MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
       Chief Executive Officer
DATE: July 14, 2011
SUBJECT: Agenda for Board Meeting of the Authority July 14, 2011

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

Incentive Programs

Board Memorandums

Real Estate

Public Comment

Adjournment
MINUTES OF THE SPECIAL MEETING

Members of the Authority present: Joe Lato of representing the Department of Labor and Workforce Development; and Public Member Joseph McNamara, Vice Chairman.

Present via conference call: Al Koeppe, Chairman; Steve Petrecca representing the State Treasurer; Wayne Staub representing the Commissioner of the Department of Environment Protection; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Public Members: Tim Carden, Laurence Downes, Marjorie Perry, Kate Whitman; Raymond Burke, First Alternate Public Member; and Kevin Brown, Third Alternate Public Member and Rodney Sadler, Non-Voting Member.

Absent: Matt McDermott representing the Lt. Governor’s office; Public Member Richard Tolson, Charles Sarlo, and Elliot M. Kosoffsky, Second Alternate Public Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorneys General; Nicole Crifo, Assistant Counsel, Governor’s Authorities’ Unit and guests

Chairman Koeppe called the meeting to order at 4pm.

In accordance with the Open Public Meetings Act, Ms. Franzini 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.

INCENTIVE PROGRAMS

URBAN TRANSIT HUB TAX CREDIT PROGRAM

Chairman Koeppe stated that the Members were here to discuss and act upon Motions to Settle the Record filed by Hartz Mountain Industries and the Township of Secaucus, NJ in connection with its appeal of the Authority's approval of a grant to Panasonic for its proposed project in Newark, NJ.

Ms. Franzini summarized the documents that the Board had received in order to review the motion and in consideration of final agency action.

EXECUTIVE SESSION

Chairman Koeppe requested a motion to enter executive session to seek advice on both legal and litigation matters relating to the Motion to settle the record. He noted that minutes would become available when the need for confidentiality was no longer required.

MOTION TO APPROVE: Mr. Carden    SECOND: Mr. McNamara. Perry    AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

The Board returned to Public Session.
Chairman Koeppen noted that Board had a lengthy discussion of the legal issues and he valued everyone’s time and input on behalf of the board and staff. He summarized the Authority’s response to Hartz and the Township of Secaucus:

After consideration of the motions and briefs that were submitted, the Authority finds:

1. The purpose of settling the record is to ensure that the record fully and truly discloses what occurred in the agency below. Rule 2:5-5(a).

2. Mr. Lizura’s certification indicates that the entirety of the contents of the paper and electronic case files dedicated to the Panasonic application are attached to his certification. Mr. Lestuk’s certification indicates that as underwriting officer for the Panasonic application, he saved in the electronic case file all information that he used to prepare the memorandum that was presented to the Board.

3. The Board finds that the paper and electronic case files (hereinafter, "Case File") attached to Mr. Lizura’s certification contain all the documents and factual materials on which it relied when approving the Panasonic Hub grant.

4. The Authority Board finds that the Authority should put into the record the Case File attached to Mr. Lizura’s certification. It should be noted that although it is not required by law, in order to expedite the appeal and consistent with the public policy of transparency, documents in the Case File were not redacted or withheld based on the deliberative process privilege.

5. Because the Case File attached to the Lizura certification contains all the documents and factual materials on which it relied when approving the Panasonic Hub grant, the Authority finds that these documents will enable the Appellate Division to evaluate whether there is sufficient credible evidence to substantiate the Authority’s decision to approve the Hub grant to Panasonic.

6. Because the Case File attached to the Lizura certification contains all the documents and factual materials on which the Authority relied when approving the Panasonic Hub grant, there is no need to include any other documents related to this approval. The request to include the documents that were produced by the EDA pursuant to Hartz’s OPRA request dated March 7, 2011 therefore is denied.

7. Because the Case File attached to the Lizura certification contains all the documents and factual materials on which the Authority relied when approving the Panasonic Hub grant, there is no need to include any other documents related to this approval, including any documents that the Authority might produce in the future in response to Hartz’s OPRA request to receive documents that describe companies other than Panasonic that have considered applying for the Hub grant. The documents relating to these other companies were not before the Board at the time of the approval of either the Panasonic Hub grant or the promulgation of the Hub regulations. The request to include these documents relating to other companies that might be produced in the future therefore is denied.

8. In their appeal, Hartz and Secaucus assert that the Authority’s policy of including retained jobs that are at risk of leaving the State in the net benefit test is ultra vires of the Hub Act, and that the June 8, 2010 board memo constituted impermissible rule-making. The Authority denies these allegations because the policy statement was consistent with the
Hub regulations and both are consistent with the legislative intent of the Hub Act. Most importantly, these issues on appeal are issues of law. Nevertheless, Hartz argues that the record must include all documents, regardless of their source, that the Authority reviewed before it promulgated its regulations and its subsequent policy statement.

In a challenge to agency rulemaking, the record consists of the rule proposal, all comments received in response to the proposal, the agency's responses thereto, the regulation adopted and any studies or data relied upon by the agency in promulgating the regulation. The record does not include any and all documents that the agency reviewed before promulgating its regulations. This is especially true here where the issues on appeal are issues of law, not fact and the only relevant question before the court with respect to this matter is one of statutory construction. Whether a policy is ultra vires is a determination of whether the policy is consistent with the legislative policy contained in the enabling legislation. Dept. of Labor v. Titan Constr. Co., 102 N.J. 1, 10-11 (1985). Whether the regulations and policy were properly promulgated is also a question of law. For the foregoing reasons, the request to include the files of Authority personnel involved in the Authority's regulation and policy relating to retained jobs at risk of being lost to another state is denied.

The Authority notes Hartz's accusation that the EDA's intent in adopting the regulations was to benefit Panasonic and strenuously denies this accusation. The measure of a regulation's validity is not the motive of an agency but whether the regulations are consistent with the legislative policy in the enabling legislation. Titan Construction, 102 N.J.at 10-11. Therefore documents relating to the Authority's development of the policy are irrelevant to the question of law on appeal.

The Authority does not consider the input that the Authority received from outside parties to be relevant to the legal question on appeal. In an effort to expedite the appeal, however, the Authority finds that the Authority should put into the record documents that it received from third parties related to the retained jobs at risk of leaving the State policy, from the period September 2009 to June, 2010.

9. The request to settle the record includes a NJ Biz article dated April 20, 2011. Because the article was not before the Authority when it approved the Panasonic Hub grant or the regulations, the request to include this document is denied.

Mr. McNamara stated that he agreed with the Chair's summary and felt the Board had spent a good deal of time discussing the issue. He also stated that he believes the Board is acting in the public interest and that the Board is acting in a transparent manner.

Mr. Staub and Ms. Perry also agreed that it was a good summation.

Mr. Carden noted that the summary fairly and accurately depicts the Board's discussion.

The next item was a request to approve the resolution in response to the Motion to Settle the Record filed by Hartz Mountain Industries and the Township of Secaucus, NJ as summarized by Chairman Koepp as Final Agency Action.

**MOTION TO APPROVE:** Mr. McNamara **SECOND:** Mr. Latoof **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 2

Chairman Koepp alerted Ms. Crifo of the Governor's Authorities Unit that the Board would be seeking expedited approval of the minutes.
PUBLIC COMMENT

Alan Magrini, SVP, Land Use and Development, Hartz Mountain Industries, Inc., addressed the Board. He noted that there was a pending action before Judge Feinberg regarding other documents that were requested in the OPRA request. He stated that he believed that this decision should wait for the settlement of the OPRA request.

He further stated that he had been invited to participate in the process in the past and was surprised that the Authority has truncated the process by not allowing participation today.

Chairman Koeppe responded that he knew that Mr. Magrini was aware that oral arguments and reply briefs were at the discretion of the Authority.

Mr. Magrini continued that he felt that to speak after the members had voted was meaningless and not part of an open and transparent process. He contended that Hartz had revealed a $70 million mistake in the net benefit at the February meeting, but was proven wrong, it was really a $120 million mistake. He noted a Board memo from January 11, 2011 which was subsequently modified to take out the sentence regarding new jobs, after approval by the Board. He contended that the modified memo raised concerns. He questioned who has the authority to change the memo. He also requested a chain of emails between staff and applicants concerning the Panasonic application.

Mr. Magrini further questioned the economic model created by a consultant that was implemented in 2009, but in June 2010, the same model now equates at risk jobs with new jobs, which benefits Panasonic and other companies. Mr. Magrini questioned where this policy came from.

He also questioned the basic approval of the application, stating that the size of the building had been 410,000 sq ft in previous information, but Panasonic certified it as being 340,000 sf. Mr. Magrini questioned if the Board had been aware of this change. He also noted that Panasonic has announced a 17,000 job reduction and questioned if this impacts the project with a smaller building equaling fewer jobs.

He noted that the additional companies contemplating using the HUB tax credit intrastate must also use at risk jobs to be eligible. He commented that if Goya also leaves Secaucus for Jersey City using the HUB program, there will be a 2 million sq ft vacancy in Secaucus.

Mr. Magrini concluded by requesting that the Authority reconsider and hold off on its decision until the OPRA action before the court is concluded.

Bernadette Condon, attorney for the Township of Secaucus stated that the Township joins with Hartz Mountain on each and every count in the appeal. She also asked the board to hold its decision to settle the record until after the court date on Monday.
There being no further business, on a motion by Mr. McNamara, and seconded by Mr. Latoof, the meeting was adjourned at 5:45pm.

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.

Maureen Hassett, Assistant Secretary
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
June 14, 2011

MINUTES OF THE MEETING

Members of the Authority present: Al Koeppe, Chairman; Matt McDermott representing the Executive Branch; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Wayne Staub representing the Commissioner of the Department of Environment Protection; Public Members: Laurence Downes, Timothy Carden, Marjorie Perry, Kate Whitman, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; Kevin Brown, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Present via conference call: Steve Petrecca representing the State Treasurer; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; and Public Member Charles Sarlo.

Absent from the meeting: Public Members Joseph McNamara, Vice Chairman; and Rich Tolson.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, and Patricia Roach, Deputy Attorneys Generals, and staff.

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

Pursuant to the Internal Revenue Code of 1986, Ms. Franzini 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. Franzini 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 May 13, 2011 meeting minutes. A motion was made to approve the minutes by Ms. Perry, seconded by Mr. Latoof, and was approved by the 13 voting members present.

The next item of business was the approval of the May 13, 2011 executive session minutes. A motion was made to approve the minutes by Ms. Perry, seconded by Mr. Latoof, and was approved by the 13 voting members present.

Mr. Kosoffsky entered the meeting.
Mr. Sadler entered the meeting.

