GOVERNOR'S INITIATIVES: ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

APPLICANT BACKGROUND:
Megas Yeeros, LLC was created in 2013 due to expansion of Megas Gyros SA into the US markets. Megas Yeeros LLC is owned by Megas Gyros SA (66.68%), George Nikas (8.33%), Nikos Loustas (8.33%), George Vanis (8.33%) and Takis Solomos (8.33%). Megas Gyros SA is the largest and most successful Gyros and related products (souvlaki, bifteki, kebab) producer in the Greek Market. The company was established in 2007 and in a very short period of time became the leader of the category with a network of distribution throughout Greece and exports in 11 European markets.

APPROVAL REQUEST:
Approve a 50% ($850,000) participation in The Bank of Princeton's $1,700,000 loan

FINANCING SUMMARY:
LENDER: The Bank of Princeton
AMOUNT OF LOAN: $1,700,000 bank loan with 50% ($850,000) EDA participation
TERMS OF LOAN: 5.5% fixed for 7 years, 7-year term and amortization
TERMS OF PARTICIPATION: 5-year Treasury or 2.00%, whichever is greater, plus 300 b.p, 5-year term, 7-year amortization

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of existing building</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Working capital</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Purchase of equipment &amp; machinery</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$150,000</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

TOTAL COSTS $4,700,000

JOBS: At Application 0 Within 2 years 165 Maintained 0 Construction 17

DEVELOPMENT OFFICER: D. Benns
APPROVAL OFFICER: N. Nagovsky
HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM
MEMORANDUM

TO: Members of the Authority

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

DATE: August 12, 2014

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. Throughout 2013, staff reported the status of those funds to the members monthly. In December, 2013 the board was advised that ongoing reporting of funding would be provided to the members quarterly commencing in January 2014.

Below is the funding availability as of second quarter ending on June 30, 2014:

**PUST:**
As of June 30th, remaining cash and unfunded appropriations (including budget approved appropriations for FY 2015) net of commitments was $12.6 million available to support an estimated $49.2 million pipeline of projects, of which approximately $2.6 million are under review at EDA.

**HDSRF:**
As of June 30th, remaining cash and unfunded appropriations (including budget approved appropriations for FY 2015) net of commitments was $45.7 million available to support an estimated $50.3 million pipeline of projects, of which approximately $8.3 million are under review at EDA.

Prepared by: Kathy Junghans
MEMORANDUM

TO: Members of the Authority
FROM: Timothy Lizura
       President/Chief Operating Officer
DATE: August 12, 2014
SUBJECT: NJDEP Hazardous Discharge Site Remediation Fund Program

The following municipal project has been approved by the Department of Environmental Protection for one grant to perform Site Investigation and Remedial Investigation activities. The scope of work is described on the attached project summary.

HDSRF Municipal Grants:

Township of Neptune $ 268,194

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

APPLICANT: Township of Neptune (Shark River Municipal Marina)  P39394
PROJECT USER(S): Same as applicant  *
PROJECT LOCATION: 149 South Riverside Dr.  Neptune Township (T/UA)  Monmouth
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:
Between April 2008 and July 2009, the Township of Neptune received an initial grant in the amount of $60,975 under P19519 and a supplemental grant in the amount of $44,883 to perform Remedial Investigation (RI) activities. The project site identified as Blocks 402; 471; and Lots 13, 15, 16 & 24.01, is a marina which has potential environmental areas of concern (AOCs). The Township of Neptune currently owns the project site and has satisfied Proof of Site Control. It is the Township's intent, upon completion of the environmental investigation activities to redevelop the project site for continued use as a municipal marina.

NJDEP has approved this request for additional Site Investigation (SI) and (RI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

APPROVAL REQUEST:
The Township of Neptune is requesting additional supplemental grant funding in the amount of $268,194 to perform SI and RI at the Shark River Municipal Marina. Because the aggregate supplemental funding including this request is $313,077, it exceeds the maximum approval of aggregate supplemental funds of $100,00 and therefore requires EDA's board approval. Total funding for this project to date is $374,052.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: $268,194
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Investigation</td>
<td>$157,003</td>
</tr>
<tr>
<td>Remedial Investigation</td>
<td>$111,191</td>
</tr>
<tr>
<td>EDA administrative cost</td>
<td>$500</td>
</tr>
<tr>
<td>TOTAL COSTS</td>
<td>$268,694</td>
</tr>
</tbody>
</table>

APPROVAL OFFICER: K. Junghans
TECHNOLOGY BUSINESS TAX CERTIFICATE
TRANSFER PROGRAM
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: August 12, 2014

SUBJECT: Technology Business Tax Certificate Transfer Program:
2014 Program Approvals & Disapprovals

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.

2014 PROGRAM CYCLE

Since the program’s inception, 490 companies have received a total benefit amount of almost $769 million. Last year, the fifteenth year of the program, $60 million was provided to 53 technology and biotechnology companies in need of capital and liquidity. This year, $60 million is again available to be distributed in State Fiscal Year 2014-2015. 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 2014-2015.
There have been minor components of the Technology Business Tax Certificate Transfer Program which have changed for the 2014 Program cycle. After many years of successful management, administration of the Technology Business Tax Certificate Transfer Program transitioned from the Bonds & Incentives to Technology & Life Sciences team. Additionally, Program submissions shifted from paper-based to web-based applications, leveraging the Authority’s online application system.

As in past years, the 2014 Program cycle was oversubscribed. Applications were received from 58 companies requesting a total benefit amount of $108,723,685. Of the 58 applications received for the 2014 Program, 43 were from returning applicants. Additionally, 35 applicants were biotechnology companies while 23 were technology companies. Moreover, 7 applicants were located in Innovation Zones. Also, there are 12 applicants that leveraged additional EDA benefits outside of the 2014 program.* For the 2014 Program, 9 applications failed to meet one or more of the eligibility criteria. The 49 applicants recommended for approval are estimated to receive, on average, approximately $1,224,000 this year, approximately 8.2% more than last year’s average.

Based on evaluations by Authority staff, the attached list identifies the applicants recommended for approval as well as the applicants being recommended for disapproval. Disapproval is due to the applicant not meeting one or more eligibility requirements of the Program. A brief description of the reason the eligibility requirement(s) was not met is included with each disapproval recommendation.

**RECOMMENDATION:**
Approval is recommended for the listed applicants 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 listed applicants that failed to meet all of the eligibility criteria for approval.

Prepared by: Clark Smith
## Attachment A
### Recommended Declinations

<table>
<thead>
<tr>
<th>#</th>
<th>Company</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Connotate, Inc.</td>
<td>Affiliated investment fund .406 Ventures I L.P. and .406 Ventures I-A L.P. has greater than 50% ownership in applicant establishing a parent relationship. For an investment fund, Operating Income is calculated as Net Investment Income/(Loss) and Realized and Unrealized Gain from Investments. According to this calculation, the fund demonstrated positive Operating Income in 2013.</td>
</tr>
<tr>
<td>2</td>
<td>Emisphere Technologies, Inc</td>
<td>Employment minimum for applicant is 10 full time employees. Applicant’s tenth employee is a temporary employee because the employee is related to applicant’s CEO and their compensation is not in line with the position, the market and other Emisphere employees.</td>
</tr>
<tr>
<td>3</td>
<td>IntegriChain, Inc.</td>
<td>Applicant does not have PPIP as their primary business. In program application, the applicant answered “NO” to the questions “Does the applicant have PPIP?&quot; and “Is this PPIP the technology that constitutes the applicant's primary business?” Additionally, the applicant CFO stated in email communications that past patents used in prior years' application are not applicable to the current business model. The current business is based on current trademarks. Trademarks are not an acceptable form of PPIP.</td>
</tr>
<tr>
<td>4</td>
<td>Itelagen, Inc.</td>
<td>Applicant does not meet the definition of a technology or biotechnology business. Applicant does not have PPIP as their primary business and has not presented evidence of PPIP. Applicant has positive Operating Income in 2013.</td>
</tr>
<tr>
<td>5</td>
<td>Prescription Advisory Systems &amp; Technology, Inc.</td>
<td>Applicant did not offer healthcare coverage by program application deadline of June 30, 2014. Effective date of coverage for policy was July 1, 2014. Applicant did not have healthcare coverage prior to this date. As per the program regulations, to qualify as a 'full-time employee,' an employee shall also receive from the new or expanding emerging technology or biotechnology company health benefits.&quot; NJ DAG has interpreted this provision to mean that the employee has received or can actually receive health insurance, not merely an offer of future health benefits. Applicant has not provided their 2013 New Jersey Form W3.</td>
</tr>
</tbody>
</table>
6 Seldar Pharma, Inc. Applicant does not meet the requirement minimum of full time employees as employees of applicant do not meet the program regulation’s “fulltime employee” definition. Applicant has a service agreement with a related entity, Drais Pharma. One component of the agreement is the provision of employees, however section 10(i) of the agreement, specifies that each party will be solely responsible for the acts of its employees and agents, and such employees or agents will NOT be considered employees or agents of the other Party”. The applicant does not directly “employ” any W2 employees that pay NJ withholding tax.

7 Tacurion Pharma, Inc. Applicant does not meet the requirement minimum of full time employees as employees of applicant do not meet the program regulation’s “fulltime employee” definition. Applicant has a service agreement with a related entity, Drais Pharma. One component of the agreement is the provision of employees, however section 10(i) of the agreement, specifies that each party will be solely responsible for the acts of its employees and agents, and such employees or agents will NOT be considered employees or agents of the other Party”. The applicant does not directly “employ” any W2 employees that pay NJ withholding tax.

8 Telsar Pharma, Inc. Applicant does not meet the requirement minimum of full time employees as employees of applicant do not meet the program regulation’s “fulltime employee” definition. Applicant has a service agreement with a related entity, Drais Pharma. One component of the agreement is the provision of employees, however section 10(i) of the agreement, specifies that each party will be solely responsible for the acts of its employees and agents, and such employees or agents will NOT be considered employees or agents of the other Party”. The applicant does not directly “employ” any W2 employees that pay NJ withholding tax.
| US Platform Development Group, Inc. | Nehemiah Interest LLC has greater than 50% ownership in applicant establishing a parent relationship. Applicant has not provided 2012 & 2013 financial statements for parent company verifying negative Operating Income.
The applicant has not demonstrated ownership of PPIP. A patent application has been filed in the names of the inventors. Evidence has not been presented showing the patent assigned to the applicant.
Applicant does not have PPIP as their primary business. PPIP is stated a software application that establishes a “System and Method for Determining Interest.” The applicant’s primary business is not offering this software but is an on-line investment platform to facilitate equity crowd funding.
Applicant does not meet the requirement for minimum amount of full-time employees. Sufficient evidence has not been presented by applicants showing employees are leased via a Profession Employment Organization or that this Profession Employment Organization offers healthcare coverage. |
### Applicants Recommended for Approval

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ADM Tronics Unlimited, Inc.</td>
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<tr>
<td>2</td>
<td>ADMA Biologics, Inc.</td>
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<tr>
<td>3</td>
<td>Advaxis, Inc.</td>
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<tr>
<td>4</td>
<td>Aerie Pharmaceuticals, Inc.</td>
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<tr>
<td>5</td>
<td>Agilence, Inc.</td>
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<tr>
<td>6</td>
<td>Alphion Corporation</td>
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<tr>
<td>7</td>
<td>Amicus Therapeutics, Inc.</td>
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<td>8</td>
<td>Angel Medical Systems, Inc.</td>
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<td>9</td>
<td>BioNeutral Group, Inc.</td>
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<td>10</td>
<td>BlackLight Power, Inc.</td>
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<td>11</td>
<td>Cancer Genetics, Inc.</td>
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<td>12</td>
<td>Catheter Robotics, Inc.</td>
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<tr>
<td>13</td>
<td>Celator Pharmaceuticals, Inc.</td>
</tr>
<tr>
<td>14</td>
<td>Celldex Research Corporation</td>
</tr>
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<td>15</td>
<td>Chromocell Corporation</td>
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<tr>
<td>16</td>
<td>Cornerstone Pharmaceuticals, Inc.</td>
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<td>17</td>
<td>CytoSorbents, Inc.</td>
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<td>18</td>
<td>DataMotion, Inc.</td>
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<td>19</td>
<td>Discovery Laboratories, Inc.</td>
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<td>20</td>
<td>DvTel, Inc.</td>
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<tr>
<td>21</td>
<td>Eagle Pharmaceuticals, Inc.</td>
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<tr>
<td>22</td>
<td>Edge Therapeutics, Inc.</td>
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<tr>
<td>23</td>
<td>Electromagnetic Technologies Industries, Inc.</td>
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<td>24</td>
<td>Eos Energy Storage, LLC</td>
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<td>25</td>
<td>Flowonix Medical Inc.</td>
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<td>26</td>
<td>Hemispherex Biopharma, Inc.</td>
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<td>27</td>
<td>Innopharma, Inc.</td>
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<td>28</td>
<td>Insmed Incorporated</td>
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<td>29</td>
<td>Ivy Sports Medicine, LLC</td>
</tr>
<tr>
<td>30</td>
<td>LiquidLight, Inc.</td>
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<tr>
<td>31</td>
<td>Matinas Biopharma Holdings, Inc.</td>
</tr>
<tr>
<td>32</td>
<td>MDx Medical, Inc.</td>
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<tr>
<td>33</td>
<td>Millenium Biotechnologies, Inc.</td>
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<td>34</td>
<td>MuseAmi, Inc.</td>
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<td>35</td>
<td>Myos Corporation</td>
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<td>36</td>
<td>Ocean Power Technologies, Inc.</td>
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<td>37</td>
<td>Oncobiologies, Inc.</td>
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<tr>
<td>38</td>
<td>Palatin Technologies, Inc.</td>
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<tr>
<td>39</td>
<td>PTC Therapeutics, Inc.</td>
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<tr>
<td>40</td>
<td>Regado BioSciences, Inc.</td>
</tr>
<tr>
<td>41</td>
<td>Rive Technology, Inc.</td>
</tr>
<tr>
<td>42</td>
<td>Roka Bioscience, Inc.</td>
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<tr>
<td>43</td>
<td>Sight Logix, Inc.</td>
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<tr>
<td>44</td>
<td>Solidia Technologies</td>
</tr>
<tr>
<td>45</td>
<td>Soligenix, Inc.</td>
</tr>
<tr>
<td>46</td>
<td>Svelte Medical Systems, Inc.</td>
</tr>
<tr>
<td>47</td>
<td>Symbolic IO Corporation</td>
</tr>
<tr>
<td>48</td>
<td>Vaxlnnate Corporation</td>
</tr>
<tr>
<td>49</td>
<td>Voxware, Inc.</td>
</tr>
</tbody>
</table>

* Applicants that leveraged additional EDA benefits

  - Agilence – Edison Innovation Fund (loan paid in full, warrant position); Alphion – Edison Innovation Fund (loan paid in full, warrant position); Amicus Therapeutics – Venture Fund Investment, Real Estate (former CCIT Tenant); Catheter Robotics – Venture Fund Investment; Celator – Venture Fund Investment; Chromocell – Real Estate (former CCIT Tenant, current Tech Centre Tenant); CytoSorbents – Venture Fund Investment; Edge Therapeutics – Edison Innovation Fund (loan converted to equity/warrant position), Angel Investor Tax Credit; Flowonix - Venture Fund Investment; Ivy Sports Medicine – Edison Innovation Fund (loan commitment); Ocean Power Technologies - Springboard Fund (loan), BPU Grant; SightLogix – Edison Innovation Fund (current loan)
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President/Chief Operating Officer

DATE: August 12, 2014

SUBJECT: Angel Investor Tax Credit Program

On January 31, 2013, the New Jersey Angel Investor Tax Credit Act was signed into law with Regulations approved by the Members of the Board in June 2013. The New Jersey Angel Investor Tax Credit Program establishes credits against corporate business tax or New Jersey gross income tax in the amount of 10% of a qualified investment made into New Jersey emerging technology businesses as of January 1, 2012. The program has an annual approval cap of $25 million in tax credits per calendar year. Year-to-date 2014 there have been 18 investments approved for $810,757 in tax credits, representing the injection of $8,107,576 of capital into New Jersey emerging technology and life sciences companies. The following investors are recommended for approval and are described on the attached project summaries:

<table>
<thead>
<tr>
<th>Application Number</th>
<th>Investor</th>
<th>NJ Emerging Technology Company</th>
<th>Qualified Investment</th>
<th>Proposed Tax Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>P39584</td>
<td>John DeWees</td>
<td>Midawi Holdings, Inc.</td>
<td>$150,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>P39586</td>
<td>Sol Barer</td>
<td>Edge Therapeutics, Inc.</td>
<td>$100,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>P39587</td>
<td>Sol Barer</td>
<td>Edge Therapeutics, Inc.</td>
<td>$150,000</td>
<td>$15,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td></td>
<td><strong>$400,000</strong></td>
<td><strong>$40,000</strong></td>
</tr>
</tbody>
</table>

Prepared By: Clark Smith
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - ANGEL INVESTOR TAX CREDIT

APPLICANT(S)/ANGEL INVESTOR:
John DeWees

APPLICANT(S)/ANGEL INVESTOR LOCATION:
White Plains, NY

NJ EMERGING TECHNOLOGY BUSINESS:
Midawi Holdings Inc. dba DoughMain

TECHNOLOGY BUSINESS NJ LOCATION:
189 Wall Street Princeton Borough (N) Mercer County

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

TECHNOLOGY BUSINESS BACKGROUND:
Midawi Holdings Inc. dba DoughMain has created a SaaS offering that allows family members to coordinate on personal finance matters. The central innovation of the offering is that it provides multiple seamlessly integrated and interconnected financial and organization management tools through one platform. The DoughMain platform consists of ten interconnected modules with data feeds from users, banks and financial service providers (using sophisticated financial encryption technology), and is offered through the cloud via an internet website.

INDUSTRY:
( X ) Advanced Computing ( X ) Information ( ) Renewable Energy
( ) Advanced Materials ( ) Life Sciences
( ) Biotechnology ( ) Medical Device
( ) Electronic Device ( ) Mobile Communications

DESCRIPTION OF QUALIFIED INVESTMENT:
The applicant presented in one transaction a non-refundable investment of cash and two convertible notes to Midawi Holdings, Inc. in exchange for preferred stock in the company.