The next item was a presentation of the Authority’s and the Camden Economic Recovery Board’s activities in Camden to the Board. (For Informational Purposes Only)
BOND RESOLUTIONS

PROJECT: NJEDA/State Police Barracks
LOCATION: Various
REQUEST: (i) approve the adoption of the General Bond Resolution and First Supplemental Resolution authorizing the issuance of the 2011 Series A Bonds in the principal amount not to exceed $9 million as well as other matters in connection with the issuance and purchase thereof and otherwise described above; (ii) authorize the Authorized Officers of the Authority to (A) select and approve the direct bond purchaser, subject to the competitive solicitation process and the above-mentioned parameters, (B) determine the terms of the 2011 Series A Bonds, as specified above, including, without limitation, whether they will be fixed interest rate or variable interest rate bonds, and with respect to the variable interest rate bonds, including but not limited to, the Index and/or percentage thereof, the spread above Index, the reset period and any other applicable reset terms, and (C) enter into the bond purchase contract with the bond purchaser for the direct purchase and sale of all (but not less than all) of the 2011 Series A Bonds without State disclosure; (iii) authorize the execution and delivery of the Lease and such other documents as may be necessary or advisable in connection with the issuance of the 2011 Series A Bonds; (iv) authorize the use of the aforementioned professionals; and (v) authorize Authority staff to take all necessary actions incidental to the issuance of the 2011 Series A Bonds; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General’s Office.

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Burke  AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PROJECT: Century Packaging, Inc.
LOCATION: East Brunswick/Middlesex Cty.
PROCEEDS FOR: equipment purchase
FINANCING: $1,620,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Latoof  SECOND: Ms. Perry  AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Moorestown Friends School Assoc.
LOCATION: Moorestown/Burlington Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: $6,000,000 Series A Tax-Exempt Bond and $6,000,000 Series B Tax Exempt Bond
MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Brown  AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None
PROJECT: Yeshivat Keter Torah
LOCATION: Eatontown/Monmouth Cty.
PROCEEDS FOR: building acquisition and renovation
FINANCING: $2,400,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Yeshiva Toras Aron, Inc.*
LOCATION: Lakewood/Monmouth Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: Up to $6,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: Congregation Yeshiva Yesodei Hatorah, Inc.
dba Yeshiva Yesodei
LOCATION: Lakewood/Ocean Cty.
PROCEEDS FOR: refinance existing debt
MOTION TO APPROVE: Mr. McDermott SECOND: Mr. Carden
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: New Jersey Nonferrous Trading Inc. or its nominee
LOCATION: Hillside/Union Cty.
PROCEEDS FOR: building acquisition and renovation
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

AYES: 14
PROJECT: TBB, Inc. d/b/a O Padiero
LOCATION: Woodbridge/Middlesex Cty.
PROCEEDS FOR: equipment purchase
MOTION TO APPROVE: Mr. Carden   SECOND: Mr. Latoof
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: City of Camden – Carnegie Library Stabilization
LOCATION: Camden/Camden Cty.
FINANCING: $1,000,000 recoverable grant from the Demolition and Redevelopment Financing Fund
REQUEST: Approve the funding authorization for a $1 million recoverable grant under the Demolition and Redevelopment Financing Fund to the City of Camden to fund the stabilization of the Carnegie Library located in the Lanning Square neighborhood of Camden.
MOTION TO APPROVE: Mr. Burke   SECOND: Mr. Brown
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Rowan University
LOCATION: Camden/Camden Cty.
FINANCING: $9,000,000 non-recoverable grant under the Higher Education and Regional Health Care Development Fund
REQUEST: Approve the funding authorization for a $9 million non-recoverable grant under the Higher Education and Regional Health Care Development Fund to Rowan University to fund a portion of the construction and permanent financing for a six-story, 200,000 sq. ft. academic medical research and education facility in the Lanning Square neighborhood of Camden.
MOTION TO APPROVE: Mr. Latoof   SECOND: Mr. Brown
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following projects were presented under the Petroleum Underground Storage Tank Program.
MOTION TO APPROVE: Mr. Carden   SECOND: Mr. Latoof
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Mary Brasch
LOCATION: Shrewsbury/Monmouth
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $107,339 Petroleum UST Remediation, Upgrade, & Closure Fund Grant
FOR INFORMATION ONLY: Summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of May 2011.

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM, BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT PROGRAM, AND SALES AND USE TAX EXEMPTION

PROJECT: Church & Dwight
LOCATION: Various
BUSINESS: manufacturing
GRANT AWARD: $13,554,000 (estimate), 6 years Business Retention and Relocation Assistance Grant
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Staub AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Church & Dwight
LOCATION: Various
BUSINESS: manufacturing
GRANT AWARD: $2,782,500 (estimate), Sales and Use Tax Exemption
MOTION TO APPROVE: Mr. McDermott SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Data Centrum Communications, Inc. APPL.#36599
LOCATION: TBD
BUSINESS: printing and publishing
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: The Great Atlantic & Pacific Tea Company, Inc.
LOCATION: TBD
BUSINESS: consumer goods
GRANT AWARD: $6,243,750 (estimate), 5 years Business Retention and Relocation Assistance Grant
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Staub AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: The Great Atlantic & Pacific Tea Company, Inc.
LOCATION: TBD
BUSINESS: consumer goods
GRANT AWARD: $496,125 Sales and Use Tax Exemption
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Carden AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15
PROJECT: Hyponex Corporation APPL.#36601
LOCATION: Newton/Sussex Cty. BUSINESS: agricultural
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Mediacom Communications Corporation APPL.#36720
LOCATION: Mahwah/Bergen BUSINESS: communications
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Staub AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Crane Group International, LLC APPL.#36723
LOCATION: Hillside/Union BUSINESS: manufacturing
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Staub AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

BOARD MEMORANDUMS

FOR INFORMATION ONLY: The next item is a summary of projects approved under Delegated Authority in May 2011.

New Jersey Business Growth Fund: DB Land Holdings LLC and Innovative Orthodontics, LLC; Emad Jacob MD PC and 716 Jacob Properties, LLC; Interfashion Cosmetics Corp.; RMF Sales Associates LLC & PowerComm Solutions, Inc.

NJ Main Street Program: Fulcrum Facilities Services, LLC


Camden ERB: Catapult Learning, LLC; Refat Elsayed

Community Economic Development Program: Waterford Township

New Jersey Business Growth Fund – Modification: Stir-Up, LLC
ITEM: American Home Assurance Company and AIG BEIP Grants
REQUEST: Approve recommendation not to disqualify AIG for BEIP assistance based on a review of the legal matters.
MOTION TO APPROVE: Mr. Carden    SECOND: Mr. Brown     AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

ITEM: American Home Assurance Company and AIG BEIP Grants
REQUEST: Consent to administrative changes in the AIG BEIP grants.
MOTION TO APPROVE: Mr. Carden    SECOND: Mr. Latoof     AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

REAL ESTATE

ITEM: Acquisition and Rehabilitation of Five State Police Barracks
REQUEST: Approve the following for the acquisition and rehabilitation of five State Police barracks and the land on which they are located: (1) budget for the acquisition and rehabilitation (2) agreement and lease between the Authority and Treasury (3) Agreement for Purchase of Property between the Authority and B&S Partners to purchase the Barracks.
MOTION TO APPROVE: Ms. Perry    SECOND: Mr. Sarlo     AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

AUTHORITY MATTERS

ITEM: Revised Memorandum of Understanding between the Authority and the Department of State
REQUEST: Approve a revised Memorandum of Understanding between the Authority and the Department of State to clarify changes to funding related to personnel.
MOTION TO APPROVE: Mr. Staub    SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

ITEM: 2011-RED-RFQ/P-BKR-0013 Lease Brokerage Services – Award Protest
REQUEST: Approve the recommendation that the contract award to Jones Lang LaSalle approved at the March 8 Authority meeting remain unchanged.
MOTION TO APPROVE: Ms. Perry    SECOND: Mr. Latoof     AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

Chairman Koepp turned the board duties over to Mr. Carden and recused himself from the upcoming item due to his being a Director of a company that has an existing business relationship with a vendor company.

Mr. Downes recused himself because his employer has an existing business relationship.

Mr. Burke recused because of a supplier relationship with the applicant.
EXECUTIVE SESSION

Mr. Carden, Acting Chair, asked for a Motion to go into Executive Session to receive legal advice pertaining to Revel Atlantic City/LLC/Revel Entertainment Group, LLC, Atlantic City, NJ. He advised that the minutes would be made public when the need for confidentiality no longer exists.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

The board returned to Public Session

Ms. Whitman left the room and rejoined the meeting via conference call.

The next item was to review de novo and retroactively ratify, Revel Atlantic City, LLC/Revel Entertainment Group, LLC, Atlantic City, NJ, as of February 1, 2011, the previous action taken regarding the recommended reimbursement grant to Revel Atlantic City, LLC and Revel Entertainment Group., LLC under the Economic Redevelopment and Growth Grant Program (P.L. 2009, c.90 (N.J.S.A. 52:27D-489 a through o), its guidelines and the regulations governing the program.

Ms. Franzini stated that the project involves the creation of an entertainment resort on 20 acres of beachfront property in the South Inlet of Atlantic City. The applicant will construct approximately 6.3 million square feet with a hotel tower (with up to 1,898 keys on 46 guest room floors, the majority of which will have ocean views with a discreet hotel lobby and two acre outdoor terrace), 1.8 million square feet low rise structure (including a 5,500 seat performance theater, 700 seat black box theatre, 700 seat performance theatre on the gaming floor, 30,000 square foot night club and ultra lounge, eighteen restaurants encompassing a diverse range of dining, 44,000 square foot private beach, three distinct pool experiences, night club featuring live performances, 22,000 square foot spa with bathhouse, treatment rooms, fitness and salon, up to 190,000 square feet of convention and meeting space, 75,000 square feet of retail with over 40 unique addresses and a 150,000 square foot casino), a 7,800 space parking facility (encompassing 2.9 million square feet) and a standalone central utility plant.

She remarked that the entire project costs related to the resort are approximately $2.8 billion. The costs expended to date (commencing in 2008) are $1.26 billion. The costs to complete the project are being contemplated in three phases. It is anticipated that the project costs for the first phase will be $1.48 billion. Phases 2 and 3 will cost $78 million and $71 million, respectively. Phase one will consist of 1,090 rooms, 12 restaurants, 2 theatres and 160,000 square feet of convention/meeting space (to be completed in the summer of 2012). Phase 2 will add 505 rooms, bringing the total to 1,595 rooms (with completion targeted by the summer of 2013). Phase three would add an additional 303 rooms, which will bring the total to 1,898 rooms (completed by the first quarter of 2015). Each phase will obtain a certificate of occupancy. Each phase would have a separate closing and the size of the ERG grant is based upon all three phases being completed and would be reduced based upon the ultimate amount completed under each phase.
Ms. Franzini pointed out that in addition to the privately owned casino and resort space, from both a public policy perspective and in order to enhance the economic feasibility of the project, the applicant will undertake the enhancement of public areas and infrastructure on contiguous properties. Staff therefore recommends and applicant has agreed that the ERG proceeds will be dedicated in part to fund the costs associated with new development projects and recreational amenities in the City's Inlet Revitalization Plan.