APPROVAL REQUEST:
The Members of the Authority are asked to approve the proposed Angel Investor Tax Credit to John DeWees to encourage the investment in a New Jersey emerging technology business.

QUALIFIED INVESTMENT DATE: 06/23/2014
QUALIFIED INVESTMENT: $150,000.00
TAXPAYER APPROVAL YEAR: 2014
TAXPAYER APPROVAL YEAR: $15,000.00
TOTAL NUMBER OF EMPLOYEES (Worldwide): 6
NEW JERSEY FULL-TIME EMPLOYMENT AT APPLICATION: 6

DEVELOPMENT OFFICER: C. Smith APPROVAL OFFICER: C. Smith
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - ANGEL INVESTOR TAX CREDIT

APPLICANT(S)/ANGEL INVESTOR:
SOL J. BARER

APPLICANT(S)/ANGEL INVESTOR LOCATION:
MENDHAM, NJ

NJ EMERGING TECHNOLOGY BUSINESS:
Edge Therapeutics, Inc.

TECHNOLOGY BUSINESS NJ LOCATION:
200 Connell Drive Berkeley Heights Township Union County

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

TECHNOLOGY BUSINESS BACKGROUND:
Edge Therapeutics Inc., is a private, clinical stage biopharmaceutical company focused on developing and commercializing life-saving hospital products that improve patient outcome by addressing acute, fatal or debilitating conditions after brain hemorrhage that have no current effective treatment.

INDUSTRY:
( ) Advanced Computing ( ) Information ( ) Renewable Energy
( ) Advanced Materials ( ) Life Sciences
( X ) Biotechnology ( ) Medical Device
( ) Electronic Device ( ) Mobile Communications

DESCRIPTION OF QUALIFIED INVESTMENT:
The applicant presented to Edge Therapeutics, Inc. a transfer of cash in exchange for a convertible note that subsequently converted to a non-refundable investment of equity in the form of Preferred Stock in the company.

APPROVAL REQUEST:
The Members of the Authority are asked to approve the proposed Angel Tax Credit to Sol Barer to encourage the investment in a New Jersey emerging technology business.

QUALIFIED INVESTMENT DATE: 03/18/2013
QUALIFIED INVESTMENT: $100,000.00
TAXPAVER APPROVAL YEAR: ( 2014 ) $10,000.00
TOTAL NUMBER OF EMPLOYEES (Worldwide): 7
NEW JERSEY FULL-TIME EMPLOYMENT AT APPLICATION: 7

DEVELOPMENT OFFICER: C. Smith
APPROVAL OFFICER: C. Smith
APPLICANT(S)/ANGEL INVESTOR:
SOL J. BARER

APPLICANT(S)/ANGEL INVESTOR LOCATION:
MENDHAM, NJ

NJ EMERGING TECHNOLOGY BUSINESS:
Edge Therapeutics, Inc.

TECHNOLOGY BUSINESS NJ LOCATION:
200 Connell Drive Berkeley Heights Township Union County

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

TECHNOLOGY BUSINESS BACKGROUND:
Edge Therapeutics Inc., is a private, clinical stage biopharmaceutical company focused on developing and commercializing life-saving hospital products that improve patient outcome by addressing acute, fatal or debilitating conditions after brain hemorrhage that have no current effective treatment.

INDUSTRY:
( ) Advanced Computing ( ) Information ( ) Renewable Energy
( ) Advanced Materials ( ) Life Sciences
(X) Biotechnology ( ) Medical Device
( ) Electronic Device ( ) Mobile Communications

DESCRIPTION OF QUALIFIED INVESTMENT:
The applicant presented to Edge Therapeutics, Inc. a transfer of cash in exchange for a convertible note that subsequently converted to a non-refundable investment of equity in the form of Preferred Stock in the company.

APPROVAL REQUEST:
The Members of the Authority are asked to approve the proposed Angel Tax Credit to Sol Barer to encourage the investment in a New Jersey emerging technology business.

QUALIFIED INVESTMENT DATE: 03/18/2013
QUALIFIED INVESTMENT: $ 150,000.00
TAXPAYER APPROVAL YEAR: ( 2014 ) $ 15,000.00
TOTAL NUMBER OF EMPLOYEES ( Worldwide ): 7
NEW JERSEY FULL-TIME EMPLOYMENT AT APPLICATION: 7

DEVELOPMENT OFFICER: C. Smith APPROVAL OFFICER: C. Smith
INCENTIVES
MEMORANDUM

To: Members of the Authority

From: Timothy Lizura
President and Chief Operating Officer

Date: August 12, 2014

RE: Residential Economic Redevelopment Growth Grants (ERG) Analysis

Request
The purpose of this memo is to request the Members’ approval of an alternative method of analysis for Residential Projects requesting ERG assistance when those projects are jointly applying for New Jersey Housing and Mortgage Finance Authority (HMFA) and New Jersey Economic Development Authority (Authority) assistance to more closely align the Authority’s review with HMFA’s programs.

ERG Analysis Background
Currently, the Authority completes an equity based Internal Rate of Return (IRR) analysis, through the Argus software, utilizing many inputs including development costs, capital stack, equity contribution, cash flow, and capitalization rate at assumed sale of the project. The Authority also engaged Jones Lang LaSalle to develop a hurdle rate model. The hurdle rate model takes into account the following factors; (1) zip code, (2) industry class, and (3) areas within the state exhibiting an economic disadvantage. This hurdle rate is indicative of the rate of return which is necessary to “clear the market” and make it attractive for the developer to invest its capital in the project. A project’s projected IRR is compared to that of the indicated hurdle rate. Projects which have IRRs less than the hurdle rate, demonstrate that they have a project financing gap.

For most projects the above IRR calculation is relevant and mimics the developers’ investment decision and can satisfy the statutory established threshold of “the project is not likely to advance without the award of the ERG”. However, some affordable residential developers will often decide on undertaking a project based primarily on the development fee (leaving the equity and equity returns to the low income housing tax credit investors). In these cases, an analysis which focuses on development fees may be a better barometer of the project’s need for public support in order for it to advance.

August 12, 2014
Evaluation of Residential ERG Utilizing Development Fee Restrictions
Residential Economic Redevelopment Growth Grants (ERG) Alternative Analysis

It is proposed that the Authority utilize development fees as a percentage of total development costs as a means to determine if a project has a funding gap. This approach will only be applied to residential projects that are approved for certain low income housing tax credits financing through NJHMFA’s board because these entities are structured such that the developer fee and not the applicant’s calculated IRR is the basis for the developer’s investment decision. The goal of the total developer fee is to recapture a portion, if not all of the hard and soft costs, in addition to applicable financing fees. The amount of developer fee allowed for eligible rehabilitation or new construction costs will be limited to 15% of total development costs excluding: land, pre-operational expenses, and escrows and reserves pertaining to permanent takeout financing (the 15% threshold has been industry standard for multifamily affordable residential projects). Developer fee at project construction completion or stabilization shall not exceed 8% (out of the 15% total) with the balance being deferred and taken through projected cash flow. This is consistent with HMFA’s approach.

In the event that the developer project is projected to receive the entire 15% allowed developer fee within 5 years from project stabilization without the benefit of the ERG, then the project will not have demonstrated a gap and not be recommended for an ERG award. Projects that do not generate sufficient cash flow to return the entire 15% developer fee to the developer within 5 years would be deemed to have demonstrated a gap and could be recommended for an ERG award up to the statutory cap. However, if the maximum award of the ERG resulted in the developer collecting its total developer fee in less than 5 years, then the ERG recommendation would be reduced such that it took no less than 5 years to return the entire developer fee.

Lastly, residential projects will often apply for an award of 9% Federal Low Income Housing Tax Credits from NJHMFA. In the event that a project receives approval from HMFA for a 9% tax credit, then for the purposes of the Residential ERG State Tax Credit, that project will been deemed likely to be completed without the award of ERG and thereby not eligible for further support.

EDA staff is working closely with HMFA staff in the underwriting of ERG residential projects when those projects are seeking assistance from both agencies and their staffs collaborated in creating this recommendation.

Timothy Lizura
President and Chief Operating Officer

Prepared by: Matthew Boyle

August 12, 2014
Evaluation of Residential ERG Utilizing Development Fee Restrictions
GROW NEW JERSEY ASSISTANCE PROGRAM
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

APPLICANT: Dicalite Management Group, Inc.  P39569

PROJECT LOCATION:  9111 River Road  Pennsauken Township  Camden County

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

APPLICANT BACKGROUND:
Dicalite Management Group, Inc. is a privately held company specializing in diatomaceous earth (DE) products and is headquartered in Bala Cynwyd, PA.

Dicalite is a leading producer of Perlite, an amorphous volcanic glass with a high content of water, typically formed by the hydration of obsidian. It is an industrial mineral and a commercial product useful for its light weight after processing. The company operates two Perlite ore mines and eight ore processing facilities in the United States. Perlite is predominantly used in the construction industry, but also has uses in horticulture, as a filler or filter. Perlite is processed by passing the ore through a natural gas-fired furnace, which heats the Perlite to approximately 900 degrees Celsius (1,700°F). This causes the entrapped water molecules in the rock to turn to steam and expand, popping the Perlite rock like popcorn. The more the Perlite is processed, the finer the resulting material becomes, which can be produced according to the requirements of the final application.

In addition to its U.S. locations, Dicalite includes its European affiliate, Dicalite-Europe, which operates the world’s largest Perlite filter aid production facility. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Dicalite is considering moving its headquarters and constructing a processing facility in Pennsauken, NJ or Lehighton, PA. It is requesting assistance to offset the costs associated with an expansion in New Jersey. The applicant has submitted a cost benefit analysis comparing the renovation projects of a 78,000 sf. facility in New Jersey to a 60,421 sf. facility located in Pennsylvania. The New Jersey location would afford the applicant an opportunity to increase companywide sales and recapture accounts lost in the region.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Dicalite Management Group, Inc. has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Raymond Perelman, the CEO of Dicalite Management Group, Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $2.1M over the 20 year period required by the Statute.

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

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

<table>
<thead>
<tr>
<th>Minimum Capital Investment Requirements</th>
<th>($/Square Foot of Gross Leasable Area)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial - Rehabilitation Projects</td>
<td>$ 20</td>
</tr>
<tr>
<td>Industrial - New Construction Projects</td>
<td>$ 60</td>
</tr>
</tbody>
</table>
Non-Industrial Rehabilitation Projects

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs AND/OR create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

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

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As an Industrial - Rehabilitation Project for a manufacturing business in Camden County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$1,040,000</td>
<td>$8,850,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>8</td>
<td>36</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>19</td>
<td>N/A</td>
</tr>
</tbody>
</table>

The Grow New Jersey Statute and the program's rules also establish criteria for the Grant Calculation. This project has been deemed eligible for a Base Award and Increases based on the following:

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

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Oriented Development</td>
<td>An increase of $2,000 per job for a project located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a New Jersey Transit Corporation rail station.</td>
</tr>
<tr>
<td>Capital Investment in Excess of Minimum (non-Mega)</td>
<td>An increase of $1,000 per job for each additional amount of capital investment that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of $3,000</td>
</tr>
</tbody>
</table>

The proposed capital investment of $8.8M is 750% above the minimum capital investment resulting in an increase of $3,000 per year.
Targeted Industry | An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business | The applicant is a Manufacturing business.

2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem | An increase of $1,000 per job for locating in a municipality with a 2007 Revitalization Index greater than 465 | Pennsauken Township has a 2007 Revitalization Index of 481.

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**Grant Calculation**

**BASE GRANT PER EMPLOYEE:**
Distressed Municipality $4,000

**INCREASES PER EMPLOYEE:**
- Transit Oriented Development: $2,000
- Capital Investment in Excess of Minimum (non-Mega): $3,000
- Targeted Industry (Manufacturing): $500
- 2007 Revit. Index>465 in Atlantic, Burlington, Camden Cape May, Cumberland, Gloucester, Ocean, Salem: $1,000

**INCREASE PER EMPLOYEE:**
$6,500

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

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**
$10,500

**AWARD:**
- New Jobs: 36 Jobs X $10,500 X 100% = $378,000
- Retained Jobs: 0 Jobs X $10,500 X 50% = $0

**Total:** $378,000

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

**TOTAL ANNUAL AWARD**
$378,000
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $8,850,000
NEW FULL-TIME JOBS: 36
RETAINED FULL-TIME JOBS: N/A

NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $2,077,247
TOTAL AMOUNT OF AWARD $3,780,000
ELIGIBILITY PERIOD: 10 years
MEDIAN WAGES: $42,500
SIZE OF PROJECT LOCATION: 78,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION? Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Industrial
STATEWIDE BASE EMPLOYMENT: 0
PROJECT IS: (X) Expansion ( ) Relocation
CONSTRUCTION: (X) Yes ( ) No

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

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

DEVELOPMENT OFFICER: J. Kenyon
APPROVAL OFFICER: J. Horezga
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

APPLICANT: Festo Didactic Inc. P39575

PROJECT LOCATION: 607 Industrial Way West Eatontown Borough Monmouth County

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

APPLICANT BACKGROUND:
Festo Didactic Inc. (“Festo”) is an equipment and solution provider for industrial education. The product and service portfolio offers solutions for rapid learning and retention in automation technologies, such as hydraulics, electronics, electrical engineering, sensors, robotics, manufacturing technology and process engineering. Festo supplies industries and educational institutions with learning factories, training and e-learning programs that directly evolve from technologies and innovations in automation. Festo is a wholly subsidiary of Festo Didactic SE, headquartered in Germany, which is a global manufacturer of pneumatic and electromechanical systems components and controls for process control and factory automation solutions. The U.S. subsidiary, Festo America, Inc. has been doing business in the United States for 40 years and is located in Hauppauge, NY.

In 2013, Festo acquired and subsequently merged with Lab-Volt Systems, Inc. Since 1934, Lab-Volt, located in Farmingdale, NJ, provided equipment and solutions to the technical training and continuing education sectors, specializing in electronics, electrical and mechanical engineering and telecommunications. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
The former Lab-Volt facility in Farmingdale is inadequate for the merged companies’ plans for growth. Festo will either relocate to Hauppauge, NY where Festo America’s headquarters is located or they will relocate to Eatontown, NJ, where they could enter into a lease with an option to purchase the facility. The company would retain 50 full-time employees and create an additional 36 new jobs.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Festo Didactic Inc. has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Dr. Nader Imani the CEO of Festo Didactic Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $18.6 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 50 New Jersey jobs listed in the application are at risk of being located outside the State on or before November 30, 2014, which coincides with the expiration of the current lease. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

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

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

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs AND/OR create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

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

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As a Non-Industrial – Rehabilitation Project for a manufacturing business in Monmouth County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$2,200,000</td>
<td>$6,400,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>10</td>
<td>36</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>25</td>
<td>50</td>
</tr>
</tbody>
</table>

The Grow New Jersey Statute and the program’s rules also establish criteria for the Grant Calculation. This project has been deemed eligible for a Base Award and Increases based on the following:

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

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targeted Industry</td>
<td>An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business</td>
<td>The applicant is a Manufacturing business.</td>
</tr>
</tbody>
</table>
**Grant Calculation**

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

**INCREASES PER EMPLOYEE:**
Targeted Industry (Manufacturing): $ 500

**INCREASE PER EMPLOYEE:** $ 500

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

**LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:** $3,500

**AWARD:**
- New Jobs: 36 Jobs X $3,500 X 100% = $126,000
- Retained Jobs: 50 Jobs X $3,500 X 50% = $87,500
  Total: $213,500

**ANNUAL LIMITS:**
Priority Area (est. 90% Withholding Limit) $4,000,000/ ($111,442)

**TOTAL ANNUAL AWARD** $213,500

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** $6,400,000

**NEW FULL-TIME JOBS:** 36

**RETAINED FULL-TIME JOBS:** 50

**NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):** $18,610,756

**TOTAL AMOUNT OF AWARD (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS):** $2,135,000

**ELIGIBILITY PERIOD:** 10 years

**MEDIAN WAGES:** $56,000

**SIZE OF PROJECT LOCATION:** 55,000 sq. ft.

**NEW BUILDING OR EXISTING LOCATION?** Existing

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

**STATEWIDE BASE EMPLOYMENT:** 50

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

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

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before November 30, 2014; 2) approve the proposed Grow New Jersey grant to encourage Festo Didactic Inc. to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: M. Abraham
APPROVAL OFFICER: T. Wells
APPLICANT: First Data Corporation  

PROJECT LOCATION: 101 Hudson Street, 40th Floor Jersey City Hudson County

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

APPLICANT BACKGROUND: First Data Corporation is a global payment solutions company headquartered in Atlanta, Georgia. The company provides merchant transaction processing services; credit, debit, private-label, gift, payroll and other prepaid card offerings; fraud protection and authentication solutions, ATM networks, electronic check acceptance services and mobile payment systems. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT: Currently based in New York City, the company has a team that develops and implements security applications, including fraud protection and authentication. First Data Corporation is considering Jersey City, New Jersey or Atlanta, Georgia to relocate and expand this group. Due to the rapid growth of this team, the company has just taken short-term space in Jersey City. This short-term space, the entire 39th floor of 101 Hudson Street, is housing approximately 26 employees. The company has identified the entire 40th floor of the same building as its long-term real estate solution. The main alternative would be relocating and expanding the entire security application team to its headquarters in Atlanta, where the applicant has 18,567 sf of excess space, the entire 20th floor of its headquarters building. First Data Corporation’s expansion plans will result in the creation of 74 new positions. Unrelated to this grant application, the company has a small, seven-person operation in Morris County.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of First Data Corporation has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Frank Bisignano, the CEO of First Data Corporation, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $76.1 million over the 20 year period required by the Statute.

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

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

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

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem.
• Retain full-time jobs AND/OR create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements (New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses 10 / 25
Other targeted industries 25 / 35
All other businesses/industries 35 / 50

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem.

As a Non-Industrial – Rehabilitation Project for an other targeted industry business in Hudson County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$960,000</td>
<td>$1,390,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>25</td>
<td>74</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>35</td>
<td>N/A</td>
</tr>
</tbody>
</table>

The Grow New Jersey Statute and the program’s rules also establish criteria for the Grant Calculation. This project has been deemed eligible for a Base Award and Increases based on the following:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Transit Hub Municipality</td>
<td>Base award of $5,000 per year for projects located in a designated Urban Transit Hub Municipality</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Oriented Development</td>
<td>101 Hudson Street, Jersey City is located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a Port Authority Transit Corporation rail station.</td>
</tr>
<tr>
<td>Jobs with Salary in Excess of County/GSGZ Average</td>
<td>The proposed median salary of $90,000 exceeds the County median salary by 79.98% resulting in an increase of $500 per year.</td>
</tr>
<tr>
<td>Targeted Industry</td>
<td>The applicant is a Finance business.</td>
</tr>
</tbody>
</table>
### Grant Calculation

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

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

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

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

**LESSEOR OF BASE + INCREASES OR PER EMPLOYEE LIMIT:**
- $8,000

**AWARD:**
- New Jobs: 74 Jobs X $8,000 X 100% = $592,000
- Retained Jobs: 0 Jobs X $8,000 X 50% = $0
- Total: $592,000

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

**TOTAL ANNUAL AWARD:**
- $592,000

**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:**
- $1,390,000

**NEW FULL-TIME JOBS:**
- 74

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

**NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):**
- $76,119,156

**TOTAL AMOUNT OF AWARD:**
- $5,920,000

**ELIGIBILITY PERIOD:**
- 10 years

**MEDIAN WAGES:**
- $90,000

**SIZE OF PROJECT LOCATION:**
- 24,000 sq. ft.

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

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

**STATEWIDE BASE EMPLOYMENT:**
- 33
CONDITIONS OF APPROVAL:
1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

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

DEVELOPMENT OFFICER: M. Abraham
APPROVAL OFFICER: D. Sucsuz
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

APPLICANT: J. Knipper and Company, Inc. P39550

PROJECT LOCATION: 1009 Lenox Drive Lawrence Township Mercer County

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

APPLICANT BACKGROUND:
Since 1986, J. Knipper and Company, Inc. has been providing a broad array of healthcare marketing solutions, including comprehensive direct-mail, fulfillment, sampling, database, and salesforce management. The company focuses on developing a partnership with its clients to meet their needs with outstanding care and personal attention. The company, which is headquartered in Lakewood, New Jersey, has five locations totaling more than 600,000 square feet with over 12,000 of that refrigerated and over 15,000 for controlled substances. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
In January 2014, J. Knipper and Company purchased the sampling distribution business of Medimedia located in Yardley, Pennsylvania. The company plans to consolidate the operations of this business with a portion of its existing operations in Somerset, New Jersey. To accomplish this, management is considering combining the 86 administrative and support positions from Yardley with 50 positions from Somerset into one office. If the applicant chooses to locate the employees in New Jersey, it would lease 17,958 sq ft of space in Lawrenceville. Alternatively, the company is considering locating the project in Bensalem, Pennsylvania. The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of J. Knipper and Company has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by James J. Knipper, the CEO of J. Knipper and Company, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $20.3 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 50 New Jersey jobs listed in the application are at risk of being located outside the State on or before November 1, 2014, the date it plans to open the new office location. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

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

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

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

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs AND/OR create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

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

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As a Non-Industrial – Rehabilitation Project for a non-targeted business in Mercer County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$718,320</td>
<td>$746,500</td>
</tr>
<tr>
<td>New Jobs</td>
<td>35</td>
<td>86</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

The Grow New Jersey Statute and the program’s rules also establish criteria for the Grant Calculation. This project has been deemed eligible for a Base Award and Increases based on the following:

<table>
<thead>
<tr>
<th>Base Grant</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Area</td>
<td>Base award of $3,000 per year for projects located in a designated Priority Area</td>
<td>1009 Lenox Drive in Lawrence Township is in a designated Priority Area</td>
</tr>
</tbody>
</table>

| Increase(s) Criteria | |
|----------------------||
| None                 | |
Grant Calculation

<table>
<thead>
<tr>
<th>BASE GRANT PER EMPLOYEE:</th>
<th>$3,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Area</td>
<td></td>
</tr>
</tbody>
</table>

| INCREASES PER EMPLOYEE: | None |

| INCREASE PER EMPLOYEE: | $0,000 |

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

| LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT: | $3,000 |

<table>
<thead>
<tr>
<th>AWARD:</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jobs: 86 Jobs X $3,000 X 100% = $258,000</td>
</tr>
<tr>
<td>Retained Jobs: 50 Jobs X $3,000 X 50% = $75,000</td>
</tr>
<tr>
<td>Total: $333,000</td>
</tr>
</tbody>
</table>

| ANNUAL LIMITS: |
| Priority Area (est. 90% Withholding Limit) |
| $4,000,000/($133,551) |

| TOTAL ANNUAL AWARD | $333,000 |

| ESTIMATED ELIGIBLE CAPITAL INVESTMENT: | $746,500 |
| NEW FULL-TIME JOBS: | 86 |
| RETAINED FULL-TIME JOBS: | 50 |

| NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): | $20,288,387 |
| TOTAL AMOUNT OF AWARD (CAPPED ANNUALLY AT 90% OF WITHHOLDINGS) | $3,330,000 |
| ELIGIBILITY PERIOD: | 10 years |
| MEDIAN WAGES: | $48,000 |
| SIZE OF PROJECT LOCATION: | 17,958 sq. ft. |
| NEW BUILDING OR EXISTING LOCATION? | Existing |
| INDUSTRIAL OR NON-INDUSTRIAL FACILITY? | Non-Industrial |
| STATEWIDE BASE EMPLOYMENT: | 396 |
| PROJECT IS: | ( ) Expansion | (X) Relocation |
| CONSTRUCTION: | (X) Yes | ( ) No |
CONDITIONS OF APPROVAL:
1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before November 1, 2014; 2) approve the proposed Grow New Jersey grant to encourage J. Knipper and Company to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: D. Ubinger  
APPROVAL OFFICER: K. McCullough
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM

APPLICANT: Sandy Alexander, Inc. P39572

PROJECT LOCATION: 142 & 200 Entin Road Clifton City Passaic County

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

APPLICANT BACKGROUND:
In operation since 1963, Sandy Alexander, Inc. is a full service graphic communication company with extensive web and sheet-fed printing capabilities with production facilities in Clifton, New Jersey and St. Petersburg, Florida. The company’s products include direct marketing mailers, handouts, banners, store displays, corporate annual reports, automobile and pharmaceutical brochures, retail catalogs, magazine inserts and other high quality advertisements. The company currently operates from a 134,000 sq. ft. manufacturing and headquarters facility in Clifton, NJ. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:
Sandy Alexander’s lease in Clifton expires in May 2015 and the company has reached its capacity in the NJ facility. The company has applied for an award of tax credits under Grow NJ program as an incentive to expand its operations at its current location instead of Orangeburg, Rockland County, New York expecting to retain 216 jobs in NJ plus create an additional 74.

The location analysis submitted to the Authority shows New Jersey to be the less expensive option, however the State of NY is offering approx. $14 million in incentives that can be utilized by the company if they choose Rockland County, NY and, as a result, the management of Sandy Alexander, Inc. has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Michael Graff the CEO of Sandy Alexander, Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of $92 million over the 20 year period required by the Statute.

FINDING OF JOBS AT RISK:
The applicant has certified that the 216 New Jersey jobs listed in the application are at risk of being located outside the State on or before June 1, 2015, which coincides with the expiration of the current lease. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

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

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

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

Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

- Retain full-time jobs AND/OR create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements (New / Retained Full-time Jobs)

| Tech start ups and manufacturing businesses | 10 / 25 |
| Other targeted industries                  | 25 / 35 |
| All other businesses/industries            | 35 / 50 |

Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem

As an Industrial - Rehabilitation Project for a manufacturing business in Passaic County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Minimum Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment</td>
<td>$2,680,000</td>
<td>$2,800,000</td>
</tr>
<tr>
<td>New Jobs</td>
<td>10</td>
<td>74</td>
</tr>
<tr>
<td>Retained Jobs</td>
<td>25</td>
<td>216</td>
</tr>
</tbody>
</table>

The Grow New Jersey Statute and the program’s rules also establish criteria for the Grant Calculation. This project has been deemed eligible for a Base Award and Increases based on the following:

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

<table>
<thead>
<tr>
<th>Increase(s) Criteria</th>
<th>Requirement</th>
<th>Proposed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Oriented Development</td>
<td>An increase of $2,000 per job for a project locating in a Transit Oriented Development</td>
<td>142 and 200 Entin Road are located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a New Jersey Transit Corporation rail station.</td>
</tr>
<tr>
<td>Large Number of New/Retained Full-Time Jobs</td>
<td>An increase of $500 per job for 251-400 new or retained jobs, $750 per job for 401-600 new or retained jobs, $1,000 for 601-800 new or retained jobs, $1,250 for 801-1,000 new or retained jobs and</td>
<td>The applicant is proposing to create/retain 290 Full-Time Jobs at the project location resulting in an increase of $500.</td>
</tr>
<tr>
<td>Sandy Alexander, Inc.</td>
<td>Grow New Jersey</td>
<td>Page 3</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>$1,500 for more than 1,000 new or retained jobs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Targeted Industry</strong></td>
<td><strong>An increase of $500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business</strong></td>
<td><strong>The applicant is a Manufacturing business.</strong></td>
</tr>
</tbody>
</table>

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**Grant Calculation**

**BASE GRANT PER EMPLOYEE:**
- Distressed Municipality: $4,000

**INCREASES PER EMPLOYEE:**
- Transit Oriented Development: $2,000
- Large Number of New/Retained F/T Jobs: $500
- Targeted Industry (Manufacturing): $500

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

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

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

**AWARD:**
- New Jobs: 74 Jobs X $7,000 X 100% = $518,000
- Retained Jobs: 216 Jobs X $7,000 X 50% = $756,000

**Total:** $1,274,000

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

**TOTAL ANNUAL AWARD**
$1,274,000
Sandy Alexander, Inc.  Grow New Jersey

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $2,800,000
NEW FULL-TIME JOBS: 74
RETAINED FULL-TIME JOBS: 216

NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): $91,831,525
TOTAL AMOUNT OF AWARD: $12,740,000
ELIGIBILITY PERIOD: 10 years
MEDIAN WAGES: $59,619
SIZE OF PROJECT LOCATION: 134,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION? Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Industrial
STATEWIDE BASE EMPLOYMENT: 216
PROJECT IS: (X) Expansion ( ) Relocation
CONSTRUCTION: (X) Yes ( ) No

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

APPROVAL REQUEST:
The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before June 1, 2015; 2) approve the proposed Grow New Jersey grant to encourage Sandy Alexander, Inc. to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: D. Ubinger  APPROVAL OFFICER: T. Wells
DIGITAL MEDIA TAX CREDIT TRANSFER PROGRAM
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: August 12, 2014

SUBJECT: New Jersey Edison Innovation Digital Media Tax Credit Program
NBCUniversal Extension Request

BACKGROUND

At the July 8, 2008 Board Meeting, staff presented a summary of the New Jersey Edison Innovation Digital Media Tax Credit Program. This program provides a credit under the New Jersey Corporation Business Tax for digital media content production expenses incurred in New Jersey. The purpose of this tax credit is to encourage digital media content production activities and related employment in New Jersey. Legislation directs the New Jersey Division of Taxation ("Taxation") and the Authority to implement the program, with the assistance of the New Jersey Motion Picture and Television Commission ("Film Commission"). Taxation has promulgated and published the program rules.

A tax credit of 20% of the Qualified Digital Media Content Production Expenses may be granted to an applicant if at least $2,000,000 of the Total Digital Media Content Production Expenses is incurred in New Jersey; and at least 50% of the Qualified Digital Media Content Production Expenses is comprised of qualified wages and salaries paid to full-time digital media employees in New Jersey (with at least 10 new digital media jobs ≥$65,000).

Beginning with State Fiscal Year 2009, five million dollars in tax credits are available for each state fiscal year until the program expires in 2015. The tax credit may be utilized by the applicant or sold to another corporation via the issuance of a tax transfer certificate.

Applicants may only apply for the current state fiscal year. Taxation will verify the actual eligible expenses prior to issuing a tax credit.
APPROVAL REQUEST:

NBCUniversal Media, LLC was approved for an $8,960,000 digital media tax credit in June of 2013. The tax credit was allocated utilizing the full $5,000,000 from State Fiscal Year 2013 as well as $3,960,000 from State Fiscal Year 2014. As a condition of approval, the applicant was given one year after the end of the State Fiscal Year to submit an acceptable CPA report demonstrating that it met all of the requirements of the Program. The CPA report was due by July 1, 2014.

The applicant is in need of more time to complete the CPA report and has requested an additional 90 days in which to do so.

RECOMMENDATION:

Based on the above, staff recommends an extension of the due date on NBCUniversal Media, LLC’s digital media CPA report until September 30, 2014.

Prepared by: J. Rosenfeld
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: August 12, 2014

SUBJECT: Linden Development, LLC ("Linden")
Former General Motors Plant Assembly Site, Linden, New Jersey
Brownfields Reimbursement Grant

Request:
Consent to the following changes in the Brownfields Site Reimbursement Agreement ("BRIA") for Linden Development, LLC:

1. Approve the subdivision of the site separating the retail from the industrial tracts; and

2. Proportionally reduce the good faith estimate of remediation costs from $27.7 million to $9.9 million and the 75% reimbursement under the BRIA from $20.8 million to $7.4 million.

The proposed changes will align the project with the new ownership structure and will reduce the state’s requirement to reimburse taxes under the BRIA. The new owner of the industrial tracts, a related entity, Duke Linden, LLC, will assume sole responsibility for the cleanup of the tracts without Brownfields reimbursement. NJDEP concurs with these changes and will continue to monitor the cleanup on both tracts.

Background:
Linden was formed in 2007 to acquire the site and perform site remediation and redevelopment at the former General Motors Plant Assembly Site in Linden. Remediation of the site is ongoing and upon its completion a retail plaza and industrial warehouse park will be constructed.

In December 2007, Linden entered into a Remediation Agreement with the New Jersey Department of Environmental Protection ("NJDEP") to remediate the site. In May, 2008, the members of the New Jersey Commerce Commission ("NJCC") board approved Linden’s application to the Brownfields Reimbursement Program. After the consolidation of the NJCC with EDA, EDA worked with the applicant to close the grant (August 2008). The project has not received reimbursement under the agreement to date.

Under the current agreement, Linden was eligible to receive a 75% reimbursement of a $27.7 million Good Faith Estimate provided for the cleanup (up to $20.8 million). In late 2013, Linden contacted EDA to request a change in its agreement due to the pending sale of the industrial tracts of the site to Duke Linden Realty, LLC ("Duke Linden") a related entity. Under the terms of the purchase and sale agreement, Linden and Duke Linden agreed to split the parcels as follows:
1. Linden will continue to own and be responsible for the remediation and redevelopment of the retail tracts of the site (parcels: Block 469, Lot 38.01; Block 470 Lot 5.02; Block 470 Lot 9.01, 9.02, 9.03; and Block 471, Lot 7.01); and

2. Duke Linden will take ownership of the industrial tracts of the site (parcels: Block 469, Lot 38.02 and Block 470, Lots 7.01 and 7.02) and is obligated under the purchase and sale agreement to complete the remediation and redevelopment of the industrial tracts as well as maintain all required NJDEP filings, submissions, and funding sources for the industrial tracts. Duke Linden has advised that it will not separately apply for a new BRIA as it does not expect to generate enough taxes for reimbursement on that portion of the site.

Under the proposed structure Linden will be eligible to receive up to 75% (approximately $7.4 million) of the revised good faith estimate approved by NJDEP of (approximately $9.9 million). With the amendment to the agreement Linden would only be permitted to receive up to 75% of past and future eligible reimbursement costs of the retail tracts of the site, subject to verification of eligible taxes being generated on the retail tracts by the New Jersey Division of Taxation.

Any prior or future remediation costs incurred by Linden for the industrial tracts will not be eligible for reimbursement by the State of New Jersey under the BRIA. The remediation of the retail and industrial tracts is being completed under NJDEP oversight. NJDEP has advised that there will not be any negative impact to the project site as a result of this subdivision, and will continue to monitor the cleanup of both the Linden retail portion that will remain the applicant on the BRIA, as well as the remediation of the Duke Linden portion which will be done solely by the developer/owner of that site.

**Recommendation**

Consent to the following changes to the BRIA:

1. Subdivision of the site separating the retail from the industrial tracts; and

2. The proportional reduction in the good faith estimate from $27.7 million to $9.9 million and the 75% reimbursement under the BRIA from $20.8 million to $7.4 million.

These proposed changes will align the agreement with the current ownership structure and will reduce the state’s reimbursement under the BRIA while ensuring that the project site cleanup occurs as was originally contemplated under the agreement. NJDEP concurs with these changes and will continue to monitor the remediation of both tracts to ensure the cleanup of the entire site is complete.

**Prepared by:** John Shanley
MEMORANDUM

TO: Members of the Authority

FROM: Tim J. Lizura
President and Chief Operating Officer

DATE: August 12, 2014

SUBJECT: NJ Natural Gas Company (P36797)
Morris County, NJ
$97 Million Tax Exempt Refunding Bonds (collectively the “Bonds”)

Request:
Consent to adding a new Interest Rate Mode to this existing multi-modal bond issue. The approval will allow borrower to reduce borrowing costs as the addition of a new rate will facilitate the direct purchase of the bonds by a lender that is not requiring a liquidity facility as security for the bonds.

Background:
New Jersey Natural Gas Company (NJNG) is a natural gas utility that provides service to approximately 500,000 customers in central and northern New Jersey. NJNG is regulated by the NJ Board of Public Utilities (BPU). Since 1980, EDA has provided tax-exempt bond assistance in an aggregate amount of approximately $120,000,000, all of which, except for this Bond, has been paid in full.