The infrastructure noted above aggregate $125 million. The applicant will undertake these infrastructure improvements and will seek to monetize the ERG stream resulting in $125 million principal borrowing with interest and financing fees totaling $270 million (which approximates the amount of the ERG). For point of reference, the net present value of the anticipated ERG payment stream at 9% equates to $125 million. Applicant has agreed to create an infrastructure fund into which it will deposit a portion of the ERG proceeds or proceeds from the monetization.

The applicant has finalized the terms of an estimated $1.15 billion in credit facilities consisting of an $850 million first position loan and $305 million second (or “mezzanine”) loan mainly from a syndicate of major international lending organizations.

Regarding Project Ownership, Ms. Franzini stated that Revel Entertainment Group, LLC has a parent organization named Revel Holdings, LLC which is currently owned approximately 5% by management team of Revel and approximately 95% by an affiliate of Morgan Stanley; however, once the new financing has been closed, Revel Holdings ownership of Revel Entertainment will be terminated (Morgan Stanley or one of its affiliates will receive a $30 million payment) and transferred to an new entity (Revel Acquisition, LLC) formed by and 100% owned by management (it is anticipated that upon the exercise of warrants by owners of the mezzanine debt Kevin DeSanctis who is Chairman and Chief Executive Officer of Revel will hold management’s 10% stake with holders of the mezzanine debt receiving the remaining 90% ownership stake. Management will have the opportunity to increase their stake to 15% by completing the project and the generation of earnings. Revel Atlantic City, LLC is the owner of the project site and a wholly owned subsidiary of Revel Entertainment Group. Revel Atlantic City, LLC and/or a new interposed entity will be the borrower under the proposed credit facilities (which will have a corporate guarantor).

Ms. Franzini stated that the ERG eligible amount above also excludes costs related to gaming, working capital, marketing and real estate taxes. Infrastructure costs are also excluded from both the total and ERG eligible project costs listed above.

Regarding Gap Analysis, Ms. Franzini stated that EDA staff has reviewed the application to determine that there is a shortfall in the project development economics pertaining to the return on the investment for the developer and their ability to attract the required investment to complete the project. Staff analyzed the pro forma and projections of the project (utilizing the revenue and cash flow figures associated with the downside case as opposed to the management case per the lenders offering prospectus) and compared the pre-tax returns (based on the $118 million impaired asset value and excluding the impact of our share in cash flow as described in more detail hereafter) with and without the ERG over 20 years.
She stated that staff reviewed the project with and without the ERG funding and the project would not otherwise be completed without the benefit of the ERG. For the purposes of the 20% required project equity, the Authority reviewed the resort project’s entire costs (from inception through completion) which aggregates $2.8 billion resulting in a minimum equity project contribution of $560 million and this has been met via the $1.2 billion of funds contributed by applicant members to date. It should be noted that although the $1.2 billion was initially funded with debt from Morgan Stanley, the Morgan Stanley debt will be forgiven at time of the proposed debt closing.

The potential cash from the prospective ERG will assist in enabling the applicant to obtain an estimated $125 million in debt necessary to cover the costs associated with the infrastructure improvements surrounding the entertainment resort. These improvements are beyond what was required of Revel per its redevelopment agreement and are being implemented to not only complement the resort but to improve the surrounding neighborhood community infrastructure and provide enhanced public amenities and beach access.

Regarding the Net Positive Benefit Analysis, Ms. Franzini stated that staff has conducted the required analysis and has found that the present value of the Net Positive Benefits to the State at a 6% discount rate over a 20 year period is $540 million (including the $90 million of one-time tax benefits). As this project is deemed a destination entertainment and retail facility, up to 100% of the taxes collected by the state can be deemed net new based on a recently adopted policy. Revel’s first full year revenues are estimated at $800 million (with gaming comprising 70% with the remainder food, beverage, hotel and entertainment) and Spectrum Gaming Group has stated that $75 million in non-gaming revenues generated by Revel are considered net new to New Jersey. As a result, the net benefit calculation has been calculated including $3 million (equating to 4% of the new revenues) in new sales taxes to the state. This net benefits figure is obtained by taking solely the CBT and gross income tax at 66%, the indirect ongoing taxes and the one time tax benefits. The present value of this figure is reduced by the present value of all local and state grants, including the ERG award to the project, resulting in the present value of the Net Positive Benefits to the State of $368 million.

Ms. Franzini stated that in order to be eligible for the program, the project must comport with additional statutory criteria that address economic feasibility and furtherance of the redevelopment plan and that staff review confirms compliance.

Ms. Franzini also noted that due to the size of the grant and essential assistance that the ERG will provide to the project, and per the amendment to the ERG guidelines regarding ERG payments to be considered by the Board on February 1, 2011, there will be an agreement to share a portion (estimated at 20% of management’s 10% initial ownership) of the distributions to the applicants with the State of New Jersey based upon specific milestones to be negotiated satisfactory to the EDA.

Ms. Franzini stated that Reimbursement of the project shall only commence upon:

1. Completion of construction and issuance of a certificate of occupancy for Phase 1 of the project;
2. Submission of a detailed list of all eligible costs, which costs shall be satisfactory to the NJEDA; and
3. New tax revenues have been paid to the NJ Treasury.
4. Reimbursement of ERG eligible tax revenues will only be applied to costs associated with the infrastructure projects outlined in this memo subject to satisfactory review of NJEDA.

Finally, Ms. Franzini added that the NJ Treasury annually tracks taxes received from job sites and subsequently remits reimbursement equal to a percentage of funds collected during the year.

ITEM: Revel Atlantic City, LLC/Revel Entertainment Group, LLC, Atlantic City, NJ
REQUEST: Review de novo and retroactively ratify, as of February 1, 2011, the previous action taken regarding the recommended reimbursement grant to Revel Atlantic City, LLC and Revel Entertainment Group, LLC under the Economic Redevelopment and Growth Grant Program (P.L. 2009, c.90 (N.J.S.A. 52:27D-489 a through o), its guidelines and the regulations governing the program.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Staub
ABSTENTIONS: 3
AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

Acting Chairman Carden stated that staff had done an extraordinary job of due diligence on a project that is important to the State and the region. He noted that it is very rare that this Board gets the opportunity to act on a project that leverages $1 billion in sunk costs. He then asked if any Members of the Board had questions or comments on the matter.

Ms. Perry asked if there was any downside of this project to the Authority.

Ms. Franzini responded that since this program is structured as a reimbursement program, no State dollars are expended until the project is complete. Also, the award will go into projects that benefit the community, not just the project and she does not see a downside.

Acting Chairman Carden commented that while there is no financial exposure for the Authority in this project, there are tax dollars at stake and the exposure of EDA’s reputation in administering programs. He believes that this project has been reviewed thoroughly by staff both qualitatively and quantitatively.

Mr. Staub asked if the amount of the award was $260 million or $125 million and how would Revel determine which community projects to undertake first. Ms. Franzini responded that $125 million is the present value of the $260 million that would be awarded over a number of years. Mr. Lizura noted that Revel will need to come to the Authority for final approval of projects.

Mr. Kosoffsky asked for the status of the loans to Revel and Ms. Franzini responded that the loans have closed and there are currently about 2000 construction workers on site.

Mr. Brown asked for confirmation that this meeting had been noticed properly. Ms. Hassett stated that the agenda is on the Authority’s website, was in the papers 48 hours in advance of the meeting, and that UNITE Here had been notified.

Mr. Carden, Acting Chair returned the board duties back to Chairman Koeppel.
PUBLIC COMMENT

Mr. Joe Young, General Counsel for Mediacom Communications Corp. thanked the board for its consideration and said that New Jersey looks very appealing for their quest to relocate and consolidate jobs.

There being no further business, on a motion by Mr. Latoof, and seconded by Ms. Perry, the meeting was adjourned at 12:25 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.

Maureen Hassett, Assistant Secretary
BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Ace Alliance, Inc.  P35518

PROJECT USER(S): Adelaide L. Sanford Charter School *  WISOMMM Holistic Child Care Center *

* - indicates relation to applicant

PROJECT LOCATION: Various  Newark City (T/UA)  Essex County

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

APPLICANT BACKGROUND:
Ace Alliance, Inc. (formerly known as Women in Support of the Million Man March, Inc. ("WISCOMM") is a 501(c)(3) not-for-profit community based organization incorporated in 1995, dedicated to improving the quality of life throughout the diverse Newark, NJ neighborhoods it services via cultural enrichment, education, social activism and economic empowerment. Since its inception, Ace Alliance has made significant investments in Newark’s historic Lincoln Park Arts District, James Street Commons Historic District and the Central Business District. The organization has purchased several historic properties in the downtown Newark area to house its mission advancing initiatives such as the Adelaide L. Sanford Charter School, the WISOMMM Holistic Child Care Center and the WISOMMM Education & Cultural Resource Center. Fredrica Bey is the Executive Director of Ace Alliance, Inc. The Charter School is currently located at 53 Lincoln Park with an enrollment of 288 students in grades Kindergarten through 5th and has approximately 45 employees.

In 2004, the Authority closed on $4,550,000 in tax-exempt bonds (P15479) for the benefit of Ace Alliance (formerly WISOMMM) to purchase real property at 15 James Street and 65 Lincoln Park and to consolidate outstanding conventional debt. The term of the bond is 20 years at a fixed interest rate of 4.5% for first 10 years, subject to rate reset on the 10th anniversary and was directly purchased by Independence Community Bank, now Sovereign Bank. The applicant has also submitted an application to refund the 2004 Bonds (Appl. P35835) which was approved at the April 12, 2011 Board meeting for a total tax-exempt and taxable bond financing of $9 million.

Additionally in 2009, the Authority closed on $400,000 Urban Plus direct loan (P18474) for the renovation of properties at 53 and 67-69 Lincoln Park properties and for repayment of a construction loan. The loan is for a term of 5 years with a 20 yr. amortization and fixed rate of 2%. The loan is current and is expected to be prepaid as part of the bond financing.

One series of bonds will be designated a Qualified School Construction Bond ("QSCB") under the American Recovery and Reinvestment Act of 2009 and Section 54F of the Internal Revenue Code of 1986 and is one of several charter schools utilizing QSCB volume cap allocation the Authority received.
APPROVAL REQUEST:
Authority assistance will enable the applicant to fund the expansion project of the Adelaide L. Sanford Charter School. The expansion project will reallocate space at the 65,180 sq. ft. James Street property location to accommodate the addition of grades 6-8 with maximum students increasing the enrollment by 48 students per grade. 27,000 sq. ft. of the facility will be allocated to support the charter school expansion and includes an addition to classroom space, cafeteria, auditorium, gymnasium and a special activities learning center. The remainder of the James Street facility will continue to serve as a child care center and mixed community based uses.