In August, 2011 the Members approved a $97 million tax-exempt Bond to refund previously issued EDA Bonds from 1995 through 1998, proceeds of which were originally used to acquire and install natural gas distribution, transmissions mains, and customer service lines. The Bond was offered publicly by J.P. Morgan Securities and is currently rated Aa2 by Moody’s and A+ by Standard and Poor’s. The Bond was issued in a Variable Rate Demand Bond mode and is backed by a 1:1 coverage liquidity facility with JP Morgan. The current balance remains $97 Million because the Bond was issued as a term bond that does not require principal payments until the Bond’s maturity of 8/1/2041. As a conduit financing, the Authority has no credit exposure.

NJNG is requesting the Members' consent to a new interest rate mode at a Bank Index Rate equal to the tax exempt equivalent of 1 month LIBOR (currently, 0.16%) plus approximately 55.0 basis points. The Bank Index also permits the use of SIFMA in determining the effective rate on the Bonds. Wells Fargo Municipal Capital Strategies, LLC has agreed to purchase the Bond at the new mode on or about October 1, 2014 for a 5 year term. The purchase will allow the release of the liquidity facility, reducing the Borrower's financing costs. The maturity of the bond will remain unchanged. The Borrower will substitute a new Mortgage Indenture in connection with this modification request contingent upon receipt of a rating agency report for their outstanding Bond.
Wolff & Samson, Bond Counsel, has advised that the additional interest rate period will constitute a reissuance of the Bond for Federal tax law purposes. They have also opined that the tax-exempt status of the Bond will not be adversely affected as a result of this modification.

**Recommendation:**
Consent to the addition of a Bank Index Rate Period and execution of a consent to the substitute mortgage Indenture, as described above.

Prepared By: Lori Zagarella
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and COO

DATE: August 12, 2014

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

The following projects were approved under Delegated Authority in July 2014:

**NJ Main Street Program:**

1) Michael Graves & Associates, Inc. (P39421), located in Princeton Borough, Mercer County, was founded in 1964 as an architecture and design conglomerate. Michael Graves & Associates, Inc. (“MGA”) operates out of a commercial property that is owned by a related entity. The practice comprises two firms: MGA, which provides master planning, architecture, and interior design services, and Michael Graves Design Group, which specializes in product design and graphic design. The two firms are integrated and provide a range of architecture, interiors and furnishing services. Provident Bank approved a $2,000,000 line of credit contingent upon a one year, 25% Authority guarantee of principal outstanding, not to exceed $500,000 under the Main Street Assistance Program. The Company currently has 52 employees and plans to create 10 new jobs over the next two years. SSBCI funds will be utilized for this project.

**Small Business Fund Program:**

1) Breslow Paint and Wallpaper of Livingston, Inc. and Shaw Brother Holdings, LLC (P39474 & P39488) are located in Livingston Township, Essex County. Breslow Paint and Wallpaper of Livingston Inc. was founded in 1924 to provide products in paint, window treatments and retractable awnings out of its two NJ showrooms. Breslow Paint now services window treatments and awnings throughout the tri-state area and sells paint globally to all 50 states and to over 48 different countries through its ecommerce division: www.myperfectcolor.com. The Company was approved for a $276,000 loan under the Small Business Fund. Proceeds will be used to refinance existing debt. The Company currently has ten employees and plans to create four new positions over the next two years.
2) Lorenzo’s SaR, LLC (P39494), located in Vineland City, Cumberland County, is a real estate holding entity formed to purchase the project property. The operating company, Camilas SaR, LLC owns and operates a Tony Soprano pizzeria franchise. Both entities are owned by Sergio Alvarez who successfully operated the business for the past six years. M&T Bank approved a $475,000 bank loan contingent upon a $237,500 (50%) EDA participation. Proceeds will be used to purchase the project property. Currently, the Company has six employees. SSBCI funds will be utilized for this project.

Direct Loan Program:

1) 201 West Walnut LLP (P39561), located in North Wildwood City, Cape May County, shares ownership of two restaurants with the Malusa family since 1994, operating under the name of Nino’s Family Restaurant. The restaurant located at 201 West Walnut Avenue in North Wildwood was damaged by Superstorm Sandy and has been condemned. The building must be demolished and rebuilt. The other restaurant in Cape May Court House was not damaged and remains open. The Company was approved for a $375,000 direct loan to refinance an existing mortgage. The Company plans to create 12 new positions within the next two years.

Stronger NJ Loan Program:

1) City Theatrical, Inc. (P39395), located in Carlstadt Borough, Bergen County, was founded in 1986 as a lighting equipment sales company and has been operating in New Jersey for the past eight years with the current owner. The Company suffered flooding and wind damage during Superstorm Sandy in excess of $5,000. The Company, which did not receive funding under the Grant Program, was approved for a $1,304,155 working capital loan under the Stronger NJ Business Loan Program. Proceeds will fund working capital expenses incurred in 2014, including inventory and other working capital expenses such as payroll, insurance, utilities and rent.

2) Ohana Enterprises LLC (P39367), is located in Dover Township, Ocean County. Ohana Enterprises LLC operates a Shell Station with a convenience store and car wash in Toms, River, NJ. The Company experienced flood damage during Superstorm Sandy in excess of $5,000. The Company, which received $50,000 under the Grant Program, was approved for a $1,199,405 working capital loan under the Stronger NJ Business Loan Program. Proceeds will be used for working capital expenses incurred in 2014. EDA completed a financial review for a construction loan. Final approval is subject to satisfactory DEP environmental review.

3) Shelley’s Food Stores Inc. (P39277), located in Jersey City, Hudson County, was founded in 1950 as a small butcher shop and in 1963 launched a wholesale operation located on Fairmount Avenue. Today, the Company is owned by Scott Gellar, who took sole ownership of the Company in 2012. The Company has two distinct lines of business: Shelley’s Met Market, a Supermarket, and Shelley’s Foodservice. Shelley’s was approved for a $1,093,904 working capital loan under the Stronger NJ Business Loan Program. Proceeds will be used for working capital expenses incurred in 2013.
Camden ERB:

1) Jerry Powers and Corinne Bradley (P28614), located in Camden City, Camden County, purchased the project properties in 1999. The operating company, Corinne’s Place, was formed in 1989 as a Soul Food restaurant and caterer in Camden. The Company operates from the properties located at 1254 and 1256 Haddon Avenue. They completed improvements and renovations totaling $61,970, which include pressure washing, façade repairs, painting and security windows. Parkside Business and Community in Partnership provided a $35,000 loan and a $6,970 grant, which were used in combination with a $20,000 equity contribution to complete the project. The Company is leasing 6,000 square feet of space and was approved for a $20,000 Business Improvement Incentive Grant to reimburse their equity contribution and will be disbursed at closing as renovations have been completed. The Company currently has eight employees.

Stronger NJ Loan Program - Modification:

1) Casa Comieda, Inc. t/a Casa Comida (P38762) was approved on April 30, 2014 for a $224,004 working capital loan under the Stronger NJ Business Loan Program. Subsequent to the initial approval, it was discovered there is an existing first lien on business assets and a portion of the loan should be forgivable because less than $50,000 was approved under the Grant Program. The Company previously received $24,669 in the form of a grant but not the full $50,000 as the original approval documented. Therefore, the approval will be amended to change the collateral from a first lien to a second lien on business assets, and add a $25,331 forgivable loan. 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: August 12, 2014

RE: Leases between the Technology Centre of New Jersey, LLC and the New Jersey Economic Development Authority
Commercialization Center for Innovative Technologies, North Brunswick, NJ

Summary
The Members are asked to approve the execution of lease amendments for: 1) Lease dated January 22, 2002 between the Technology Centre of New Jersey, LLC ("LLC") and the NJ Economic Development Authority ("Authority") for the Commercialization Center for Innovative Technologies ("CCIT"), and 2) Lease dated May 19, 2004 between the LLC and the Authority for the CCIT expansion property.

Background
At the September, 2001 meeting of the Authority, the Board approved a fifteen year lease between the LLC and the Authority for 20,000 square feet of shell space in the Tech III building for the establishment of CCIT, a wet lab incubator for sublease to various entrepreneurial scientific entities. Lease payments to the LLC began at $4 per square foot, which was well below then-market rates, plus a variable component of 2% of the gross revenue of the Authority’s sub-tenants. The rental rate is currently at $9 per square foot, plus the 2% rent which is approximately $8,000 per year, through the termination date of February 28, 2017. The lease provides for two five year renewal options at $11 per square foot for the first renewal term, and $13 per square foot for the second renewal term, plus the 2% rent throughout.

At the March, 2004 meeting of the Authority, the Board approved a second fifteen year lease between the LLC and the Authority for 18,000 square feet of shell space in the Tech III building, contiguous to the original leased premises, for the expansion of CCIT. Lease payments to the LLC began at $9 per square foot and are currently at $10 per square foot through 2014, increasing to $11 per square foot through the termination date of December 31, 2019. The lease provides for one five year renewal option at $12 per square foot.

Proposed Lease Modifications
The Authority is in the process of selling its interest as landlord in the Technology Centre, except for the CCIT space. These two CCIT leases will be assigned to the buyer as the new landlord when the site is sold. As part of its due diligence process, the real estate sales broker for the transaction, CB Richard Ellis ("CBRE"), examined the CCIT leases and requested that certain revisions be made for clarification and consistency. Based on CBRE’s request, and after staff
review and discussions with the Authority’s partner in the LLC, the AFL-CIO Building Investment Trust (“BIT”), the following modifications to the two leases are recommended:

1) **Definition of Building Share:** The Building Share definition will be corrected to be consistent with the manner in which CAM is currently being billed, and consistent with all of the other Tech Centre leases.

2) **Extension of Lease Term:** The term of the original CCIT lease will be extended from February 28, 2017 to December 31, 2019 so as to be coterminous with the expiration of the current term of the CCIT expansion space.

3) **Second Renewal Term:** A second renewal term of five years will be added to the lease for the CCIT expansion space, consistent with the original lease.

4) **Square Footage:** The square footage of the original CCIT lease will be increased from 20,000 square feet to 20,512 square feet, and the CCIT expansion lease will be increased from 18,000 square feet to 20,361 square feet to account for common areas in the Tech III building.

5) **2% Rent:** The variable 2% rent on gross revenue required on the original CCIT lease will be eliminated.

6) **Rent:** The base rent per square foot for the original and renewal terms will be adjusted so there is no net negative financial impact to the Authority or to the LLC as a result of the above changes as follows:
   a) **Original CCIT Lease:**
      i) Base Rent will remain at $9 per square foot through February 28, 2017, and then will increase to $11 per square for the remainder of the extended initial term through December 31, 2019.
      ii) For the first renewal term, base rent will be $10.50 per square foot.
      iii) For the second renewal term, base rent will be $12.34 per square foot.
   b) **CCIT Expansion Lease:**
      i) Base Rent will be reduced to $9 per square foot through 2014, and then increase to $9.50 per square foot for the remainder of the initial term through December 31, 2019.
      ii) For the first renewal term, base rent will be $10.50 per square foot.
      iii) For the second renewal term, base rent will be $12.34 per square foot.

It is an advantage to the Authority to modify these leases at the present time, working with the BIT, rather than negotiate with an unknown new owner of the Tech Centre. The Authority’s rates remain low, at roughly half of current market rates, and are locked in through 2029 if the Authority chooses to exercise all renewal options. The proposed changes result in leases which are consistent with the other leases at the Tech Centre, are more efficient to administer, more appealing to potential purchasers of the Tech Centre, and result in stable rental rates for the Authority through two renewal terms.

These terms have been reviewed and approved by the BIT. If approved by the Members, changes will be effective as of September 1, 2014.
**Recommendation**

In summary, I am asking the Board Members’ approval to 1) execute a lease amendment for the lease dated January 22, 2002 between the Technology Centre of New Jersey, LLC and the NJ Economic Development Authority for the Commercialization Center for Innovative Technologies (“CCIT”), and 2) execute a lease amendment for the lease dated May 19, 2004 between the Technology Centre of New Jersey, LLC and the NJ Economic Development Authority for the CCIT expansion space, and 3) 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.

Timothy J. Lanza
President/Chief Operating Officer

Prepared by: Christine Roberts
MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura  
President and Chief Operating Officer

DATE: August 12, 2014

SUBJECT: Amendment to Stronger NJ Business Loan Program Policies

Request

The Members are asked to approve an amendment to the Stronger NJ Business Loan Program to revise the date on which all loan disbursements must be complete from 12/31/14 to 5/13/15.

Background

On 6/11/13, the Members approved the creation of the Stronger NJ Business Loan program in response to Superstorm Sandy.

Amend the Disbursement Completion Date

Currently, the Stronger NJ Business Loan Program requires that all loans be fully disbursed by 12/31/14. It is requested that this date be amended to 5/13/15. This new date represents two years post the date the New Jersey Department of Community Affairs entered into a Community Development Block Grant Disaster grant agreement with The United States Department of Housing and Urban Development.

Recommendation

It is recommended that the Members approve the amendment to the Stronger NJ Business Loan Program as requested.

Prepared by: David A. Lawyer
MEMORANDUM

To: Members of the Authority

From: Michele Brown
Chief Executive Officer

Date: August 12, 2014

Subject: Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program – Round Two Appeal – Berkeley Township

Pursuant to the appeal process approved by the Board at the October 8, 2013 Board meeting, applicants to the Stronger NJ Neighborhood & Community Revitalization program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 20 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned to each project to provide an independent review of the appeal.

The Streetscape Revitalization Program provides financial assistance to municipalities in support of improvements such as streetscapes, façade enhancements, code-related and other physical upgrades to commercial areas. In accordance with the NCR Guide and further outlined in a November 13, 2013 memo to the EDA Board, proposed projects were scored on a comparative basis using weighted evaluative criteria detailed in the aforementioned memo. All review and scoring was based on the documentation and detail provided in each application. The EDA Board was notified of the final scores in a memo dated April 8, 2014. On April 17, 2014 EDA informed Berkeley Township that their submitted project scored 46, which was below the minimum score of 55.

At this meeting, the Board is being asked to consider the appeal of Berkeley Township. Attached to this memo you will find the Hearing Officer’s recommendation and the Hearing Officer’s report to the applicant. I have reviewed the attached and I concur with the recommendation that the declination under the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program for Berkeley Township be upheld.

Michele Brown

attachments
MEMORANDUM

TO: Michele Brown, Chief Executive Officer
    Members of the Authority

FROM: Mary Correia
       Hearing Officer

DATE: August 12, 2014

SUBJECT: Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program – Round Two Appeal – Berkeley Township

Request:
The Members are asked to approve the Hearing Officer’s recommendation to uphold the declination of the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program (Round Two) for Berkeley Township.

Background:
Pursuant to the appeal process approved by the Board at the October 8, 2013 Board meeting, applicants to the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 20 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned by the CEO to provide an independent review of the appeal. Mary Correia fulfilled the role of Hearing Officer to review this appeal, and has completed her review with legal guidance from the Attorney General’s Office.

The appeal has been reviewed and a letter has been sent to the applicant with the Hearing Officer’s recommendations. The applicant was given the opportunity to contact the Hearing Officer with comments or exceptions to the Hearing Officer’s recommendation. The letter and any applicant responses received prior to the agenda packet being sent to the Board are attached; any responses received thereafter will be presented at the time of the Board meeting.

Based on the review of the appeal submitted by the applicant and the process undertaken and scores assessed by the EDA evaluation committee for this program, the Hearing Officer recommends the original declination be upheld. In accordance with program requirements, the review and analysis conducted by the evaluation committee resulted in the appellant receiving a score of 46 points (on a 100 point scale) using comparative evaluative criteria; this was below the minimum 55 points required to be eligible for consideration to receive funds. Berkeley
Township alleged that it should have received higher scores for seven (7) of the nine (9) evaluative criteria. However, the Hearing Officer, based on her review of Berkeley Township’s application and the other applications submitted, determined that the scores given to Berkeley Township were reasonable and were not arbitrary or capricious. She therefore determined that the declination should be affirmed by the Board.

**Recommendation:**
As a result of careful consideration of the above appeal in consultation with the Attorney General's Office, the recommendation of the Hearing Officer is to uphold the declination of Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program funding for Berkeley Township.

Prepared by: Mary Correia, Hearing Officer
August 4, 2014

VIA CERTIFIED – RETURN RECEIPT & EMAIL

Mr. Alan B. Dittenhofer
Remington, Vernick & Vena Engineers
9 Allen Street
Toms River, NJ 08753

RE: StrongerNJ Neighborhood and Community Revitalization Streetscape Program - Round Two Appeal for Berkeley Township

Dear Mr. Dittenhofer:

My name is Mary Correia and I was appointed to serve as the Appeal Officer for Berkeley Township’s appeal under the New Jersey Economic Development Authority’s (“NJEDA”) Stronger New Jersey Neighborhood and Community Revitalization – Streetscape Program (“Program”). I have reviewed your appeal dated May 5, 2014; below is a summary of my review and final determination.

By way of background, the Streetscape Revitalization Program provides financial assistance to municipalities in the range of $125,000 - $1.5 Million per project in support of improvements such as streetscapes, façade enhancements, code-related and other physical upgrades to commercial areas. In accordance with the NCR Guide and further outlined in a November 13, 2013 memo to the NJEDA Board, proposed projects under the program were scored on a comparative basis using weighted evaluative criteria detailed in the aforementioned memo. To be considered for funding, a project must have received a minimum 55 points on a 100 point scale. Scores were issued based on a comparative evaluation of the collective body of eligible applications for many criteria. For other criteria, scores were assigned according to objective standards established by the Evaluation Committee.

In accordance with the NCR Guide and further outlined in the November 2013 memo to the NJEDA Board, a comparative scoring methodology was employed to ensure the best use of limited program funds ($10 Million available for Rounds One and Two collectively, with requests totaling over $27 Million). This process measured how proposed projects aligned with program requirements when compared against all other eligible applicants. Those projects determined to most closely meet eligible program activities and uses and evaluation criteria received the highest scores and were ranked accordingly. The scoring process was not intended to – and did not – score applications individually. It was solely within the comparative context of all potential projects that final scores were rendered by the evaluation committee.
Project evaluation was carried out by a committee of NJEDA staff, all of whom have extensive experience reviewing projects similar in nature to those eligible under the Streetscape Program. All review and scoring was based on the documentation and detail provided in each application or requested for clarification. No information provided after the application and review period was considered in the final scoring of applicants under this program. Accordingly it is not appropriate to consider information provided after the application and review process in this appeal. The NJEDA Board was notified of the final scores in a memo dated April 8, 2014.

On April 17, 2014 NJEDA wrote a letter to Berkeley Township notifying it that its project scored 46, which was below the minimum required score of 55.

In its appeal dated May 5, 2014 Berkeley Township contends it deserved higher scores than what it was given by the evaluation committee on seven (7) of the nine (9) evaluative criteria:

- **Superstorm Sandy Impacted Community – Level of Damage to Proposed Project Vicinity**: EDA score - 0; appellant contends 8 out of 10 possible points.
- **Readiness to Proceed and Succeed**: EDA score - 5; appellant contends 8, if not 10, out of 10 possible points.
- **Low or Moderate Income Community**: EDA score - 0; appellant contends 10 out of 10 possible points.
- **Experience**: EDA score - 5; appellant contends 10 out of 10 possible points.
- **Adherence with Plan**: EDA score - 3; appellant contends 10 out of 10 possible points.
- **Extent to which the project will enhance the neighborhood and community at large as documented in the submission package**: EDA score - 5; appellant contends 15 out of 15 possible points.
- **Increase the resiliency of the surrounding community to rebound from future weather-related disasters**: EDA score - 3; appellant contends 7 out of 10 possible points.

In order to evaluate Berkeley Township’s appeal, I undertook the following methodology: For those criteria scored on defined criteria (such as county of location or dollar amount of damage) specific to each proposed project (and not scored comparatively), I reviewed the information provided at application or further clarified during the review process to determine if the correct score was issued based on program requirements. For those criteria with scores issued based on a comparative review of the eligible applicants, I selected a sample of projects under each criteria being appealed that received high, middle and low scores and reviewed them in conjunction with the scores provided to the appellant to determine if the scores given by the evaluation committee were reasonable, not arbitrary or capricious in any manner and were issued in accordance with program requirements. In other words, I reviewed to determine that the comparative score assigned to each project was assigned fairly. My review findings were as follows:

**Superstorm Sandy Impacted Community – Level of Damage to Proposed Project Vicinity:**

The score for this criterion is based solely on an applicant’s reporting of the amount of damage to the immediate vicinity of the proposed project. Scores were issued based on the following self-reported values from the applicants: $0 or N/A = 0; <$1 Million = 3; $1 Million - $4 Million = 5; $4 Million - $6 Million = 7; $6 Million+ = 10. Berkeley Township indicated in its application that the dollar value of structural damage in the immediate vicinity of the proposed project was
$0, which resulted in a score of 0. I find this score to have been in keeping with the rules for the method of scoring and therefore find no basis to overturn the score provided by the evaluation committee.

Readiness to Proceed and Succeed:
This requires projects with earlier completion dates to be given higher scores to ensure all awarded funds are disbursed by December 31, 2015. Also factored into the evaluation committee’s assignment of scores was a project’s overall readiness to proceed. Below are the dates and other clarifying information which support the final scores issued. Scores were issued based on the information submitted at application; it should be noted that actual start dates may be impacted by the completion of environmental review currently being undertaken by the Department of Environmental Protection (‘‘DEP’’).

- No Round Two applicants received a score of 10 under this criterion; the highest score assigned was 7.
- **Oceanport Borough (7 points)** – The proposed project included plans and a milestone project schedule. This project is the third phase of streetscape improvements and can move forward quickly, and is anticipated to have a short 2 month construction schedule. These factors were taken into consideration when issuing a score of 7.
- **Berkeley Township (5 points)** – The appellant provided conceptual drawings, but did not include a detailed schedule, only a statement that the project would be completed prior to December 31, 2015. The appellant did not clearly demonstrate how the proposed project would fulfill the requirements of this criterion, which resulted in a score of 5.
- **Harrison (3 points)** – This applicant proposed a project where only a portion of it – façade improvements – would be eligible under grant funding. With regard to this portion, it was identified as being in the developmental stages, with no project schedule included, which supported a score of 3 being assigned.
- **Middle Township (0 points)** The project schedule identified a 23 month duration. From the time of NJEDA final grant award, there would not be 23 months available to complete the project, which resulted in a score of zero.

Based on the information provided by applicants and the evaluation committee’s explanation of the methodology and rationale behind score assignment, I consider the scores to have been assigned fairly and in accordance with program requirements. Berkeley Township provided conceptual drawings which indicated a lower readiness to proceed and also did not approved a comprehensive timeline to document a completion date prior to December 31, 2015. I find that the level of readiness to proceed provided reasonably supports a score of 5 and therefore find no justification for overturning the score received by the appellant under this scoring criterion.

Low or Moderate Income Community:
The scores rendered under this criterion were based on the appellant’s self-reporting of whether or not the proposed project fell within a low or moderate income area, as defined by the U.S. Department of Housing and Development. Projects located in a low or moderate income area received a score of 10; those not located in a low or moderate income area received a zero. Proposed projects located partially in a low or moderate income area were given pro-rated scores based on the amount of the project located in a low/moderate area. Berkeley Township indicated in its application that the proposed project was not located in a low or moderate income area, and
was accordingly scored a zero. In my opinion this score was fairly rendered and I see no reason to overturn it.

Experience:
Applicant’s experience in successfully completing projects of a similar size and scope were considered by the evaluation committee when assigning scores. Below are the factors which supported the final scores issued.

- **Oceanport Borough (10 points)** – This applicant’s proposed project was the third phase and final phase of a project, with the first two phases already completed. They indicated project costs for the prior phases within a similar financial range to the proposed project ($166K - $335K). These factors supported the evaluation committee’s issuance of the highest score possible.
- **Perth Amboy (7 points)** – The applicant submitted as experience one project of similar size, scope and cost ($1.5 Million) and five smaller projects of lesser value; however, it provided limited information on the experience of other members of the project team besides the municipality, which resulted in the score of 7 being assigned by the evaluation committee.
- **Berkeley Township (5 points)** – Although the appeal letter states that the Township of Berkeley has constructed projects of much larger scale on a constant basis, the application submitted did not present any of that experience. Because the evaluation committee did not have experience information at the time of review for the application, the score rendered was a partial score based on the experience submitted for the engineering firm that is part of the project team for which experience information was available.
- **Harrison (3 points)** – The applicant submitted as experience one project of equal size and scope and one smaller project. The Program will be administered by the Town of Harrison, through the Harrison Downtown Community Development Partnership (HDCDP) but have not identified any architect/engineer or project management consulting company to administer the work, which is important in administering a project of this nature. The lack of information regarding these members of the team resulted in a score of 3.

Based on the information provided by applicant and as reviewed by the evaluation committee, the comparative scores assigned under this criterion appear fairly and reasonably issued and I find no justification for overturning the score of 5 received by Berkeley Township. The appellant did not provide any examples of prior experience for the township, so the evaluation committee rendered its score based solely on the information available at the time of review which was for prior experience for members of the project team. In absence of having information to review for the applicant, I find this to have been a fair way to assign a final score.

Adherence with Plan:
Applicant must document that project improvements are integral to implementing a comprehensive revitalization strategy or plan.

- **Oceanport (10 points)** – Oceanport has completed two previous phases of work in 2009 and 2010 as part of an overall streetscape improvement plan; the work to be undertaken utilizing program funds is a fundamental part of this overall plan and will be the final
element to a complete and cohesive project to revitalize and rejuvenate the Village Center. The evaluation committee's high score was supported by the facts that this project was the continuation of a planned community improvement program and comprehensive revitalization strategy.

- **Perth Amboy (7 points)** – The City of Perth Amboy has undertaken several significant planning projects to create strategies for the revitalizing the downtown and encouraging economic growth. Although one comprehensive master plan was not included in the application, elements of the proposed project were identified in several other studies.

- **Little Egg Harbor (5 points)** – The proposed pedestrian improvements under this project are part of an overall transportation enhancement project that includes other elements such as sidewalk and curbing construction that will connect residential communities to local shopping areas. The proposed streetscape improvements are part of an overall main street enhancement project, which supported a score of 5.

- **Berkeley Township (3 points)** – The proposed project is not currently part of a comprehensive revitalization strategy or plan; however, the applicant did submit a plan for this individual project. This is a proposed sidewalk project that is not part of and does not incorporate other comprehensive improvement strategies. These factors supported the evaluation committee issuing a score of 3.

Upon my review of the program requirements which guide the scoring for this criterion and the supporting factors considered by the evaluation committee, I find the scores to have been fairly assigned. Of the sample of projects I reviewed, Berkeley Township demonstrated the least adherence to a larger master plan or revitalization strategy required under this criterion and therefore I cannot find sufficient reason to overturn its score of 3.

**Extent to which project will enhance the neighborhood and community at large as documented in the submission package:**

- **South Toms River (10 points)** – The project objective is to increase the mobility throughout the Route 166 corridor and adjacent streets and neighborhoods, allowing residents, visitors, patrons, and employees of the businesses safe access to and throughout the entire area. The project plans to accomplish this by building sidewalks, curbing, driveway aprons, adding streetlights, and decorative trees.

- **Jersey City (7 points)** – The proposed project will be in areas and nodes along the corridors that have been hardest hit by Hurricane Sandy. Additionally, Jersey City is a participant in the NJDOT Complete Streets program. A Complete Street is defined as a means to provide safe access for all users by designing and operating a comprehensive, integrated, connected multi-modal network of transportation options. The proposed project achieves this goal; it is also a relatively cohesive project that achieves a number of goals beyond basic sidewalk rehab, which resulted in a score of 7.

- **Berkeley Township (5 points)** – The project objective is to promote pedestrian traffic throughout the business district. It plans to accomplish this by building new sidewalks and curbs along a busy corridor where none previously existed. While this project lends itself to improve pedestrian traffic along one corridor, it is not as cohesive in comparison to other proposals where the various elements of the project tie together to create a larger community impact.
• **Pleasantville (4 points)** The projects proposed in this application are recommended by the City’s Master Plan. Connects the bus terminal one block away from project area. It has basic streetscape elements, but fell a bit short by not actually making the connection to the transit hub noted.

Based upon the information provided by the applicants and the supporting information further described by the evaluation committee, I conclude the comparative scores issued for the sample projects are within program requirements and make reasonable sense, as I am able to clearly understand from the information provided which projects had greater impacts and most closely met the requirements of this scoring criterion and resulted in the range of scores comparatively issued. In my opinion Berkeley’s proposed project demonstrated a less comprehensive ability to enhance a neighborhood or the community at large in comparison to the higher scored proposed projects used for exemplary purposes herein. I am satisfied the evaluation committee issued scores that are supported by the degree to which each project sampled most closely fits the requirements of this scoring criterion; therefore, I cannot recommend overturning the appellant’s final score of 5.

Increase the resiliency of the surrounding community to rebound from future weather-related disasters:

• **Hoboken (10 points)** —Within the mixed-use project area which flooded heavily during Superstorm Sandy, the proposed streetscape and green infrastructure enhancements, including curb bump-outs, drainage relocations, bike parking, benches, crosswalk striping, ADA curb ramps, daylighting posts and pedestrian safety signage, solar-powered trash and recycling compactors, and rain garden curb extensions, will increase stormwater management capacity, build flood resiliency and promote the sustainability of business activity during future severe weather events. Green infrastructure improvements will improve stormwater management capacity and alleviate the severity of flooding that threatens the sustainability and resiliency of the project area business community.

• **Jersey City (5 points)** —In terms of resiliency this project includes installation of solar powered street lights in order to conserve electric consumption. Installation of five solar-powered device charging towers ("Street Charge" units), placed strategically in central zone of the area in question, so as to provide power-grid independent charging / electrical capacity, thus enabling communication and coordination with available emergency services. In addition to these measures, solar powered lighting and signaling systems will remove the dependency that these vital infrastructural components have on a power grid that has already failed the community. This project addresses resiliency on the electrical and communication aspect, but doesn’t include the type of water/flood resiliency to the extent of Hoboken, resulting in a score of 5.

• **Berkeley Township (3 points)** —The appellant, in response to an application question, indicated at the proposed project would not increase the resiliency of the surrounding community from future storm events, which would have automatically resulted in a score of zero. However, the appellant included in its project narrative some minor resiliency measures, including curbs, sidewalks, and aprons, which the evaluation committee warranted a score of 3.

• **Harrison (0 points)** —Only the façade improvement portion of this proposed project was deemed eligible for program funding, which did not include any resiliency measures against future storm events. This resulted in a score of zero under this criterion.
Based on my review of the scoring requirements of this criterion and information provided by the evaluation committee, I am satisfied that the appellant was fairly given a score of three. Although Berkeley Township indicated in its application that the proposed project would not increase future resiliency against storm-related events, the evaluation committee recognized minor resiliency measures in the project description, which allowed it to issue the given score, instead of an automatic zero for non-responsiveness. I find no reason to overturn the score provided.

My review has concluded the following:

- The members of the evaluation committee appear, under all seven (7) evaluative criteria scores being appealed, to have carried out the scoring process reasonably, fairly and in accordance with the Program Guide and other clarifying documents such as memos to the NJEDA Board. As such, the comparative score of 46 points out of 100 issued to the Township of Berkeley is supported by the record, is neither arbitrary nor capricious and should be allowed to stand.

Based on my review as the Appeal Officer, I concur with the original finding of the evaluation committee and find there is insufficient evidence to overturn the original declination in light of the applicant’s appeal; namely that the municipality should have received evaluative scores different than those issued by the evaluation committee.

For the above reasons, I will be recommending the appeal be denied by the NJEDA Board at its meeting on Tuesday, August 12, 2014 at 10:00a.m.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is listed below.

After the NJEDA Board concludes its review and renders its decision, subject to a ten (10) day veto period by the Governor, we will notice you of that final action.

Very truly yours,

Mary Correia, Hearing Officer
mcorreia@njeda.com
(609) 858-6914

c: Mayor Carmen F. Amato, Jr.
   Christopher Reid, Berkeley Township Administrator
   Michele Brown, Chief Executive Officer
   Timothy Lizura, President/Chief Operating Officer
MEMORANDUM

To: Members of the Authority

From: Michele Brown
Chief Executive Officer

Date: August 12, 2014

Subject: Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program – Round Two Appeal – Town of Harrison

Pursuant to the appeal process approved by the Board at the October 8, 2013 Board meeting, applicants to the Stronger NJ Neighborhood & Community Revitalization program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 20 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned to each project to provide an independent review of the appeal.

The Streetscape Revitalization Program provides financial assistance to municipalities in support of improvements such as streetscapes, façade enhancements, code-related and other physical upgrades to commercial areas. In accordance with the NCR Guide and further outlined in a November 13, 2013 memo to the EDA Board, proposed projects were scored on a comparative basis using weighted evaluative criteria detailed in the aforementioned memo. All review and scoring was based on the documentation and detail provided in each application. The EDA Board was notified of the final scores in a memo dated April 8, 2014. On April 17, 2014 EDA informed the Town of Harrison that their submitted project scored 44, which was below the minimum score of 55.

At this meeting, the Board is being asked to consider the appeal of the Town of Harrison. Attached to this memo you will find the Hearing Officer’s recommendation and the Hearing Officer’s report to the applicant. I have reviewed the attached and I concur with the recommendation that the declination under the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program for the Town of Harrison be upheld.

Michele Brown

attachments
MEMORANDUM

TO: Michele Brown, Chief Executive Officer
    Members of the Authority

FROM: Mary Correia
      Hearing Officer

DATE: August 12, 2014


Request:
The Members are asked to approve the Hearing Officer’s recommendation to uphold the declination of the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program (Round Two) for the Town of Harrison.

Background:
Pursuant to the appeal process approved by the Board at the October 8, 2013 Board meeting, applicants to the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 20 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned by the CEO to provide an independent review of the appeal. Mary Correia fulfilled the role of Hearing Officer to review this appeal, and has completed her review with legal guidance from the Attorney General’s Office.

The appeal has been reviewed and a letter has been sent to the applicant with the Hearing Officer’s recommendations. The applicant was given the opportunity to contact the Hearing Officer with comments or exceptions to the Hearing Officer’s recommendation. The letter and any applicant responses received prior to the agenda packet being sent to the Board are attached; any responses received thereafter will be presented at the time of the Board meeting.

Based on the review of the appeal submitted by the applicant and the process undertaken and scores assessed by the EDA evaluation committee for this program, the Hearing Officer recommends the original declination be upheld. In accordance with program requirements, the review and analysis conducted by the evaluation committee resulted in the appellant receiving a score of 44 points (on a 100 point scale) using comparative evaluative criteria; this was below the minimum 55 points required to be eligible for consideration to receive funds. The Town of
Harrison provided additional information that it asked be considered towards the scores it received for six (6) of the nine (9) evaluative criteria. Based upon her review of program requirements, the appellant’s application and the appeal letter the Hearing Officer determined the following: the program requirements do not allow for additional information to be considered beyond the point of review by the evaluation committee and the scores are fair and not arbitrary nor capricious. The Hearing Officer identified a harmless error in the scoring process for one of the evaluative criteria, but allowed the evaluation committee’s overall determination to stand because even the assignment of the highest score under that criterion would not have raised the appellant’s score above the minimum required 55 points. Therefore, the Hearing Officer determined that the original declination should be affirmed by the Board.

**Recommendation:**
As a result of careful consideration of the above appeal in consultation with the Attorney General’s Office, the recommendation of the Hearing Officer is to uphold the declination of Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program funding for the Town of Harrison.

Prepared by: Mary Correia, Hearing Officer
VIA CERTIFIED – RETURN RECEIPT & EMAIL

Hon. Anselmo Milan
Chairman, Economic, Community Revitalization and Grants
Town of Harrison
P.O. Box 509
Harrison, NJ 07029

RE: StrongerNJ Neighborhood and Community Revitalization Streetscape Program - Round Two Appeal

Dear Mr. Milan:

My name is Mary Correia and I was appointed to serve as the Appeal Officer for the Town of Harrison’s appeal under the New Jersey Economic Development Authority’s ("NJEDA") Stronger New Jersey Neighborhood and Community Revitalization - Streetscape Program ("Program"). I have reviewed your appeal dated May 5, 2014; below is a summary of my review and final determination.