Bond proceeds will also be used to prepay a $400,000 loan provided by City National Bank (for 20 years at 7%) to renovate the property at 53 and 67-69 Lincoln Park. In addition the EDA Urban Plus Loan will be prepaid.

This Project is being presented at the July 14, 2011 Board meeting for the reauthorization of the QSCB allocation to provide more time for due diligence and closing of the bond financing.

FINANCING SUMMARY:

BOND PURCHASER: Powell Capital Markets, Inc. (Placement Agent)

AMOUNT OF BOND: $3,000,000 (estimated) Series A - Qualified School Construction Bond - Direct Pay Tax Credit Bond

TERMS OF BOND: The tax credit rate and maximum term will be determined prior to the issuance of the bond based on the QSCB rates published daily by the U.S. Treasury; on 7/6/2011, the tax credit rate was 5.35% with maximum term of 17 years. Principal and interest will be based on a fixed rate not to exceed 11% and a maximum term of 17 years. The indicative rate as of 7/6/2011 is 10%.

BONDPURCHASER: $800,000 (estimated) Part of Series B Tax-exempt bond in estimated amount of $5.2 million and total Tax-exempt and Taxable bond financing of $9 million with Appl. P35835

AMOUNT OF BOND: $800,000 (estimated) Series C Taxable Bond

TERMS OF BOND: Series B terms: 30 yrs. (max.) at fixed rate not to exceed 8.5%; indicative rate as of 7/6/2011 of 7.75%

Series C terms: 30 yrs. (max.) at fixed rate not to exceed 12%; indicative rate of 9.5%

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of existing building</td>
<td>$3,000,000</td>
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<tr>
<td>Refinancing</td>
<td>$400,000</td>
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<tr>
<td>Refinance EDA Loan</td>
<td>$400,000</td>
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<tr>
<td>Engineering &amp; architectural fees</td>
<td>$255,000</td>
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<tr>
<td>Debt service reserve fund</td>
<td>$250,000</td>
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<tr>
<td>Finance fees</td>
<td>$111,750</td>
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<tr>
<td>Contingency</td>
<td>$103,250</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$80,000</td>
</tr>
</tbody>
</table>

TOTAL COSTS $4,600,000
JOBS: At Application 45 Within 2 years 20 Maintained 0 Construction 26

PUBLIC HEARING: 04/12/11 (Published 03/28/11)  BOND COUNSEL: McManimon & Scotland
DEVELOPMENT OFFICER: D. Johnson  APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Congregation Yeshiva Yesodei Torah, Inc., dba Yeshiva Yesodei P36173

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

PROJECT LOCATION: 2 Yesodei Court Lakewood Township (T/UA) Ocean

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

APPLICANT BACKGROUND:
Congregation Yeshiva Yesodei Torah, Inc., dba Yeshiva Yesodei Hatorah (Yeshiva), formed in 1995, is a Jewish based post high school program, with a current enrollment of 52 students. The applicant is a non-degree graduate studies program, focusing on the philosophy of the Talmud (Oral Law), a guide for a moral based lifestyle, and the analytical skills for life long learning. Rabbi Yisroel Treff is the Administrator, with Rabbi Shaye Treff serving as the head of school. The project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause.

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

APPROVAL REQUEST:
Authority assistance will enable the applicant to refinance conventional debt used to acquire and renovate a 6 acre state of the art campus in Lakewood. The balance of project costs not covered by the tax-exempt bond will be funded with proceeds from the sale of property in Lakewood. The interest savings will be used to provide additional services for the students, thus requiring creation of new jobs.

FINANCING SUMMARY:
BOND PURCHASER: The Bank (Direct Purchase)

AMOUNT OF BOND: $4,292,000 Tax-Exempt Bond

TERMS OF BOND: 20 years; the bond will have a fixed rate of 4.15% for the first 5 years; subject to call options and rate resets every 5 years; rate resets will be based on the tax-exempt equivalent of 100 basis points over the Wall Street Journal Prime, with a floor of 4.15%.

ENHANCEMENT: N/A

PROJECT COSTS:
Refinancing $5,461,000
Legal fees $50,000
Finance fees $42,000

TOTAL COSTS $5,553,000

JOBS: At Application 14 Within 2 years 10 Maintained 0 Construction 0

PUBLIC HEARING: 06/14/11 (Published 05/31/11) BOND COUNSEL: Wolff & Samson
DEVELOPMENT OFFICER: R. Fischer APPROVAL OFFICER: M. Krug
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Congregation Agudath Israel of West Essex, Inc.  P36721
PROJECT USER(S): Same as applicant  * indicates relation to applicant
PROJECT LOCATION: 20 Academy Road  Caldwell borough (N)  Essex
GOVERNOR'S INITIATIVES: ( ) Urban  ( ) Edison  (X) Core  ( ) Clean Energy

APPLICANT BACKGROUND:
Congregation Agudath Israel of West Essex, Inc., a 501(C)(3) not-for-profit organization, is a synagogue with over 9,000 membership units serving the Essex County community since the 1920's. It provides civil, cultural and social programming to residents in Essex and Morris Counties in a 65,000 sq. ft. facility in Caldwell, Essex County, which includes an early childhood center, K-12 School, college outreach, and activities for families and seniors. The project is being reviewed by the Attorney General's Office relating to the First Amendment's Establishment Clause. Stuart Berger is the President and Rabbi Richard Hammerman is the Executive Director.

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 a construction line of credit provided by Lakeland Bank used to construct an addition for an Adult Learning Center, which includes a library and to renovate the Early Childhood Center that provides programming for approximately 150 children ages 2-6.

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

PROJECT COSTS:

| Refinancing | $6,135,000 |
| Finance fees | $75,000 |
| Legal fees | $65,000 |
| Accounting fees | $25,000 |

TOTAL COSTS $6,300,000

JOBS: At Application 131 Within 2 years 2 Maintained 0 Construction 0

PUBLIC HEARING: 07/14/11 (Published 06/29/11)  BOND COUNSEL: McManimon & Scotland
DEVELOPMENT OFFICER: M. Abraham  APPROVAL OFFICER: T. Wells
AMENDED BOND RESOLUTIONS
APPLICANT: New Jersey Natural Gas Company

PROJECT USER(S): Same as applicant

PROJECT LOCATION: Various

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

APPLICANT BACKGROUND:
New Jersey Natural Gas Company ("NJNG") is a natural gas utility that provides regulated retail natural gas service to approximately 494,000 customers in the central and northern regions of the State of New Jersey and also participates in the off-system sales and capacity release markets. NJNG is regulated by the NJ Board of Public Utilities ("BPU"). As of September 30, 2010, NJNG's service territory encompassed 1,516 square miles, covering 105 municipalities with an estimated population of 1.4 million people.

NJNG currently has $97,045,000 of EDA tax exempt bonds outstanding issued from 1995 through 1998 (the "Prior Bonds") to acquire and install natural gas distribution and transmissions mains, customer service lines, gas regulators, meters and ancillary equipment related to the furnishing of gas in the Morris County franchise area. Below is the list of the outstanding bonds subject of this refunding request:

<table>
<thead>
<tr>
<th>CLOSED</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>P8248</td>
<td>8/2/95 $25,000,000 Series 1995A</td>
</tr>
<tr>
<td>P8158</td>
<td>8/2/95 $16,000,000 Series 1995B</td>
</tr>
<tr>
<td>P9657</td>
<td>10/8/97 $13,500,000 Series 1997A</td>
</tr>
<tr>
<td>P9808</td>
<td>1/21/98 $9,545,000 Series 1998A &amp; $15,000,000 Series 1998B</td>
</tr>
<tr>
<td>P9932</td>
<td>4/21/98 $18,000,000 Series 1998C</td>
</tr>
</tbody>
</table>

The Prior Bonds were publicly offered with latest final maturity in 2033 and are currently outstanding as auction rate securities with interest rate resets every 35 days, with the exception of the Series 1998A, which is reset every 7 days. With the collapse of the auction rate securities market, the Prior Bonds are in a "failed" mode and are paying interest at the penalty rate of 175% of 1-month LIBOR, which currently equates to about 48 basis points.

This project qualifies for Authority assistance as an Exempt Public Facility (local furnishing of electric or gas) under Section 142(a)(8) of the Internal Revenue Code of 1986 as amended and is exempt from the $20 million capital expenditure limitation.

REFUNDING REQUEST:
Authority assistance will enable the applicant to refund the Prior Bonds to return to the tax exempt bond market (instead of remaining at the penalty interest rate which is based on a taxable index (LIBOR)), while still in low interest rate environment, together with overall advantageous financing costs. The Bonds are expected to be rated A+ by S&P and Aa3 by Moody's. The difference between the project costs and the amount of the refunding bonds will be funded with the Applicant's equity.

The NJ Board of Public Utilities authorized the refinancing of the indebtedness represented by the Prior Bonds on 12/1/2009.
FINANCING SUMMARY:

BOND PURCHASER: J.P. Morgan Securities LLC (Underwriter)

AMOUNT OF BOND: not to exceed $97,045,000 (Tax-exempt bonds)

TERMS OF BOND: 30 years (max.); Multi modal variable interest rate not to exceed 12% with reset options in daily, weekly, index or term mode; initially the bonds will reset daily, indicative rate as of 7/5/2011 is .05%.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal amount of bond to be refunded</td>
<td>$97,045,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$576,363</td>
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<tr>
<td>Legal fees</td>
<td>$400,000</td>
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<tr>
<td>Rating Agency</td>
<td>$100,000</td>
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<tr>
<td>Accounting fees</td>
<td>$75,000</td>
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<tr>
<td>Other</td>
<td>$25,000</td>
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<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$98,221,363</strong></td>
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</table>

PUBLIC HEARING: 07/14/11 (Published 06/30/11)  BOND COUNSEL: Wolff & Samson

DEVELOPMENT OFFICER: P. Ceppi  APPROVAL OFFICER: T. Wells
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: Register Lithographers, Ltd.

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 1155 Bloomfield Ave Clifton City (T/UA) Passaic

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

APPLICANT BACKGROUND:
Register Lithographers, Ltd. is part of the Goldmark Group, which was formed in 1974 and is a provider of specialty printing, creative design and photography services. Other affiliated companies in the Goldmark Group include The Sign Source, Inc. and Markgold, LP. In 1994, the EDA provided a $500,000 direct loan (P8345) for leasehold improvements to assist Register Lithographers with its relocation from New York to Clifton, New Jersey. The loan was handled as agreed and paid in full in 2005.