By way of background, the Streetscape Revitalization Program provides financial assistance to municipalities in the range of $125,000 - $1.5 Million per project in support of improvements such as streetscapes, facade enhancements, code-related and other physical upgrades to commercial areas. In accordance with the NCR Guide and further outlined in a November 13, 2013 memo to the NJEDA Board, proposed projects under the program were scored on a comparative basis using weighted evaluative criteria detailed in the aforementioned memo. To be considered for funding, a project must have received a minimum 55 points on a 100 point scale. Scores were issued based on a comparative evaluation of the collective body of eligible applications.

In accordance with the NCR Guide and further outlined in the November 2013 memo to the NJEDA Board, a comparative scoring methodology was employed to ensure the best use of limited program funds ($10 Million available for Rounds One and Two collectively, with requests totaling over $27 Million). This process measured how proposed projects aligned with program requirements when compared against all other eligible applicants. Those projects determined to most closely meet eligible program activities and uses and evaluation criteria received the highest scores and were ranked accordingly. The scoring process was not intended to – and did not – score applications individually. It was solely within the comparative context of all potential projects that final scores were rendered by the evaluation committee.
Project evaluation was carried out by a committee of NJEDA staff, all of whom have extensive experience reviewing projects similar in nature to those eligible under the Streetscape Program. All review and scoring was based on the documentation and detail provided in each application or requested for clarification. No information provided after the application and review period was, nor will be, considered in the final scoring of applicants under this program. The NJEDA Board was notified of the final scores in a memo dated April 8, 2014.

On April 17, 2014 NJEDA wrote a letter to the Town of Harrison notifying it that its project scored 44, which was below the minimum required score of 55.

In its appeal dated May 1, 2014 the Town of Harrison contends its application was “under scored” by the evaluation committee. In its appeal, the appellant did not indicate, specifically, what scores it felt it should have received (e.g. – received a score of “x”, but deserved a score of “y”); however, it did provide for consideration additional supporting information for six (6) of the nine (9) evaluative criteria used to score and rank projects: (a.) Level of Damage to Proposed Project Area; b.) Readiness to Proceed; c.) Experience; d.) Adherence with Plan; e.) Extent to which the Project Enhances the Neighborhood and Community; and f.) Increase the Resiliency of the Surrounding Community).

As noted previously, applicants were scored solely on the information provided at application or further clarified during the review process. No new information was allowed for consideration beyond what was initially submitted, except to clarify unclear information. Accordingly, new information provided upon appeal cannot be used to potentially re-score Harrison’s proposed project. However, for the purposes of explaining how overall scores were reached, I will provide examples of how proposed projects received a range of scores to demonstrate what types of factors impacted the scores issued to applicants, including the Town of Harrison. For those criteria where scores were issued based on a comparative review of the eligible applicants, I selected a sample of projects under each criteria being appealed that received high, middle and low scores and reviewed them in conjunction with the scores provided to the appellant to determine if the scores given by the evaluation committee were reasonable, not arbitrary or capricious in any manner and were issued in accordance with program requirements. In other words, I reviewed to determine that the comparative score assigned to each project was assigned fairly based on the information available to the evaluation committee at the time of review. My review findings were as follows:

**Superstorm Sandy Impacted Community – Level of Damage to Proposed Project Vicinity:**
The score for this criterion is based solely on an applicant’s reporting of the amount of damage to the immediate vicinity of the proposed project. Scores were issued based on the following self-reported values from the applicants: $0 or N/A = 0; <$1Million = 3; $1Million - $4Million = 5; $4Million - $6Million = 7; $6Million+ = 10. The Town of Harrison indicated in its application that the dollar value of damage to their community was “still to be determined”. The scoring committee used this information provided in the application for its scoring under this criterion, which was its basis for assigning a score of zero. Although program requirements allow for it, the evaluation committee did not reach out to the applicant to further clarify a dollar amount or determine if the information had become available between the time the application was submitted and reviewed/scored.
In consideration of the program’s rules allowing the evaluation committee to request clarifying information from applicants prior to beginning review, it is my opinion that it would have been reasonable and of good practice for the evaluation committee to reach out to the applicant to see if a dollar amount for damage had since been determined instead of considering the applicant to have been non-responsive in its answer. However, this is harmless error in the absence of other items requiring re-scoring because even re-scoring this criterion to 10 the applicant’s overall score would increase to 54 and remain below to the minimum score of 55.

Readiness to Proceed and Succeed:
This requires projects with earlier completion dates to be given higher scores to ensure all awarded funds are disbursed by December 31, 2015. Also factored into the evaluation committee’s assignment of scores was a project’s overall readiness to proceed.

Note: No Round Two applicants received a score of 10 under this criterion; the highest score assigned was 7.

- **Oceanport Borough (7 points)** – The proposed project included plans and a milestone project schedule. This project is the third phase of streetscape improvements and can move forward quickly, and is anticipated to have a short 2 month construction schedule. These factors were taken into consideration when issuing a score of 7.

- **Berkeley Township (5 points)** – This applicant provided conceptual drawings, but did not include a detailed schedule, only a statement that the project would be completed prior to December 31, 2015. The applicant did not clearly demonstrate how the proposed project would fulfill the requirements of this criterion, resulting in a score of 5.

- **Harrison (3 points)** – The appellant proposed a project where only a portion of it – façade improvements – would be eligible under grant funding. With regard to this portion, it was identified as being in the developmental stages, with no project schedule included, which supported a score of 3 being assigned.

- **Middle Township (0 points)** – The schedule provided for this project identified a 23-month duration. From the time of NJEDA final grant award, there would not be 23 months available to complete the project, resulting in a score of zero.

Based on the information provided by applicants and the evaluation committee’s explanation of the methodology and rationale behind score assignment, I consider the scores to have been assigned fairly and in accordance with program requirements. I find that the level of readiness to proceed demonstrated by the Town of Harrison reasonably supports a score of 3 and therefore find no justification for reconsidering the score issued to the appellant under this scoring criterion.

Experience:
Applicant’s experience in successfully completing projects of a similar size and scope were considered by the evaluation committee when assigning scores. Below are the factors which supported the final scores issued.

- **Oceanport Borough (10 points)** – This applicant’s proposed project was the third phase and final phase of a project, with the first two phases already completed. They indicated project costs for the prior phases within a similar financial range to the proposed project ($166K - $335K). These factors supported the evaluation committee’s issuance of the highest score possible.
• **Perth Amboy (7 points)** – The applicant submitted as experience one project of similar size, scope and cost ($1.5 Million) and five smaller projects of lesser value.

• **Berkeley Township (5 points)** – Although the appeal letter states that the Township of Berkeley has constructed projects of much larger scale on a constant basis, the application submitted did not present any of that experience. The score received was based on the experience submitted for the engineering firm included on the project team.

• **Harrison (3 points)** – The applicant submitted as experience one project of equal size and scope and one smaller project. The proposed project will be administered by the Town of Harrison, through the Harrison Downtown Community Development Partnership (HDCDP), but did not identify an architect/engineer or project management consulting company to administer the work, which is important in administering a project of this nature. The lack of information regarding these members of the team resulted in a score of 3.

Based on the information provided by applicants, as reviewed by the evaluation committee, the comparative scores assigned under this criterion appear fairly and reasonably assigned and I find no justification for overturning the score received by the Town of Harrison. Although the appellant provided examples of its own relevant prior experience it was unable to provide similar information for other members of the project team that would be integrally involved in the management and execution of the project. Based on this, I find it reasonable for a score of 3 to have been issued due to the lack of information provided for project team members.

**Adherence with Plan:**
Applicant must document that project improvements are integral to implementing a comprehensive revitalization strategy or plan.

• **Oceanport (10 points)** – Oceanport has completed two previous phases of work in 2009 and 2010 as part of an overall streetscape improvement plan; the work to be undertaken utilizing program funds is a fundamental part of this overall plan and will be the final element to a complete and cohesive project to revitalize and rejuvenate the Village Center. The evaluation committee’s high score was supported by the facts that this project was the continuation of a planned community improvement program and comprehensive revitalization strategy.

• **Perth Amboy (7 points)** – The City of Perth Amboy has undertaken several significant planning projects to create strategies for the revitalizing the downtown and encouraging economic growth. Although one comprehensive master plan was not included in the application, elements of the proposed project were identified in several other studies.

• **Little Egg Harbor (5 points)** – The proposed pedestrian improvements under this project are part of an overall transportation enhancement project that includes other elements such as sidewalk and curbing construction that will connect residential communities to local shopping areas. The proposed streetscape improvements are part of an overall main street enhancement project, which supported a score of 5.

• **Harrison (3 points)** - The proposed project is not currently part of a comprehensive revitalization strategy or plan, as was demonstrated by other projects under consideration for this round of funding, but the appellant did provide a plan for the proposed project which resulted in a score of 3.
Upon my review of the program requirements which guide the scoring for this criterion and the supporting factors considered by the evaluation committee, I find the scores to have been fairly assigned. Of the projects sampled, the Town of Harrison demonstrated the least adherence to a larger master plan or revitalization strategy required under this criterion and therefore I cannot find sufficient reason for reconsideration of its stated score.

Extent to which project will enhance the neighborhood and community at large as documented in the submission package:

- **South Toms River (10 points)** – The project objective is to increase the mobility throughout the Route 166 corridor and adjacent streets and neighborhoods, allowing residents, visitors, patrons, and employees of the businesses safe access to and throughout the entire area. The project plans to accomplish this by building sidewalks, curbing, driveway aprons, adding streetlights, and decorative trees.

- **Jersey City (7 points)** – The proposed project will be in areas and nodes along the corridors that have been hardest hit by Hurricane Sandy. Additionally, Jersey City is a participant in the NJDOT Complete Streets program. A Complete Street is defined as a means to provide safe access for all users by designing and operating a comprehensive, integrated, connected multi-modal network of transportation options. The proposed project achieves this goal; it is also a relatively cohesive project that achieves a number of goals beyond basic sidewalk rehab, which resulted in a score of 7.

- **Harrison (5 points)** – The project proposed in the application is geared toward improvements for private business owner’s building facades. There are no direct improvements for the community at large. No pedestrian improvements are included in the eligible portion of the project.

- **Pleasantville (4 points)** – The projects proposed in this application are recommended by the City’s Master Plan. Connects the bus terminal one block away from project area. It has basic streetscape elements, but fell a bit short by not actually making the connection to the transit hub noted.

Based upon the information provided by the applicants and the supporting information further described by the evaluation committee, I conclude the comparative scores issued for the sample projects are within program requirements and are reasonable; it is clear from the information provided that the scores awarded to the projects directly correlated with the degree to which each such projects met the requirements of this scoring criterion. In my opinion Harrison was less able to demonstrate how the components of its project would enhance a neighborhood or the community at large than other projects. Based on my review and the factors described herein, I am satisfied that the evaluation committee issued scores that are supported by the degree to which each project sampled most closely fits the requirements of this scoring criterion and I see no reason to reconsider the appellant’s final score of 5.

Increase the resiliency of the surrounding community to rebound from future weather-related disasters:

- **Hoboken (10 points)** – Within the mixed-use project area which flooded heavily during Superstorm Sandy, the proposed streetscape and green infrastructure enhancements will
increase stormwater management capacity, build flood resiliency and promote the sustainability of business activity during future severe weather events. Green infrastructure improvements will improve stormwater management capacity and alleviate the severity of flooding that threatens the sustainability and resiliency of the project area business community. All of these factors supported a score of 10 being issued by the evaluation committee.

- **Jersey City (5 points)** – This project includes installation of solar powered street lights which will conserve electric consumption. Installation of five solar-powered device charging towers ("Street Charge" units), placed strategically in the central zone of the area in question, will provide power-grid independent charging / electrical capacity, thus enabling communication and coordination with available emergency services. In addition to these measures, solar powered lighting and signaling systems will remove the dependency that these vital infrastructural components have on a power grid that has already failed the community. This project addresses resiliency on the electrical and communication aspect, but doesn’t include the type of water/flood resiliency to the extent of Hoboken, resulting in a score of 5.

- **Berkeley Township (3 points)** – This applicant indicated at application that the proposed project would not increase the resiliency of the surrounding community from future storm events, which would have automatically resulted in a score of zero. However, included in its project narrative were some minor resiliency measures, including curbs, sidewalks, and aprons, which the evaluation committee warranted a score of 3.

- **Harrison (0 points)** – Only the façade improvement portion of this proposed project was deemed eligible for program funding, which did not include any resiliency measures against future storm events. This resulted in a score of zero under this criterion.

Based on my review of the scoring requirements of this criterion and information provided by the evaluation committee, I am satisfied the appellant was properly assigned a score of zero, as the eligible portion of the proposed project did not include any measures that would increase future resiliency against storm-related events.

My review has concluded the following:

- For the following five of the six scoring criteria being appealed - Readiness to Proceed, Experience, Adherence with Plan, Extent to which the Project Enhances the Neighborhood and Community, and Increase the Resiliency of the Surrounding Community - The members of the evaluation committee appear to have carried out the scoring process reasonably, fairly and in accordance with the Program Guide and other clarifying documents such as memos to the NJEDA Board. The scores for these criteria are supported by the record and are neither arbitrary nor capricious and should be allowed to stand without reconsideration.

- Under the criterion Level of Damage to the Proposed Project Vicinity the evaluation committee should have contacted the appellant to clarify whether a dollar amount was available to replace the “Still to Be Determined” provided at application before undertaking the review process. However, this is harmless error because even a high score of 10 would not bring the appellant’s final score to the minimum required 55 points.
Based on my review as the Appeal Officer, I concur with the original finding of the evaluation committee and find there is insufficient evidence to overturn the original declination in light of the applicant’s appeal; namely that the municipality should have received evaluative scores different than those issued by the evaluation committee.

For the above reasons, I will be recommending the appeal be denied by the NJEDA Board at its meeting on Tuesday, August 12, 2014 at 10:00a.m.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is listed below.

After the NJEDA Board concludes its review and renders its decision, subject to a ten (10) day veto period by the Governor, we will notice you of that final action.

Very truly yours,

Mary Correia, Hearing Officer
mcorreia@njeda.com
(609) 858-6914

c: Michele Brown, Chief Executive Officer
    Timothy Lizura, President/Chief Operating Officer
MEMORANDUM

To: Members of the Authority

From: Michele Brown
Chief Executive Officer

Date: August 12, 2014

Subject: Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program – Round Two Appeal – City of Perth Amboy

Pursuant to the appeal process approved by the Board at the October 8, 2013 Board meeting, applicants to the Stronger NJ Neighborhood & Community Revitalization program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 20 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned to each project to provide an independent review of the appeal.

The Streetscape Revitalization Program provides financial assistance to municipalities in support of improvements such as streetscapes, façade enhancements, code-related and other physical upgrades to commercial areas. In accordance with the NCR Guide and further outlined in a November 13, 2013 memo to the EDA Board, proposed projects were scored on a comparative basis using weighted evaluative criteria detailed in the aforementioned memo. All review and scoring was based on the documentation and detail provided in each application. The EDA Board was notified of the final scores in a memo dated April 8, 2014. On April 17, 2014 EDA informed the City of Perth Amboy that their submitted project scored 47, which was below the minimum score of 55.

At this meeting, the Board is being asked to consider the appeal of the City of Perth Amboy. Attached to this memo you will find the Hearing Officer’s recommendation and the Hearing Officer’s report to the applicant. I have reviewed the attached and I concur with the recommendation that the declination under the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program for the City of Perth Amboy be upheld.

Michele Brown

attachments
MEMORANDUM

TO: Michele Brown, Chief Executive Officer
    Members of the Authority

FROM: Mary Correia
      Hearing Officer

DATE: August 12, 2014

SUBJECT: Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program – Round Two Appeal – City of Perth Amboy

Request:
The Members are asked to approve the Hearing Officer’s recommendation to uphold the declination of the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program (Round Two) for the City of Perth Amboy.

Background:
Pursuant to the appeal process approved by the Board at the October 8, 2013 Board meeting, applicants to the Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 20 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned by the CEO to provide an independent review of the appeal. Mary Correia fulfilled the role of Hearing Officer to review this appeal, and has completed her review with legal guidance from the Attorney General’s Office.

The appeal has been reviewed and a letter has been sent to the applicant with the Hearing Officer’s recommendations. The applicant was given the opportunity to contact the Hearing Officer with comments or exceptions to the Hearing Officer’s recommendation. The letter and any applicant responses received prior to the agenda packet being sent to the Board are attached; any responses received thereafter will be presented at the time of the Board meeting.

Based on the review of the appeal submitted by the applicant and the process undertaken and scores assessed by the EDA evaluation committee for this program, the Hearing Officer recommends the original declination be upheld. In accordance with program requirements, the review and analysis conducted by the evaluation committee resulted in the appellant receiving a score of 47 points (on a 100 point scale) using comparative evaluative criteria; this was below the minimum 55 points required to be eligible for consideration to receive funds. The City of Perth Amboy alleged that it should have received higher scores for four (4) of the nine (9)
evaluative criteria. However, the Hearing Officer, based on her review of the City of Perth Amboy’s application and the other applications submitted, determined that the scores given to the city of Perth Amboy were reasonable and were not arbitrary or capricious. She therefore determined that the declination should be affirmed by the Board.

**Recommendation:**
As a result of careful consideration of the above appeal in consultation with the Attorney General’s Office, the recommendation of the Hearing Officer is to uphold the declination of Stronger NJ Neighborhood & Community Revitalization – Streetscape Revitalization Program funding for the City of Perth Amboy.

Prepared by: Mary Correia, Hearing Officer
August 4, 2014

VIA CERTIFIED – RETURN RECEIPT & EMAIL

Mayor Wilda Diaz
City of Perth Amboy
260 High Street
Perth Amboy, New Jersey 08861

RE: StrongerNJ Neighborhood and Community Revitalization Streetscape Program - Round Two Appeal

Dear Mayor Diaz:

My name is Mary Correia and I was appointed to serve as the Appeal Officer for the City of Perth Amboy’s appeal under the New Jersey Economic Development Authority’s (“NJEDA”) Stronger New Jersey Neighborhood and Community Revitalization – Streetscape Program (“Program”). I have reviewed your appeal dated May 1, 2014; below is a summary of my review and final determination.