In 2007, the Authority issued a tax-exempt bond in the amount of $7,300,000 which was used by Register Lithographers to purchase an 81 inch printing press which the company operates at its 52,000 sq ft facility in Clifton. The bond was purchased by Capital One Bank (originally North Fork Bank).

In 2009, Capital One Bank notified the borrower that a technical default had occurred, specifically for failure to satisfy: (i) the debt service coverage ratio and (ii) the debt to net worth ratio, for the fiscal period ending December 31, 2008. Subsequently, the bank and borrower negotiated to restructure certain terms of the agreement to cure the default. This triggered a reissuance of the bonds in the amount of $6,585,965 which was approved by the Authority in May 2010.

The Goldmark Group, including its subsidiary Register Lithographers, is currently seeking to move its banking relationship from Capital One to JPMorgan Chase and refinance numerous debt facilities. JPMorgan Chase has approved the following:

1. $6 million NJEDA Tax-Exempt Bond to Register Lithographers to refund the bond held by Capital One.
2. $2.625 million mortgage to Markgold to refinance existing mortgage.
3. $1.5 million revolving credit line.
4. $1 million term loan contingent upon a $500,000 EDA participation (seeking simultaneous approval under P36787) to refinance a recently acquired 64 inch printing press.

REFUNDING REQUEST:
Authority assistance will enable the applicant to refund the Authority's Substitute Economic Development Bond. This will allow the borrower to refinance the KBA 81 inch press with JPMorgan Chase Bank. The tax-exempt bond will not exceed $6 million.

FINANCING SUMMARY:

BOND PURCHASER: JP Morgan Chase Bank, N.A.

AMOUNT OF BOND: Not to exceed $6,000,000 (Tax-Exempt)

TERMS OF BOND: 7 years; interest rate based on the tax-exempt equivalent of one month LIBOR + 300 bps. The indicative rate as of 06/15/2011 was 2.3532%.
APPLICANT:  Register Lithographers, Ltd.

ENHANCEMENT:  N/A

PROJECT COSTS:

TOTAL COSTS

*Project Costs reflected on P36787.

$0 *

PUBLIC HEARING: 07/14/11 (Published 06/30/11)  BOND COUNSEL:  Wolff & Samson
DEVELOPMENT OFFICER:  D. Johnson  APPROVAL OFFICER:  K. McCullough
APPLICANT: Register Lithographers, Ltd.

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 1155 Bloomfield Avenue Clifton City (T/UA) Passaic

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

APPLICANT BACKGROUND:
The Goldmark Group ("GG") was formed in 1974 and is a provider of specialty printing, creative design and photography services. GG is a combined entity with the following affiliated companies: Register Lithographers, Inc. ("RLI"), The SignSource, Inc. ("SI") and Markgold, LP. GG is located in the Urban Aid Municipality of Clifton with 60 total employees. RLI accounts for 40 of the existing jobs and has committed to creating 10 new jobs within the next two years. GG is currently seeking to move its banking relationship from Capital One to JPMorgan Chase ("Chase") and refinance numerous debt facilities. Chase has approved the following:
1. $6 million NJEDA Bank Qualified Bond to RLI (seeking simultaneous approval under P36788) to refund the Capital One bond (P18106) listed above.
2. $2,625,000 mortgage to Markgold to refinance an existing mortgage.
3. $1.5 million revolving line of credit.
4. $1 million term loan contingent upon a $500,000 EDA participation to refinance a recently acquired 64 inch printing press (purchase price was $2 million).

APPROVAL REQUEST:
Approval is requested for a $500,000 (50%) SLP participation in a $1,000,000 equipment loan from JPMorgan Chase as proposed.

FINANCING SUMMARY:
LENDER: JPMorgan Chase
AMOUNT OF LOAN: $1,000,000 with a $500,000 (50%) EDA participation
TERMS OF LOAN: Commercial Bank Floating Rate or 1-month LiBOR plus 300 basis points. 5-year term, 7-year amortization.
TERMS OF PARTICIPATION: Rate fixed at 5-year Treasury plus 50 basis points with a floor of 3%. 5-year term, 7-year amortization.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Refunding Bond</td>
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</tr>
<tr>
<td>Refinancing - RE</td>
<td>$2,625,000</td>
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<tr>
<td>Refinance of Equip</td>
<td>$2,000,000</td>
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<tr>
<td>Legal fees</td>
<td>$40,000</td>
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<tr>
<td>Finance fees</td>
<td>$37,000</td>
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<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$10,702,000</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 40 Within 2 years 10 Maintained 40 Construction 0

DEVELOPMENT OFFICER: D. Johnson APPROVAL OFFICER: S. Brady
APPLICANT: Yeshiva Toras Aron, Inc.

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 500 Summer Avenue, Lakewood Township (T/UA), Ocean

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

APPLICANT BACKGROUND:
Yeshiva Toras Aron, Inc., a New Jersey nonprofit corporation, operates an elementary school for boys. This private school opened in September 2004 and now serves students in grades pre-K through fifth grade. Currently, there are 598 pupils in this school, with 4 parallel classes per grade having an average class size of 25.

The Applicant has completed the renovation and expansion of a 25,000 sq. ft. building, which was purchased in September 2009. This capital improvement project consisted mainly of building additions and expansion (including adding a complete second floor to house additional class rooms, additional lunch rooms, and a library).

This project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause.

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

APPROVAL REQUEST:
Authority assistance will enable the refinancing of existing conventional debt, which was used to purchase and expand a school building (approx. 75,000 sq. ft. after expansion); monies or notes due to the local families who advanced or bridged the necessary renovation/expansion financing, which was used for the furnishing and improving of the same school building, and for reimbursement of the Applicant for work completed plus paying the cost of issuance.

The difference between the project costs and the bond amount is expected to be funded by the Applicant's equity.

FINANCING SUMMARY:

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

AMOUNT OF BOND: Up to $6,500,000 Tax-Exempt Bond

TERMS OF BOND: Up to 25 years and 1 month; floating rate at the tax-exempt equivalent of one-month LIBOR (as of May 2, 2011 0.20%) plus 250 bps; on the closing date Borrower shall enter into a swap agreement of at least 75% of the loan to a fixed rate (as of May 2, 2011, indicative 5-year tax-exempt swap fixed rate is 4.00%; 7-year and 10-year swap terms are also available); with a call option every 5, 7 or 10 years to correspond with the term of the swap selected by the Borrower.
APPLICANT: Yeshiva Toras Aron, Inc.

ENHANCEMENT: N/A

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Component</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
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</tr>
<tr>
<td>Cost of Issuance/Other</td>
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<tr>
<td>Finance fees</td>
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<td><strong>TOTAL COSTS</strong></td>
<td><strong>$6,548,750</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 28 Within 2 years 10 Maintained 0 Construction 0

PUBLIC HEARING: 06/14/11 (Published 05/31/11)  BOND COUNSEL: Wolff & Samson

DEVELOPMENT OFFICER: R. Fischer  APPROVAL OFFICER: D. Sucszuz
COMBINATION PRELIMINARY AND BOND RESOLUTIONS
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: New Jersey Community Development Corporation

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 32 Spruce Street, Paterson City (T/UA), Passaic

GOVERNOR'S INITIATIVES: (X) Urban

P36786

EDC: Edison
Core
Clean Energy

APPLICANT BACKGROUND:
Founded in 1994, New Jersey Community Development Corporation ("NJCDC"), a private, non-profit community development and social services agency, creates opportunities to transform lives of families, teens, children and people with disabilities. Their work focuses on the people of the City of Paterson.

Their areas of focus have been on: community development (such as strengthening the community through AmeriCorps programs, and offering job training to young adults); affordable/supportive housing; educational initiatives (such as operating an acclaimed high school focusing on engineering and technology); and youth development (such as operating several comprehensive teen centers).

NJCDC purchased an 8,000 square foot industrial building and renovated it with a construction loan from Commerce Bank (now TD Bank, N.A.). In 2004, the organization refinanced the construction loan, which was used for the acquisition and renovations, with permanent financing loans from Commerce Bank (now TD Bank, N.A. - $750,000) and NJEDA ($500,000). Respectively, the terms were 20 years w/25 year amortization at 5.71% and 10 years w/25 year amortization at 5.00%. At the time of writing, the current balances were $584,000 and $414,046, respectively. The EDA loan (P13536) has been paid as agreed since inception in 2004.

This building now houses their headquarters, a preschool program, the Paterson Family Center, and many other programs and services. In addition to the proceeds of this bond issue refinancing the above two loans, it will also enable certain site upgrades in the driveway and courtyard area, thus providing additional handicapped accessibility.

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

APPROVAL REQUEST:
Authority assistance will enable the applicant to refinance the conventional bank loan and EDA loan as well as make additional site upgrades and improvements, plus pay the cost of issuance.

FINANCING SUMMARY:

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

AMOUNT OF BOND: Up to $1,500,000 Tax-Exempt Bond

TERMS OF BOND: 25 years (with call options); floating rate at the tax-exempt equivalent of one-month LIBOR (as of June 22, 2011 0.19%) plus 135 bps; on the closing date the Borrower will enter into a swap agreement to a fixed rate (as of April 25, 2011, indicative 10-year tax-exempt swap fixed rate is 3.90%; a 5-year swap is also available).
**APPLICANT:** New Jersey Community Development Corporation  

**ENHANCEMENT:** N/A  

**PROJECT COSTS:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinancing</td>
<td>$985,557</td>
</tr>
<tr>
<td>Construction of roads, utilities, etc.</td>
<td>$409,193</td>
</tr>
<tr>
<td>Legal fees</td>
<td>$32,500</td>
</tr>
<tr>
<td>Engineering &amp; architectural fees</td>
<td>$26,000</td>
</tr>
<tr>
<td>Title/Survey/Environmental</td>
<td>$20,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$16,000</td>
</tr>
<tr>
<td>Other</td>
<td>$6,750</td>
</tr>
</tbody>
</table>

**TOTAL COSTS** $1,500,000  

**JOBS:** At Application **140** Within 2 years **5** Maintained **0** Construction **12**  

**PUBLIC HEARING:** 07/14/11 (Published 06/30/11)  

**BOND COUNSEL:** Wolff & Samson  

**DEVELOPMENT OFFICER:** D. Johnson  

**APPROVAL OFFICER:** D. Sucsuz
SMALL BUSINESS FUND DIRECT LOAN PROGRAM
APPLICANT: NewPoint Behavioral Health Care, Inc.

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 100 Hollydell Drive

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

APPLICANT BACKGROUND:
NewPoint Behavioral Health Care, Inc. ("NPBHC"), formerly known as Community Mental Health Center for Gloucester County, is a private, not-for-profit organization, founded in 1958. NPBHC administers programs funded primarily by the New Jersey Department of Human Services. Operating in Southern New Jersey, NPBHC serves approximately 5,000 psychiatric clients a year. The organization provides outpatient individual, family, and marital psychotherapy through numerous mental health services, including adult partial care, emergency services, consultation, and education. NPBHC has a staff of 219 employees at various locations, including four group homes in Gloucester County.