By way of background, the Streetscape Revitalization Program provides financial assistance to municipalities in the range of $125,000 - $1.5 Million per project in support of improvements such as streetscapes, façade enhancements, code-related and other physical upgrades to commercial areas. In accordance with the NCR Guide and further outlined in a November 13, 2013 memo to the NJEDA Board, proposed projects under the program were scored on a comparative basis using weighted evaluative criteria detailed in the aforementioned memo. To be considered for funding, a project must have received a minimum 55 points on a 100 point scale. Scores were issued based on a comparative evaluation of the collective body of eligible applications for many criteria. For other criteria, scores were assigned according to objective standards established by the Evaluation Committee.

In accordance with the NCR Guide and further outlined in the November 2013 memo to the NJEDA Board, a comparative scoring methodology was employed to ensure the best use of limited program funds ($10 Million available for Rounds One and Two collectively, with requests totaling over $27 Million). This process measured how proposed projects aligned with program requirements when compared against all other eligible applicants. Those projects determined to most closely meet eligible program activities and uses and evaluation criteria received the highest scores and were ranked accordingly. The scoring process was not intended to - and did not - score applications individually. It was solely within the comparative context of all potential projects that final scores were rendered by the evaluation committee.
Project evaluation was carried out by a committee of NJEDA staff, all of whom have extensive experience reviewing projects similar in nature to those eligible under the Streetscape Program. All review and scoring was based on the documentation and detail provided in each application or requested for clarification. No information provided after the application and review period was considered in the final scoring of applicants under this program. Accordingly it is not appropriate to consider information provided after the application and review process in this appeal. The NJEDA Board was notified of the final scores in a memo dated April 8, 2014.

On April 17, 2014 NJEDA wrote a letter to the City of Perth Amboy notifying it that its project scored 47, which was below the minimum required score of 55.

In its appeal dated May 1, 2014 the City of Perth Amboy contends it deserved higher scores than what it was given by the evaluation committee on four (4) of the nine (9) evaluative criteria:

**Superstorm Sandy Impacted Community – Level of Damage to Municipality:**
EDA score - 0; Perth Amboy contends at least 5 out of 15 possible points.

**Readiness to Proceed and Succeed:**
EDA score - 3; Perth Amboy contends 10 out of 10 possible points.

**Experience:**
EDA score - 7; Perth Amboy contends 10 out of 10 possible points.

**Adherence with Plan:**
EDA score - 7; Perth Amboy contends 10 out of 10 possible points.

In order to evaluate the City of Perth Amboy’s appeal, I undertook the following methodology:

For those criteria scored on specific, defined criteria (such as county of location or dollar amount of damage) specific to each proposed project (and not scored comparatively against other projects), I reviewed the information provided at application or further clarified during the review process to determine if the correct score was issued based on program requirements. For those criteria with scores issued based on a comparative review of the eligible applicants, I selected a sample of projects under each criteria being appealed that received high, middle and low scores and reviewed them in conjunction with the scores provided to the appellant to determine if the scores given by the evaluation committee were reasonable, not arbitrary or capricious in any manner and were issued in accordance with program requirements. In other words, I reviewed to determine that the comparative score assigned to each project was assigned fairly. My review findings were as follows:

**Superstorm Sandy Impacted Community – Level of Damage to Municipality:**
The score for this criterion was generated directly from the FEMA Joint Field Office New Jersey, Damage to Essential Functions / Municipality list. Pursuant to this guiding document, jurisdictions identified by the list as having “Lots of Damage” received 15 points; those designated as having “Much More Than Some Damage” 10 points; those with “More Than Some Damage” 5 points; and those with “Some Damage” 0 points. The City of Perth Amboy was identified as a municipality with “Some Damage” and was accordingly given a score of 0. I find this score to have been in keeping with the rules for this method of scoring and therefore find no basis to overturn the score provided by the evaluation committee.
Readiness to Proceed and Succeed:
This requires projects with earlier completion dates to be given higher scores to ensure all awarded funds are disbursed by December 31, 2015. Also factored into the evaluation committee's assignment of scores was a project's overall readiness to proceed. Below are the dates and other clarifying information which support the final scores issued. Scores were issued based on the information submitted at application; it should be noted that actual start dates may be impacted by the completion of environmental review currently being undertaken by the Department of Environmental Protection ("DEP").

No Round Two applicants received a score of 10 under this criterion; the highest score assigned was 7.

- **Oceanport Borough (7 points)** – The proposed project included plans and a milestone project schedule. This project is the third phase of streetscape improvements and can move forward quickly, and is anticipated to have a short 2 month construction schedule. These factors were taken into consideration when issuing a score of 7.

- **Berkeley Township (5 points)** – The applicant provided conceptual drawings and had an engineering firm identified and procured for the project, but did not include a detailed schedule, only a statement that the project would be completed prior to December 31, 2015. The appellant did not clearly demonstrate how the proposed project would fulfill the requirements of this criterion, which resulted in a score of 5.

- **Perth Amboy (3 points)** – The appellant indicated the project was in the early stages of planning and design, with no conceptual designs submitted or design professionals identified or procured. The submitted project schedule denotes a "schematic design" time frame, but no "final design" phase is included. These factors supported the score of 3 issued under this criterion.

- **Middle Township (0 points)** - The project schedule identified a 23-month duration. From the time of NJEDA final grant award, there would not be 23 months available to complete the project, which resulted in a score of zero.

Based on the information provided by applicants and the evaluation committee's explanation of the methodology and rationale behind score assignment, I consider the scores to have been assigned fairly and in accordance with program requirements. Perth Amboy did not provide conceptual drawings, nor did it have design professionals procured for such work, which reasonably indicates to me a lesser degree of readiness to proceed than applicants that scored higher than Perth Amboy. I find that the level of readiness to proceed indicated in the application reasonably supports a score of 3 and therefore find no justification for overturning the score received by the appellant under this scoring criterion.

Experience:
Applicant's experience in successfully completing projects of a similar size and scope were considered by the evaluation committee when assigning scores. Below are the factors which supported the final scores issued.

- **Oceanport Borough (10 points)** – This applicant's proposed project was the third phase and final phase of a project, with the first two phases already completed, which demonstrates recent and similar experience. They indicated project costs for the prior phases within a similar financial range to the proposed project ($166K - $335K). These factors supported the evaluation committee's issuance of the highest score possible.
- **Perth Amboy (7 points)** – The appellant submitted as experience one project of similar size, scope and cost ($1.5 Million) and five smaller projects of lesser value; however, the applicant provided limited information on the experience of other members of the project team besides the municipality, which resulted in the score of 7 being assigned by the evaluation committee.

- **Berkeley Township (5 points)** – Although the appeal letter states that the Township of Berkeley has constructed projects of much larger scale on a constant basis, the application submitted did not present any of that experience. Therefore, the score issued was based on the experience submitted for the engineering firm included on the project team.

- **Harrison (3 points)** – The applicant submitted as experience one project of equal size and scope and one smaller project. The Program will be administered by the Town of Harrison, through the Harrison Downtown Community Development Partnership (HDCDP) but have not identified any architect/engineer or project management consulting company to administer the work, which is important in administering a project of this nature. The lack of information regarding these members of the team resulted in a score of 3.

Based on the information provided by applicants and as reviewed by the evaluation committee, the comparative scores assigned under this criterion appear fairly and reasonably issued and I find no justification for overturning the score of 7 received by the City of Perth Amboy. The appellant provided several examples of prior experience for the City, but did not provide examples of prior experience for any other members of the project team which is an important component of the overall project. Based on this, I find a score of 7 to be reasonable on a 10 point scale.

**Adherence with Plan:**
Applicant must document that project improvements are integral to implementing a comprehensive revitalization strategy or plan.

- **Oceanport (10 points)** – Oceanport has completed two previous phases of work in 2009 and 2010 as part of an overall streetscape improvement plan; the work to be undertaken utilizing program funds is a fundamental part of this overall plan and will be the final element to a complete and cohesive project to revitalize and rejuvenate the Village Center. The evaluation committee’s high score was supported by the facts that this project was the continuation of a planned community improvement program and comprehensive revitalization strategy.

- **Perth Amboy (7 points)** – The City of Perth Amboy has undertaken several significant planning projects to create strategies for the revitalizing the downtown and encouraging economic growth. Although one comprehensive master plan was not included in the application, elements of the proposed project were identified in several other studies, which resulted in the assigned score of 7.

- **Little Egg Harbor (5 points)** – The proposed pedestrian improvements under this project are part of an overall transportation enhancement project that includes other elements such as sidewalk and curbing construction that will connect residential communities to local shopping areas. The proposed streetscape improvements are part of an overall main street enhancement project, which supported a score of 5.
• Berkeley Township (3 points) – The proposed project is not currently part of a comprehensive revitalization strategy or plan. This is a sidewalk project that is not part of and does not incorporate other comprehensive improvement strategies. These factors supported the evaluation committee issuing a score of 3.

Upon my review of the program requirements which guide the scoring for this criterion and the supporting factors considered by the evaluation committee, I find the scores to have been fairly assigned. Of the sample of projects I reviewed, Perth Amboy did not demonstrate adherence with a single master plan, but included in the proposed project elements from several other studies, which resulted in a relatively strong score of 7. I feel the requirement of the criterion were reasonably applied to the information provided by the appellant at application and cannot find sufficient reason to overturn its score of 7.

My review has concluded the following:

• The members of the evaluation committee appear, under all four evaluative criteria scores being appealed, to have carried out the scoring process reasonably, fairly and in accordance with the Program Guide and other clarifying documents such as memos to the NJEDA Board. As such, the comparative score of 47 points out of 100 issued to The City of Perth Amboy is supported by the record, is neither arbitrary nor capricious and should be allowed to stand.

Based on my review as the Appeal Officer, I concur with the original finding of the evaluation committee and find there is insufficient evidence to overturn the original declination in light of the applicant’s appeal; namely that the municipality should have received evaluative scores different than those issued by the evaluation committee.

For the above reasons, I will be recommending the appeal be denied by the NJEDA Board at its meeting on Tuesday, August 12, 2014 at 10:00a.m.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is listed below.

After the NJEDA Board concludes its review and renders its decision, subject to a ten (10) day veto period by the Governor, we will notice you of that final action.

Very truly yours,

Mary Correia, Hearing Officer
mcorreia@njeda.com
(609) 858-6914

c: Michele Brown, Chief Executive Officer
    Timothy Lizura, President/Chief Operating Officer
MEMORANDUM

To: Members of the Authority

From: Michele Brown
Chief Executive Officer

Date: August 12, 2014

Subject: Stronger NJ Business Grant Program Appeals – American Legion 351 and Perry-Egan Chevrolet

Pursuant to the appeal process approved by the Board at the June 10, 2014 Board meeting, applicants to the Stronger NJ Business Grant program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 30 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned to each project to provide an independent review of the appeal.

The Hearing Officer’s review includes reviewing the appeal letter, the application and file, as well as speaking directly with the applicant and relevant Office of Recovery staff. The applicants have been sent the Hearing Officer’s report in advance of the Board Meeting. They have been given the opportunity to reach out directly to the Hearing Officer to discuss the decision, and have been notified of the time and date of the Board Meeting.

At this meeting, the Board is being asked to consider two appeals: American Legion 351 and Perry-Egan Chevrolet. Attached to this memo you will find the Hearing Officer’s recommendation, the Hearing Officer’s letters to the applicants, as well as the declination letter and the applicant’s appeal. I have reviewed the attached and I concur with the recommendation that the declinations under the Stronger NJ Business Grant Program for American Legion 351 and Perry-Egan Chevrolet be upheld.

Michele Brown

attachments
MEMORANDUM

TO: Michele Brown, Chief Executive Officer
    Members of the Authority

FROM: Kim Ehrlich
      Hearing Officer

DATE: July 30, 2014

SUBJECT: Stronger NJ Business Grant Program Appeals
          American Legion 351 – 58119
          Perry-Egan Chevrolet – 53851

Request:
The Members are asked to approve the Hearing Officers’ recommendation to uphold the declination of the Stronger NJ Business Grants for American Legion 351 and Perry-Egan Chevrolet.

Background:
Pursuant to the appeal process approved by the Board at the April 30, 2013 Special Board meeting, and revised at the June 10, 2014 Board Meeting, applicants to the Stronger NJ Business Grant program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 30 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned by the CEO to each project to provide an independent review of the appeal. Kim Ehrlich has fulfilled the role of Hearing Officer to review the following appeals, and have completed the review with legal guidance from the Attorney General’s Office.

Each appeal has been reviewed and letters have been sent to each applicant with the Hearing Officer’s recommendations. Applicants were notified in the letter that they have the opportunity to provide comments or exceptions directly to the Hearing Officer. Letters are attached to this memo.

Based on the review of the appeals submitted by the applicants and the analysis prepared by the initial review team from the EDA, the Hearing Officer recommended the following:
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Reason for Decline</th>
<th>Discussion</th>
</tr>
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<tbody>
<tr>
<td>American Legion 351</td>
<td>Business in a non-profit involved in non-commercial or non-industrial activities or has facilities that do not provide a public service that furthers economic development</td>
<td>Applicant’s activities consist primarily of organizing events or sponsoring local organizations.</td>
</tr>
<tr>
<td>Perry-Egan Chevrolet</td>
<td>Applicant did not meet annual revenue threshold</td>
<td>In the year of the storm (2012), the applicant’s annual revenue was in excess of $5 million</td>
</tr>
</tbody>
</table>

**Recommendation:**

As a result of careful consideration of the above appeals in consultation with the Attorney General’s Office, the recommendation of the Hearing Officer is to uphold the declination of Stronger NJ Grant applications for American Legion 351 and Perry-Egan Chevrolet.

Prepared by: Kim Ehrlich
Dear Commander Kevish:

My name is Kim Ehrlich and I was appointed to serve as the Appeal Officer for your appeal under the Stronger NJ Business Grant Program ("Program").

By way of background, the New Jersey Economic Development Authority ("EDA") reviewed and declined your application for a grant on February 19, 2014. The information provided indicated that American Legion 351 is a non-profit involved in non-commercial or non-industrial activities or has facilities that do not provide a public service that furthers economic development.

As part of my review of your grant application and appeal, I have read your appeal letter, your application and file, and spoken with relevant Office of Recovery staff. This letter follows our phone conversation on July 23, 2014.

The New Jersey Department of Community Affairs Community Development Block Grant Disaster Recovery Action Plan ("Action Plan") states in section 4.3.1 that the Grant program is open to non-profit organizations. However, this eligibility requirement is further clarified in the resolution approved by the EDA's Board at its April 30, 2013 meeting.

The Board Resolution states (as attached) that: "Non-profit entities eligible for funding are those involved in commercial or industrial activities, or those that have facilities, which provide a public service that furthers economic development. These eligible non-profits may only apply for construction funds."

This requirement is also described in our Stronger NJ Business Grant Application Overview, which states, "Non-profits involved only in commercial or industrial activities, or that have facilities, which provide a public service that furthers economic development may be eligible, though they may only apply for construction funds. Examples of eligible non-profits may include a fisheries co-operative, a business incubator, or a charity with a retail shop."

In your appeal, you state that American Legion 351 fulfills the requirement to further economic development through employment, sponsoring and supporting local organizations, including the Boy Scouts, and generating tourism and furthering the local economy through events for veterans. These activities, while vital to your community, unfortunately do not meet the criteria of being...
commercial or industrial activities, as we discussed on July 23rd. Further examples of non-profits who may be eligible include, but are not limited to: a non-profit solar panel installation contractor, non-profit real estate developer, or a non-profit which provides entrepreneurial training, technical assistance, micro-lending, or business incubator services. All of the examples of eligible non-profit entities are either conducting activities typical of for-profit business entities or providing services to for-profit business entities. However, the activities of the American Legion consist solely through organizing events or sponsoring local organizations. The fact that the American Legion has employees does not in and of itself constitute involvement in commercial or industrial activity. To hold otherwise would be to effectively nullify the clear guidance that non-profit entities are generally ineligible subject to the limited exception for non-profit entities involved in commercial or industrial activities or have facilities that further economic development.

Based on my review as the Hearing Officer I find that American Legion 351 does not meet the above Eligibility criteria for non-profits.

For the above reasons, I will be recommending that the appeal be denied by the EDA Board at its meeting on August 12, 2014 at 10:00 a.m.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is below.

After the EDA Board concludes its review and renders its decision, which is subject to a ten (10) day veto period by the Governor, we will notice you of that final action.

Very truly yours,

Kim Ehrlich
Hearing Officer
609-858-6704
dehrlich@njeda.com

c: Michele Brown, Chief Executive Officer
Tim Lizura, President/Chief Operating Officer
NJ Economic Development Authority
Attn: Office of Recovery
P.O. Box 990
Trenton, NJ 08625-0990

In Reference to: Stronger NJ Business Grant (SG)#56119

To Whom It May Concern:

This letter is being sent as an appeal to your decision not to provide our organization with a grant. Your reasoning that we are a non-profit involved in non-commercial activities and do not provide a public service that furthers economic development is not correct.

1. We do employ people to work at the Legion.
2. Certainly, if we received a grant we would hire local people to rebuild the Legion and help grow the local economy.
3. We help with organizations in our community such as Boys State by sponsoring young. We will not be able to do in the situation we find ourselves in.
4. In 2012 before the storm we sponsored a team for American Legion Baseball and sponsored the Ocean County Championship that brought business into our community.
5. People come to the area for Veteran affairs such as Memorial Day, Veteran’s Day, Veteran Parties, Veteran Services, Veterans Gatherings, 4th of July celebrations and very importantly Wounded Warrior.
6. Our Veterans deserve help as our Legion was badly damaged from Super Storm Sandy. Consumers are pulled to communities that show American values and who is more valuable than our VETERANS.