APPROVAL REQUEST:
Approval is recommended for a $70,000 direct loan under the Small Business Fund Loan Program, to be used in conjunction with financing from The Bank to purchase and renovate real estate.

FINANCING SUMMARY:
LENDER: NJEDA

AMOUNT OF LOAN: $70,000

TERMS OF LOAN: Five year loan with repayment based on 15 year amortization. Borrower will have the option of a fixed rate at the 5-year Treasury plus 150 basis points with a floor of 3% or a floating rate at Prime minus 100 basis points with a floor of 3%.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of existing building</td>
<td>$200,000</td>
</tr>
<tr>
<td>Renovation of existing building</td>
<td>$40,000</td>
</tr>
<tr>
<td>Finance fees</td>
<td>$1,075</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$241,075</strong></td>
</tr>
</tbody>
</table>

JOBS: At Application 219 Within 2 years 4 Maintained 0 Construction 1

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: K. Tolly
TO: Members of the Authority  
FROM: Caren S. Franzini  
Chief Executive Officer  
DATE: July 14, 2011  
SUBJECT: Petroleum Underground Storage Tank Program - Delegated Authority Approvals  
(For Informational Purposes Only)

Pursuant to the Board’s approval on May 9, 2006, the Chief Executive Officer ("CEO") and Managing Director of Finance & Development have been given the authority to approve initial grants under the Hazardous Discharge Site Remediation Fund and Petroleum Storage Tank programs up to $100,000 and supplemental grants up to an aggregate of $100,000.

In August 2006, the Petroleum Underground Storage Tank Program legislation was amended to allow funding for the removal/closure and replacement of non-leaking residential underground storage tanks. The limits allowed under the amended legislation are $1,200 for the removal/closure and $3,000 for the removal/closure and replacement of a non-leaking residential underground storage tank.

Below is a summary of the Delegated Authority approvals processed by Finance & Development for the period June 01, 2011 to June 30, 2011:

<table>
<thead>
<tr>
<th>Summary:</th>
<th># of</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaking tank grants awarded</td>
<td>25</td>
<td>$434,006</td>
</tr>
<tr>
<td>Non-leaking tank grants awarded</td>
<td>37</td>
<td>$95,739</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Description</th>
<th>Grant Amount</th>
<th>Awarded to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distefano, Salvatore</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$29,136</td>
<td>$29,136</td>
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<tr>
<td>Edwards, Jean (P34827)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$17,490</td>
<td>$17,490</td>
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<tr>
<td>Fiddes, John and Jessica (P35183)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$15,745</td>
<td>$15,745</td>
</tr>
<tr>
<td>Hardt, Kenneth (P35179)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$17,712</td>
<td>$17,712</td>
</tr>
<tr>
<td>Kaplow, Mary Sue (P33001)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$16,890</td>
<td>$16,890</td>
</tr>
<tr>
<td>Krakowski, Tom (P35767)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$4,317</td>
<td>$4,317</td>
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<tr>
<td>Lescota, Barbara (P34942)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$3,459</td>
<td>$3,459</td>
</tr>
<tr>
<td>Lokowski, Irene (P34810)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$11,845</td>
<td>$11,845</td>
</tr>
<tr>
<td>Lore, Clara (P34101)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$19,267</td>
<td>$19,267</td>
</tr>
<tr>
<td>Lowe, Michael (P35617)</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$5,259</td>
<td>$5,259</td>
</tr>
<tr>
<td>Applicant</td>
<td>Description</td>
<td>Grant Amount</td>
<td>Awarded to Date</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Meininger, Henry and Christine</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$6,223</td>
<td>$6,223</td>
</tr>
<tr>
<td>Mitchell, Virginia</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$15,860</td>
<td>$15,860</td>
</tr>
<tr>
<td>Mollett, Tanners</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$16,453</td>
<td>$16,453</td>
</tr>
<tr>
<td>Moore, Allan</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$41,523</td>
<td>$41,523</td>
</tr>
<tr>
<td>Musser, Dennis</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$3,924</td>
<td>$3,924</td>
</tr>
<tr>
<td>Nicolai, Peter</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$34,643</td>
<td>$34,643</td>
</tr>
<tr>
<td>Nieradka, Robert</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$1,400</td>
<td>$1,400</td>
</tr>
<tr>
<td>Nittoli, Derek</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$5,425</td>
<td>$5,425</td>
</tr>
<tr>
<td>Pacheco, Luis</td>
<td>Supplemental grant for upgrade, closure and remediation</td>
<td>$39,498</td>
<td>$61,575</td>
</tr>
<tr>
<td>Pear, Joan</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$5,700</td>
<td>$5,700</td>
</tr>
<tr>
<td>Rawitz, Susan</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$4,397</td>
<td>$4,397</td>
</tr>
<tr>
<td>Sattler, Lindsey</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$1,324</td>
<td>$1,324</td>
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<tr>
<td>Tavener, Fred</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$9,570</td>
<td>$9,570</td>
</tr>
<tr>
<td>Taylor, Howard</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$10,930</td>
<td>$10,930</td>
</tr>
<tr>
<td>Wauhop, Thomas</td>
<td>Initial grant for upgrade, closure and remediation</td>
<td>$96,016</td>
<td>$96,016</td>
</tr>
</tbody>
</table>

25 Grants

Total Delegated Authority funding for Leaking applications: $434,006

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Description</th>
<th>Grant Amount</th>
<th>Awarded to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfieri, Anna</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Barone, Linda and Diane Badore</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,900</td>
<td>$3,900</td>
</tr>
<tr>
<td>Calaway, Robert J. and Margaret M.</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,500</td>
<td>$3,500</td>
</tr>
<tr>
<td>Cooper, Keith and Lora</td>
<td>Grant to remove an underground storage tank</td>
<td>$550</td>
<td>$550</td>
</tr>
<tr>
<td>Applicant</td>
<td>Description</td>
<td>Grant Amount</td>
<td>Awarded to Date</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>--------------</td>
<td>----------------</td>
</tr>
<tr>
<td>(P35800)</td>
<td>Storage Tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>D'Ercole, Lawrence E. and Lazara (P33946)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Donnelly, James and Sharon (P35552)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Donohue, Robert and Karyn (P35561)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,476</td>
<td>$3,476</td>
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<tr>
<td>Falzo, Carol (P31282)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Ferry, Marie R. (P34270)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,764</td>
<td>$1,764</td>
</tr>
<tr>
<td>Folke, Clifford (P28588)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Henry, George R. and Vivian (P33916)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Hess, Fred (P34384)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,500</td>
<td>$3,500</td>
</tr>
<tr>
<td>Holbeck, Douglas H. and Hope-Claire (P31842)</td>
<td>Partial grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$1,800</td>
<td>$1,800</td>
</tr>
<tr>
<td>Houarner, Guy and Estela Corrales (P32929)</td>
<td>Partial grant to remove an underground storage tank</td>
<td>$511</td>
<td>$511</td>
</tr>
<tr>
<td>Houston, Jennifer and Todd (P35685)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$4,500</td>
<td>$4,500</td>
</tr>
<tr>
<td>Jablonski, Greg (P35650)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,232</td>
<td>$3,232</td>
</tr>
<tr>
<td>Jent, Eric and Tracy (P35700)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Kelly, Yolanda (P35798)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,774</td>
<td>$3,774</td>
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<tr>
<td>Langeraap, John and Marie (P33373)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,433</td>
<td>$3,433</td>
</tr>
<tr>
<td>Lawler, Lillian D (P35578)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,500</td>
<td>$5,003,500*</td>
</tr>
<tr>
<td>Lee, Lawrence and Maureen</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Applicant</td>
<td>Description</td>
<td>Grant Amount</td>
<td>Awarded to Date</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Letlow, Christine and Joseph (P32879)</td>
<td>Partial grant to install an above ground storage tank</td>
<td>$675</td>
<td>$675</td>
</tr>
<tr>
<td>LoBello, Joseph P. and Maureen E. (P33740)</td>
<td>Partial grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Lowery, Timothy S. and Meghan B. (P35641)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,448</td>
<td>$3,448</td>
</tr>
<tr>
<td>Mathikolonis, Aristos and Terri (P34284)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,418</td>
<td>$3,418</td>
</tr>
<tr>
<td>Morais, Eduardo (P34298)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,508</td>
<td>$1,508</td>
</tr>
<tr>
<td>Neylan, Patrick and Debra (P34271)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$4,100</td>
<td>$4,100</td>
</tr>
<tr>
<td>O'Gara, Thomas R. and Margaret P. (P34195)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Patel, Fenil (P33844)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Primerano, Jane (P34296)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,170</td>
<td>$3,170</td>
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<tr>
<td>Puleo, Lori (P33863)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Stack, Brian Rae and Ana Eugenia (P33388)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Taylor, Linda and Stephen (P31656)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Wilfong, Gordon T. (P32224)</td>
<td>Partial grant to remove an underground storage tank</td>
<td>$280</td>
<td>$280</td>
</tr>
<tr>
<td>Winans, Jon and Celine (P35815)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$3,500</td>
<td>$3,500</td>
</tr>
<tr>
<td>Woods, David (P34391)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Wulster, Teresa A and David S. Ray (P35275)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$10,800</td>
<td>$10,800</td>
</tr>
<tr>
<td><strong>37 Grants</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Delegated Authority funding for Non-Leaking applications: $95,739
*This amount includes grants approved previously by the Board and this award does not exceed the supplemental aggregate limit.