Please reconsider our plea for help. We were there when our Country called on us. Remember if you like your economic freedom ... thank a Veteran.

Sincerely,

Edward Langschultz
Member American Legion No. 351

Edward Langschultz
PO Box 482
Normandy Beach, NJ 08739-0482
Easter Seals Retarded Citizens bring their own lunch and eat at our hall Tuesday and Thursday and then weather permitting walk the Seaside Heights boardwalk, now destroyed.

Easter Seals the nations leading provider of services for Autism meet at our hall twice a week, the service, they provide for individuals with developmental disabilities and other special needs has offered hope and answers to children and adults living with disabilities. Because our facilities is no longer available for them to use for free, this has put a burden on these unfortunate individuals and the provider Easter Seals.

Boys State is a American Legion project that we participate in we always fund one of two young men for this worth while project now I am not sure we will be able to because of our situation.

American Legion Baseball, we sponsor a team and pay all or part of the insurance for the team. In 2012 Post 351 sponsored won th Ocean County Championship. I hope that our post can continue this worth while project in the future.

Our meeting hall for our monthly meetings has significant damage the flat roof was peeled back from high winds and water leaked in destroying the drop ceiling, light fixtures and insulation. The water damage to the floor caused the hardwood floors to buckled and the sub floor to separate. The sheet rock walls are also damaged this room is approx. 4500 sq ft. Our boiler room had approx. 2ft. of water we do not know what the damage is to the boiler I am sure it is significant.

Veteran affairs such as Memorial Day, Veteran’s Day, Veteran Parties, Veteran Services, Veterans Gatherings, Christmas Parties, Halloween Parties, 4th of July celebrations, Wounded warrior, conferences and general congregation of all Veteran gatherings has been lost. A travesty that NEEDS to be remedied as soon as funds become available.

William P. Kevish, Commander
Post 351
Seaside Heights, New Jersey

Mr Edward W Langschultz
PO Box 482
Normandy Beach, NJ 08739-0482
Due to losses of facility’s at the American Legion many organizations will no longer be able to reap the benefits of our American Legion.

Organizations that will be affected by our generosity are:

The Boyd Elementary School next to our building. The school has approx. 200 students that use our facility as a “Safe Haven” for emergency and the students are also at ALL our Veteran Holiday’s and some of our affairs. They gain the knowledge at an early age of what a VETERANS. What a shame that we cannot continue this very important lesson. It is also their venue for Fire Drills in case of emergencies. No fee is charged and on occasions food and beverages are supplied for them at our expense. Great loss to our community.

Boy Scouts and Cub Scouts meet at our facility twice a week, they love being at our place and being around Veterans (can’t be a bad thing for anyone). When our small Post can afford it we donate to them from our Pull-Tab Account. Our Boy Scouts and Cub Scouts are mostly, if not all, from very low income families and it is our honor to assist them financially and have a place for them to meet. Please call Scout Leader Susan Boyd-Masterson for verification of our hospitality and generosity 732-674-2876 she is distraught over the loss of our venue for her scouts and so is the entire Legionnaire Family.

Another group of people that are seriously affected by the loss of our facility is the Church of Grace and Peace. They take great pride in helping the unfortunate people of our community.

Once a month they hold a food give-away and no less than 150 people show up for food. All these people are at a loss due to the fact that we need assistance for our facility. This has had a serious impact on the community in general.
Re: Stronger New Jersey Business Grant Program (NJEDA)

From: noreply@salesforce.com on behalf of Oliver Okeke (okeke@njeda.com) You moved this message to its current location.
Sent: Tue 8/13/13 1:01 PM
To: chiefdd841@msn.com (chiefdd841@msn.com)

Dear Mr. Karish,

Per our conversation today I am the Business Advisor assigned to help you complete your application.

There is still missing information you need to input and documentation that you need to upload for us to be able to start processing it.

Applications are processed on a first-come/first-processed basis.

I will appreciate it if you could send me the six listed items below right away so that I can start processing your application immediately while you work on putting together the rest of your documents.

1) A copy of the filed 2012 tax return for the business.
2) A copy of the filed 2011 tax return with proof of an IRS-accepted Tax Extension. Please note that the Tax Return needs to signed and dated by you.
3) Three (3) most recent bank statements for the business (or if sole proprietor, for the owner).
4) An executed lease (with a letter from the landlord explaining that the lease terms still apply if it has expired) or mortgage statements.
5) Evidence of a minimum of $5,000 in physical damage caused by Hurricane Sandy. This may be documented with contractor estimates, insurance payments or claim reports: SBA loan verification reports or approved Physical Damage Disaster Loans; invoices/canceled checks/ receipts for damage clearly linked to Superstorm Sandy. In addition, photos that clearly identify damage related to these losses may be used to support this documentation.
6) Insurance Declarations page for insurance in place at the time of the disaster (even if no claim was filed).

I am available by phone or email from Monday through Friday from 8:30 a.m. to 5:00 p.m. To answer any questions or concerns you may have about the application and program.

Please open the links below which will further help you complete your application.

Application Overview:
https://www.njeda.com/Grants%20and%20Funding/2013/strengtheningnewjerseybusinessgrantprogram/overview

Application Instructions:
https://www.njeda.com/Grants%20and%20Funding/2013/strengtheningnewjerseybusinessgrantprogram/requirements

Frequently Asked Questions:
https://www.njeda.com/Grants%20and%20Funding/2013/strengtheningnewjerseybusinessgrantprogram/faq

Oliver Okeke
Business Advisor
Office of Recovery
New Jersey Economic Development Authority (NJEDA)
P.O. Box 580
Trenton, New Jersey 08625-0580

Mr Edward W Langschultz
PO Box 462
Normandy Beach, NJ 08739

https://sntl48.mail.live.com/mail/PrintMess... 8/23/2013
February 19, 2014

William Kevish
American Legion 351
1400 Bay Blvd.
Seaside Heights, NJ 08751

RE: Stronger NJ Business Grant Application

Dear Mr. Kevish:

Thank you very much for applying for a Stronger NJ Business Grant. We sincerely appreciate the time your business invested in applying to the program. The New Jersey Economic Development Authority (EDA) has completed a review of your grant (SG) # 58119 request. Based on the federal and/or program guidelines we must adhere to, we regret that we are unable to provide your organization with a grant for the following reason(s):

- Business is a non-profit involved in non-commercial or non-industrial activities or has facilities that do not provide a public service that furthers economic development.

The Stronger NJ Business Grants Program requires that a non-profit receiving assistance be involved in commercial or industrial activities or have a location that provides a public service that furthers economic development.

You may appeal this decision by submitting a written explanation addressing the reason for declination within 30 days of the date of this letter to the following address:

NJ Economic Development Authority
Attn: Office of Recovery
PO Box 990
Trenton, NJ 08625-0990

In addition to this program, the EDA has provided funds to local economic development organizations supporting loans to Sandy-impacted small businesses. We would like to make you aware of this additional relief that may be available to you. Please see the enclosed sheet containing profiles and contact information for these organizations and others that might be helpful.

Sincerely,

Timothy J. Lizura
President & Chief Operating Officer
Dennis Egan and David Perry  
Perry-Egan Chevrolet  
1601 Simpson Avenue  
Ocean City, NJ 08226

Dear Sirs:

My name is Kim Ehrlich and I was appointed to serve as the Appeal Officer for your appeal under the Stronger NJ Business Grant Program ("Program").

By way of background, the New Jersey Economic Development Authority ("EDA") reviewed and declined your application for a grant on February 7, 2014. The information provided indicated that Perry-Egan Chevrolet had annual revenues of $11,039,355 in 2012 and $11,634,859 in 2013, which was in excess of the maximum annual revenue of $5 million required in the year prior to the storm.

As part of my review of your grant application and appeal, I have read your appeal letter, your application and file, and spoken with relevant Office of Recovery staff. This letter follows our phone conversation on July 29, 2014.

The New Jersey Department of Community Affairs Community Development Block Grant Disaster Recovery Action Plan ("Action Plan") states in section 4.3.1 that the Grant program is open to "Businesses meeting the definition of small business at 13 CFR part 121 with a minimum of $25,000 and a maximum of $5 million in annual revenues." At its April 30, 2013 meeting the EDA Board approved the resolutions creating the Program. This resolution also stated, "The entity's revenue must not have exceeded $5 million in its most recent annual federal tax filing or financial statements." In addition, this requirement is also described in our Stronger NJ Business Grant Application Overview.

In your appeal, you state that while Perry-Egan Chevrolet’s gross revenues are above the limit set by the Action Plan, Perry-Egan Chevrolet meets the definition of a small business as per the Small Business Administration ("SBA") due to the number of employees.

Perry-Egan Chevrolet is a small business as defined by the SBA. However, the eligibility requirements set forth in the Action Plan and subsequent Board Resolution, require businesses to meet both the definition of a small business as defined by the SBA AND fall between the revenue thresholds established.

Your appeal states that this requirement would preclude all new car dealers from the Program.
Excluding one industry from the Program was certainly not the intent of the revenue threshold requirement. However, with limited funding available, it was the intent of the Authority to use a more restrictive definition of small business for the Program than the one used by SBA.

Based on my review as the Hearing Officer I find that the Perry-Egan Chevrolet, with $11,039,355 in 2012 and $11,634,859 in 2013 does not meet the eligibility requirements of the Program.

In addition, the eligibility requirements contained in the Community Development Block Grant Disaster Recovery Action Plan apply to all applications and may not be waived in any circumstances.

For the above reasons, I will be recommending that the appeal be denied by the EDA Board at its meeting on August 12, 2014 at 10:00 a.m.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is below.

After the EDA Board concludes its review and renders its decision, which is subject to a ten (10) day veto period by the Governor, we will notice you of that final action.

Very truly yours,

Kim Ehrlich
Hearing Officer
609-858-6704
Kehrlieh@neda.com

c: Michele Brown, Chief Executive Officer
    Tim Lizura, President/Chief Operating Officer
February 25, 2014

Mr. Timothy J. Lizura, President
New Jersey Economic Development Authority
Attn: Office of Recovery
P.O. Box 990
Trenton, NJ 08625-0990

Re: Perry-Egan Chevrolet, Inc.
SG#: 53851

Dear Mr. Lizura,

I am writing to you at the request of Dennis Egan and David Perry on behalf of Perry-Egan Chevrolet, Inc. of Ocean City, New Jersey. Mr. Egan and Mr. Perry are the owners of this new car dealership and had previously submitted an application to your office for a Stronger NJ Business Grant. In your letter dated February 7, 2014, they were informed that their application had been denied. We respectfully request that you reconsider their eligibility.

It is my understanding that the Stronger NJ Business Grant Program is intended to assist small business in New Jersey, in particular those that have been significantly impacted by the natural disaster that is commonly referred to as Tropical Storm Sandy, which occurred in October of 2012. The storm caused substantial damage to the dealership facility and the struggle to recover continues to this day. You indicate, however, that due to the revenue levels which are used by the program to identify and define a small business, Perry-Egan Chevrolet does not qualify due to annual gross sales levels, as reported for income tax purposes. Perry-Egan is a franchised automobile dealership that sells and services new Chevrolet cars and trucks. Although profit margins are very small, the average sale price of a new Chevy car or truck is about $30,000. In order to qualify as a small business, as you define it, a dealership would sell less than 170 new cars in a year and also have no revenue from service, finance or used vehicle sales. I don't believe that any new car dealership would be able to operate at that sales level.

Does this mean that all new vehicle dealers are precluded from participation in the Program? That would appear to be the case. If you follow federal guidelines, however, the standard used to define a new car dealer as a small business in the Code of Federal Regulations is the number of employees rather than gross sales volume. We believe that this a more logical standard for considering a business in our industry. The CFR standard for a new car dealer to be considered a small business is 200 employees or less. For 2013, Perry-Egan issued W-2's to 30 employees, which includes part-time employees.
While we understand that this federal guideline may not have any authority in the governance of your program, we ask you to consider these guidelines to evidence the fact that Perry-Egan Chevrolet, Inc. is indeed a small business. For Dennis Egan and David Perry, their Chevy dealership is their only business venture and the sole source of their livelihood. Most of their employees have been with them for many years. The dealership facility was heavily damaged in the storm and, 16 months later, still requires major repairs. Their inability to get back to their pre-storm operating conditions has been devastating to their business. Your assistance through this grant program may be crucial to their ability to continue to serve the people of Ocean City for the long term.

Your attention and consideration in this matter are greatly appreciated. Please contact me if you require any additional explanations or documentation. Also, please advise me if there is a more formal appeals procedure required other than this letter. Please advise Mr. Perry or Mr. Egan regarding any dispositions in this matter.

Sincerely,

Daniel F. Quinn
Certified Public Accountant
ELECTRONIC CODE OF FEDERAL REGULATIONS

Title 13: Business Credit and Assistance

PART 121—SMALL BUSINESS SIZE REGULATIONS

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§121.109  What must a concern do in order to be identified as a small business concern in any Federal procurement databases?

(a) In order to be identified as a small business concern in the System for Award Management (SAM) database (or any successor thereto), a concern must certify its size in connection with specific size standards at least annually.

(b) If a firm identified as a small business concern in SAM fails to certify its size within one year of a size certification, the firm will not be listed as a small business concern in SAM, unless and until the firm recertifies its size.

[78 FR 38817, June 28, 2013]

§121.201  What size standards has SBA identified by North American Industry Classification System codes?

The size standards described in this section apply to all SBA programs unless otherwise specified in this part. The size standards themselves are expressed either in number of employees or annual receipts in millions of dollars, unless otherwise specified. The number of employees or annual receipts indicates the maximum allowed for a concern and its affiliates to be considered small.

### Small Business Size Standards by NAICS Industry

<table>
<thead>
<tr>
<th>NAICS codes</th>
<th>NAICS U.S. industry title</th>
<th>Size standards in millions of dollars</th>
<th>Size standards in number of employees</th>
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<tr>
<td>111110</td>
<td>Soybean Farming</td>
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<td>111120</td>
<td>Oilseed (except Soybean) Farming</td>
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<td>111130</td>
<td>Dry Pea and Bean Farming</td>
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<td>Wheat Farming</td>
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<td>Rice Farming</td>
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<td>111310</td>
<td>Orange Groves</td>
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<td>111332</td>
<td>Grape Vineyards</td>
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<td>Strawberry Farming</td>
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<td>111334</td>
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<td>111335</td>
<td>Tree Nut Farming</td>
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<td>NAICS Code</td>
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<td>Livestock Merchant Wholesalers</td>
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<td>Plastics Materials and Basic Forms and Shapes Merchant Wholesalers</td>
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<td>424690</td>
<td>Other Chemical and Allied Products Merchant Wholesalers</td>
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<td>Petroleum Bulk Stations and Terminals</td>
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<td>Farm Supplies Merchant Wholesalers</td>
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<td>424920</td>
<td>Book, Periodical, and Newspaper Merchant Wholesalers</td>
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<td>424930</td>
<td>Flower, Nursery Stock, and Florists' Supplies Merchant Wholesalers</td>
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<td>Tobacco and Tobacco Product Merchant Wholesalers</td>
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<td>Paint, Varnish, and Supplies Merchant Wholesalers</td>
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<td>Other Miscellaneous Nondurable Goods Merchant Wholesalers</td>
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**Subsector 425—Wholesale Electronic Markets and Agents and Brokers**

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<tr>
<td>425120</td>
<td>Wholesale Trade Agents and Brokers</td>
</tr>
</tbody>
</table>

**Sector 44-45—Retail Trade**

(These NAICS codes shall not be used to classify Government acquisitions for supplies. They also shall not be used by Federal Government contractors when subcontracting for the acquisition for supplies. The applicable manufacturing NAICS code shall be used to classify acquisitions for supplies.

A Wholesale Trade or Retail Trade business concern submitting an offer or a quote on a supply acquisition is categorized as a nonmanufacturer and deemed small if it has 500 or fewer employees and meets the requirements of 13 CFR 121.406.)

**Subsector 441—Motor Vehicle and Parts Dealers**

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<thead>
<tr>
<th>NAICS Code</th>
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<td>441120</td>
<td>Used Car Dealers</td>
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<td>441210</td>
<td>Recreational Vehicle Dealers</td>
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<td>441222</td>
<td>Boat Dealers</td>
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<td>441228</td>
<td>Motorcycle, ATV, and All Other Motor Vehicle Dealers</td>
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<tr>
<td>441310</td>
<td>Automotive Parts and Accessories Stores</td>
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<td>441320</td>
<td>Tire Dealers</td>
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**Subsector 442—Furniture and Home Furnishings Stores**

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<td>442210</td>
<td>Floor Covering Stores</td>
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<td>442291</td>
<td>Window Treatment Stores</td>
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<td>442299</td>
<td>All Other Home Furnishings Stores</td>
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**Subsector 443—Electronics and Appliance Stores**

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<tr>
<td>443142</td>
<td>Electronics Stores</td>
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</tbody>
</table>


February 7, 2014

Perry-Egan Chevrolet
Dennis Egan
1601 Simpson Avenue
Ocean City, NJ 08226

RE: Stronger NJ Business Grant Application

Dear Mr. Egan:

Thank you very much for applying for a Stronger NJ Business Grant. We sincerely appreciate the time your business invested in applying to the program. The New Jersey Economic Development Authority (EDA) has completed a review of your grant (SG) # 53851 request. Based on the federal and/or program guidelines we must adhere to, we regret that we are unable to provide your organization with a grant for the following reason(s):

• Business does not meet annual revenue threshold requirements.

The Stronger NJ Business Grants program requires that businesses have more than $25,000, but less than $5 million in gross operating revenue as evidenced by the most recent tax return available.

You may appeal this decision by submitting a written explanation addressing the reason for declination within 30 days of the date of this letter to the following address:

NJ Economic Development Authority
Attn: Office of Recovery
PO Box 990
Trenton, NJ 08625-0990

In addition to this program, the EDA has provided funds to local economic development organizations supporting loans to Sandy-impacted small businesses. We would like to make you aware of this additional relief that may be available to you. Please see the enclosed sheet containing profiles and contact information for these organizations and others that might be helpful.

Sincerely,

Timothy J. Lizura
President & Chief Operating Officer