Prepared by: Lisa Petrizzi, Sr. Finance Officer

Caren S. Franzini
INCENTIVE PROGRAMS
BUSINESS EMPLOYMENT INCENTIVE PROGRAM
BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT
SALES AND USE TAX EXEMPTION
APPLICANT: A. Fodera & Son, Inc.  
PROJECT LOCATION: TBD  
GOVERNOR'S INITIATIVES:  
( ) Urban ( ) Edison (X) Core ( ) Clean Energy  
APPLICANT BACKGROUND/ECONOMIC VIABILITY:  
Based in Corona, New York, A. Fodera & Son, Inc. (d/b/a Fodera Foods) has been in the bakery supply business for over 70 years. This flour and food distributor has been family owned and operated for three generations. The Applicant is economically viable.  
In addition to the baking and noodle industry, they serve businesses ranging from retail bakeries to donut shops, bagel cafes, and restaurants. Year after year, they have been expanding their line of products available for distribution. Fodera proudly provides its employees with additional training in serving special cultural and food preparation needs.  
In order to provide room for future growth, the company is contemplating relocating its entire operations from their current location in Queens to another larger location. The project involves: (i) relocation of approximately 65 positions from Queens, New York; and (ii) the creation of approximately 10 new positions.  
In the event that this business chooses to locate into a smart growth area, the BEIP score may increase to 80%, at which percentage an estimated amount of the grant would be $360,000 over the term of the grant.  
MATERIAL FACTOR:  
The Applicant is seeking a BEIP grant to support creating 75 permanent full-time positions in New Jersey within the first two years. The company has represented that a favorable decision by the Authority to award the BEIP grant is a material factor in the Applicant's decision to go forward with the project. The Authority staff recommends the award of the proposed BEIP grant.  
APPROVAL REQUEST:  
PERCENTAGE: 35%  
TERM: 10 years  
The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage A. Fodera & Son, Inc. to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.
TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $157,500
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 65 Year 2 10 Base Years Total = 75

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: $2,100

ANTICIPATED AVERAGE WAGES: $35,000

ESTIMATED PROJECT COSTS: $6,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $450,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $517,500

PROJECT IS: (X) Expansion (X) Relocation Corona (Queens), NY

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: D. Sucsuz
**FORMULA EVALUATION**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>1. Location: Locations Unknown</td>
<td>N/A</td>
</tr>
<tr>
<td>2. Job Creation: 75</td>
<td>1</td>
</tr>
<tr>
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<tr>
<td>3. Job at Risk: 0</td>
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<td>4. Industry: Transportation &amp; logistics</td>
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<td>Designated: X</td>
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<td>Non-Designated:</td>
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<td>5. Leverage: 3 to 1 and up</td>
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<td>6. Capital Investment: $6,000,000</td>
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<td>7. Average Wage: $35,000</td>
<td>2</td>
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</tbody>
</table>

**TOTAL:** 9

**Bonus Increases (up to 80%):**
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan: 20%
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs: 30%
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs: 20%
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter): 20%
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan: 15%
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater: 15%
- Located in an area designated by the locality as an "area in need of redevelopment": 10%
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site: 10%
- Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development: 10%

**Total Bonus Points:** 0%

**Total Score:**
- Total Score per formula: 9 = 30%
- Construction/Renovation: 5%
- Bonus Increases: 0%
- Total Score (not to exceed 80%): 35%
APPLICANT: Anchor Glass Container Corporation

PROJECT LOCATION: 83 Griffith Street, Salem City (T/UA), Salem County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Headquartered in Tampa, Florida and incorporated in 1997, Anchor Glass Container Corporation is a leading North American manufacturer of glass containers. Anchor Glass produces a diverse line of flint (clear), amber, green and other glass containers of various types, designs and sizes from eight glass manufacturing facilities in U.S. employing approximately 2,700 people. The company has 500 active mold sets and sells a wide variety of glass containers to its customers, many of whom are leading producers of beer, food, tea, liquor and other beverages. Anchor Glass currently operates one of the largest and oldest glass container manufacturing facilities in the City of Salem, Salem County. The Salem plant is capable of producing glass on 5 machines and employs 296 full-time employees. The Applicant is economically viable.

MATERIAL FACTOR:
Anchor Glass Container Corporation is considering increasing manufacturing capacity by upgrading its facility with new machinery and equipment and restoring an existing furnace currently not in use. Without the necessary upgrades to the Salem NJ facility, Anchor Glass Container Corp. would consider shutting down this location and increasing production at its Georgia plant. Management has indicated that a BEIP award will be a material factor in the company's decision to remain in New Jersey. In addition, the applicant has simultaneously applied for a BRRAG for the retention of 296 jobs.

APPROVAL REQUEST:
PERCENTAGE: 80%
TERM: 10 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $453,561
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 296

ELIGIBLE BEIP JOBS: Year 1 36 Year 2 16 Base Years Total = 52

ANTICIPATED AVERAGE WAGES: $48,464

ESTIMATED PROJECT COSTS: $30,879,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $566,952

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $396,866

PROJECT IS: (X) Expansion ( ) Relocation

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: Florida

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: D. Benns
APPROVAL OFFICER: T. Wells
### FORMULA EVALUATION

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<tr>
<td>6. Capital Investment: $30,879,000</td>
<td>3</td>
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<tr>
<td>7. Average Wage: $ 48,464</td>
<td>2</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>10</td>
</tr>
</tbody>
</table>

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

- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan: 20% (20%)
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs: 30%
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs: 20% (20%)
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter): 20%
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan: 15%
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater: 15%
- Located in an area designated by the locality as an "area in need of redevelopment": 10%
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site: 10%
- Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development: 10%

**Total Bonus Points:**

<table>
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<tr>
<th>Total Score</th>
<th>40 %</th>
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</table>

**Total Score: 35 %**

**Construction/Renovation:** 5 %

**Bonus Increases:** 40 %

**Total Score (not to exceed 80 %):** 80 %
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Anchor Glass Container Corporation

COMPANY ADDRESS: 83 Griffith Street, Salem City, Salem County

PROJECT LOCATION: 83 Griffith Street, Salem City, Salem County

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

APPLICANT BACKGROUND:
Headquartered in Tampa, Florida and incorporated in 1997, Anchor Glass Container Corporation is a leading North American manufacturer of glass containers. Anchor Glass produces a diverse line of flint (clear), amber, green and other glass containers of various types, designs and sizes from eight glass manufacturing facilities in the U.S. employing approximately 2,700 people. The company has 500 active mold sets and sells a wide variety of glass containers to its customers, many of whom are leading producers of beer, food, tea, liquor and other beverages. Anchor Glass currently operates one of the largest and oldest glass container manufacturing facilities in the City of Salem, Salem County. The Salem plant is capable of producing glass on 5 machines and employs 296 full-time employees.

MATERIAL FACTOR/NET BENEFIT:
Anchor Glass Container Corporation is considering increasing manufacturing capacity by upgrading its facility with new machinery and equipment and restoring an existing additional furnace currently not in use. Without the necessary upgrades to the Salem NJ facility, Anchor Glass Container Corp. would consider shutting down this location and increasing production at its Georgia plant. Management has indicated that a BRRAG award will be a material factor in the company’s decision to remain in New Jersey. Anchor Glass has also demonstrated that the grant of these tax credits will result in a net positive benefit to the State of $25 million. In addition, the applicant has simultaneously applied for a BEIP grant for the creation of an additional 52 jobs in the next two years.

APPROVAL REQUEST: TAX CREDIT TERM: 2 years
COMMITMENT DURATION: 7 years

The Members of the Authority are asked to approve the proposed BRRAG benefit to Anchor Glass Container Corporation to encourage the company to relocate within New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award amount and the term. If the criteria met by the company differs from that shown herein, the award amount and the term will be raised or lowered to reflect the award amount and the term that corresponds to the actual criteria that have been met.

CONDITIONS OF APPROVAL:
1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 8 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before December 31, 2012 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.
5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before December 31, 2012.

END OF APPLICANT’S FISCAL YEAR: December 31
CAPITAL INVESTMENT MUST BE MADE BY: December 31, 2012
TOTAL ESTIMATED GRANT AWARD OVER TERM: $1,332,000
STATE FISCAL YEAR 1 APPROVAL (SFY 2014): $666,000
STATE FISCAL YEAR 2 APPROVAL (SFY 2015): $666,000
ELIGIBLE BRRAG JOBS: 296
YEARLY TAX CREDIT AMOUNT PER EMPLOYEE: $1,500
BONUS AWARD PER EMPLOYEE: $750
TOTAL YEARLY TAX CREDITS INCLUDING BONUS: $2,250
ANTICIPATED AVERAGE WAGES: $57,645
ESTIMATED TOTAL GROSS ANNUAL PAYROLL: $17,062,920
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 7 YRS: $3,084,959
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $30,879,000
OPERATED IN NEW JERSEY SINCE: 1997
PROJECT IS: (X) Expansion ( ) Relocation
CONSTRUCTION/RENOVATION: (X) Yes ( ) No
DEVELOPMENT OFFICER: D. Benns APPROVAL OFFICER: T. Wells
APPLICANT: Fluitec International LLC, Fluitec NV and Affiliates

PROJECT LOCATION: TBD

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Fluitec NV is a privately-held Antwerp, Belgium-based company focusing on lubricant fluid life monitoring technologies. It serves customers in over 35 countries. Fluitec International LLC is the current US subsidiary. The Applicant is economically viable.

Fluitec, a clean-tech company, provides lubricant users with condition monitoring technologies, contamination control solutions, and consulting services around the globe. Its products and services maximize the life cycle of rotating and hydraulic systems in an environmentally sustainable way. By applying contamination control technologies to extend fluid life and by utilizing the latest in condition monitoring sciences to know the optimum time to change the fluid, the end result is a positive environmental impact. Although Fluitec’s products span a wide range of industries, their largest customer base is in the power generation sector. Fluitec was recognized as a top entrepreneurial clean-tech company in Cleantech Forum - New York in October 2010 among 10 participating entrepreneurial participants, and at the Cleantech Forum - Paris in May 2010 among 40 participating entrepreneurial participants.

The group of companies is contemplating moving its global corporate headquarters from Belgium to the United States along with related plans for the establishment of a research laboratory and a light manufacturing facility. The applicant plans to create at least 30 jobs within the first 2 years.

In the event that this business chooses to locate within certain smart growth areas, the BEIP score may increase to 80%, at which percentage an estimated amount of the grant would be $927,600 over the term of the grant.
MATERIAL FACTOR:
The Applicant is seeking a BEIP grant to support creating 30 permanent full-time positions in New Jersey within the first two years. The applicant has represented that a favorable decision by the Authority to award the BEIP grant is a material factor in the Applicants' decision to go forward with the project. The Authority staff recommends the award of the proposed BEIP grant.

APPROVAL REQUEST:

PERCENTAGE: 40%
TERM: 10 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $ 463,800
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 1

ELIGIBLE BEIP JOBS: Year 1 10 Year 2 20 Base Years Total = 30

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: $15,460

ANTICIPATED AVERAGE WAGES: $100,000

ESTIMATED PROJECT COSTS: $5,600,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $1,159,500

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $1,275,450

PROJECT IS: (X) Expansion (X) Relocation Antwerp, Belgium

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN:

APPLICANT OWNERSHIP: ( ) Domestic (X) Foreign Belgium

DEVELOPMENT OFFICER: P. Bagga APPROVAL OFFICER: D. Sucszuz
Applicant: Fluitec International LLC, Fluitec NV and

FORMULA EVALUATION

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Bonus Increases (up to 80%):

- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan 20%
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs 30%
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs 20%
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter) 20%
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan 15%
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater. 15%
- Located in an area designated by the locality as an "area in need of redevelopment" 10%
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site 10%
- Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development 10%

Total Bonus Points: 0%

Total Score:

<table>
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<tr>
<th>Total Score per formula:</th>
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<td>Construction/Renovation:</td>
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<td>Bonus Increases:</td>
<td>0 %</td>
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<tr>
<td>Total Score (not to exceed 80 %):</td>
<td>40 %</td>
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NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Prestige Corporation and Affiliates

PROJECT LOCATION: 21019 91st street North Bergen Township Hudson County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Prestige Corporation (Prestige), a holding company formed in March 2011, is the parent company for First Ave. Cleaning Corp. and its wholly owned subsidiaries, originally formed in 1996. The applicant is the single largest hospitality valet and full service commercial laundry service provider in the tri-state area. At present Prestige has laundry facilities in Manhattan, the Bronx, Long Island and Paterson NJ, servicing the hotel market, managed restaurants and clubs in the Northeast US, with plans to expand its footprint to Virginia. In addition to commercial laundry and dry cleaning, Prestige also offers property maintenance, facility management and janitorial supply services. The applicant has over 100 customers, including such prestigious names as Hyatt, Starwood Hotels, Mandarin Oriental and Trump. Prestige is a family owned and operated valet and commercial laundry service provider, with the distinction of qualifying as a minority and veteran owned business. The applicant is economically viable.

Prestige Hospitality Services, LLC (P26850), an affiliate of the applicant, was approved by the Board for a 50% SLP participation, not to exceed $375,000, of a $750,000 Sun Bank term loan to refinance existing debt used to acquire Princeton Laundry. The loan closed in August 2009, with current a EDA outstanding balance of $243,750 with payments according to terms.

MATERIAL FACTOR:
Prestige Corporation is seeking a BEIP grant to support creating 176 jobs to staff a new laundry in North Bergen. As part of the plan, the applicant will be closing its Bronx laundry and moving 46 jobs to the new site. In addition, the applicant will create an additional 130 jobs for a total of 176 jobs. Also under consideration is Delaware, which is more centrally located to service future market expansion to Virginia. Prestige is estimating project cost will be $7.3 million, with $6 million earmarked for equipment. The award of the BEIP grant is a material factor in management's decision to expand in New Jersey.

APPROVAL REQUEST:
PERCENTAGE: 80%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Prestige Corporation and Affiliates to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.
TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $844,800
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 150

ELIGIBLE BEIP JOBS: Year 1 136 Year 2 40 Base Years Total = 176

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: $4,800

ANTICIPATED AVERAGE WAGES: $35,000

ESTIMATED PROJECT COSTS: $7,312,500

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $1,056,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $739,200

PROJECT IS: (X) Expansion (X) Relocation Bronx, NY

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP:(X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: D. Johnson APPROVAL OFFICER: M. Krug
## FORMULA EVALUATION

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<td>4. Industry: personal services</td>
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<td>5. Leverage: 3 to 1 and up</td>
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<td>6. Capital Investment: $7,312,500</td>
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<td>7. Average Wage: $35,000</td>
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</table>

**TOTAL:** 10

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

- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan: 20%
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs: 30%
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs: 20%
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter): 20%
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan: 15%
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater: 15%
- Located in an area designated by the locality as an "area in need of redevelopment": 10%
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site: 10%
- Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development: 10%

**Total Bonus Points:** 55%

### Total Score:

- **Total Score per formula:** 10 = 35%
- **Construction/Renovation:** 5%
- **Bonus Increases:** 55%
- **Total Score (not to exceed 80%):** 80%
APPLICANT: Robertet, Inc.

PROJECT LOCATION: 400 International Drive Mount Olive Township (N) Morris County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Robertet, Inc. is part of the Robertet Group which is a family owned fragrance and flavor company that specializes in natural ingredients. The Robertet Group's operations are conducted through three divisions: raw materials, perfumery, and flavorings. Robertet, Inc., which focuses on perfumery and raw materials, manufactures scents for household products and the fine fragrance industry. The company has been operating in New Jersey since 1979 with facilities in Oakland and Fairfield. The applicant is economically viable.

MATERIAL FACTOR:
The company has outgrown its current footprint and is looking at relocation alternatives to suit its present and future needs. Robertet is interested in combining its Oakland and Fairfield operations into one facility and is consequently considering purchasing a building in either Mount Olive, New Jersey or Lehigh Valley, Pennsylvania. The project would result in the relocation of 100 full-time employees as well the hiring of an additional 30 employees. The company is requesting a BEIP and a BRRAG to provide incentive to locate the project in the Garden State. Management has indicated that the awards are a material factor in the company's decision to remain in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 35%
TERM: 10 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $121,013
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 100

ELIGIBLE BEIP JOBS: Year 1 20 Year 2 10 Base Years Total = 30

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: $4,033

ANTICIPATED AVERAGE WAGES: $50,000

ESTIMATED PROJECT COSTS: $12,800,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $345,750

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $397,613

PROJECT IS: ( ) Expansion (X) Relocation Oakland & Fairfield, NJ

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: K. Durand
APPROVAL OFFICER: K. McCullough
### FORMULA EVALUATION

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<td>4. Industry: other manufacturing</td>
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**Bonus Increases (up to 80%)**:

- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan 20%
- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs 30%
- Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs 20%
- Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter) 20%
- Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan 15%
- 10% or more of the employees of the business receive a qualified transportation fringe of $30.00 or greater. 15%
- Located in an area designated by the locality as an "area in need of redevelopment" 10%
- Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site 10%
- Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development 10%

**Total Bonus Points:** 0 %

**Total Score**:

- Total Score per formula: 8 = 30 %
- Construction/Renovation: 5 %
- Bonus Increases: 0 %
- Total Score (not to exceed 80 %): 35 %
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Robertet, Inc.

COMPANY ADDRESS: 125 Bauer Drive Oakland Borough Bergen County

PROJECT LOCATION: 400 International Drive Mount Olive Township Morris County

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

APPLICANT BACKGROUND:
Robertet, Inc. is part of the Robertet Group which is a family owned fragrance and flavor company that specializes in natural ingredients. The Robertet Group’s operations are conducted through three divisions: raw materials, perfumery, and flavorings. Robertet, Inc., which focuses on perfumery and raw materials, manufactures scents for household products and the fine fragrance industry. The company has been operating in New Jersey since 1979 with facilities in Oakland and Fairfield.

MATERIAL FACTOR/NET BENEFIT:
The company has outgrown its current footprint and is looking at relocation alternatives to suit its present and future needs. Robertet is interested in combining its Oakland and Fairfield operations into one facility and is consequently considering purchasing a building in either Mount Olive, New Jersey or Lehigh Valley, Pennsylvania. The project would result in the relocation of 100 full-time employees as well the hiring of an additional 30 employees. The company is requesting a BEIP and a BRRAG to provide incentive to locate the project in the Garden State. Management has indicated that the awards are a material factor in the company’s decision to remain in New Jersey. The applicant has demonstrated that the grant of the tax credits will result in a net positive benefit to the state of $10.46 million.

APPROVAL REQUEST:

TAX CREDIT TERM: 1 year
COMMITMENT DURATION: 6 years

The Members of the Authority are asked to approve the proposed BRRAG benefit to Robertet, Inc. to encourage the company to relocate within New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award amount and the term. If the criteria met by the company differs from that shown herein, the award amount and the term will be raised or lowered to reflect the award amount and the term that corresponds to the actual criteria that have been met.

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 8 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 06/30/2012 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.
5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 06/30/2012.
END OF APPLICANT’S FISCAL YEAR:

CAPITAL INVESTMENT MUST BE MADE BY:

TOTAL ESTIMATED GRANT AWARD OVER TERM: $225,000

STATE FISCAL YEAR 1 APPROVAL (SFY 2013): $225,000

ELIGIBLE BRRAG JOBS: 100

YEARLY TAX CREDIT AMOUNT PER EMPLOYEE: $1,500

BONUS AWARD PER EMPLOYEE: $750

TOTAL YEARLY TAX CREDITS INCLUDING BONUS: $2,250

ANTICIPATED AVERAGE WAGES: $50,000

ESTIMATED TOTAL GROSS ANNUAL PAYROLL: $5,000,000

ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 6 YRS: $691,500

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: $3,500,000

OPERATED IN NEW JERSEY SINCE: 1979

PROJECT IS: (X) Expansion ( ) Relocation

CONSTRUCTION/RENOVATION: (X) Yes ( ) No

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: K. McCullough
MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: July 14, 2011

Subject: UBS Application for BRRAG Assistance

Purpose:

This memorandum addresses the legal matters of the applicant, UBS, related to the company’s application for a Business Retention and Relocation Assistance Grant.

Background:

UBS Financial Services Inc. is a worldwide financial institution serving private, institutional and corporate clients. UBS combines its wealth management, investment banking and asset management businesses to deliver financial solutions.

Headquartered in Zurich and Basel, Switzerland, UBS has offices in more than 50 countries, including all major financial centers, and employs approximately 65,000 people. UBS AG is the parent company of the UBS Group (the Group). The operational structure of the Group is comprised of the Corporate Center and four business divisions: Wealth Management & Swiss Bank, Wealth Management Americas, Global Asset Management and the Investment Bank.

The business activities of UBS and its affiliates are regulated by a number of federal, state, and international laws; and also self regulatory organization rules. From time to time and as is the case with large multi-national conglomerates of the applicant’s size, UBS has become the subject of litigation, examinations, inquiries and investigations.

Analysis of Litigation as Grounds for Possible Disqualification:

Pursuant to the Authority’s regulations on disqualification (N.J.A.C. 19:30-2.1 et seq.), the Authority may decline to give financial assistance, or approval as a tenant in any Authority financed project, or contract with any persons for certain reasons which include: commission of an offense indicating a lack of business integrity; violation of any law governing the occupations or professions of regulated industries; and violation of any law which may bear upon a lack of responsibility or moral integrity.

Listed below are the facts of the actions to which they are related and the fines assessed and paid and as reviewed by the Attorney General’s Office:
May 2011 Municipal Bond Derivatives Settlement

On May 4, 2011, UBS agreed to pay more than $160 million in a coordinated settlement that includes separate settlements with the U.S. Department of Justice’s Antitrust Division (DOJ), the U.S. Securities and Exchange Commission (SEC), the Internal Revenue Service (IRS) and 24 states, including New Jersey, along with the District of Columbia.

The various agreements settle antitrust, securities fraud, tax and other charges for rigging bids for at least 100 reinvestment transactions in 36 states, threatening the tax-exempt status of more than $16.5 billion of municipal bonds.

The multi-state portion of the settlement requires UBS to pay $70.8 million directly to the multi-state group, $63.3 million of which will be allocated for restitution to state agencies, municipalities, school districts and not-for-profit entities nationwide that entered into municipal derivative contracts with UBS, or that used UBS as its broker for such transactions between 2001 and 2004.

Approximately $4.8 million will be allocated to eligible New Jersey municipal bond issuers. In addition, $2.5 million is for a civil monetary penalty and $5 million is for the fees and costs of the investigation. As consideration for the multi-state settlement, UBS will also pay $20 million in restitution directly to certain other government and not-for-profit entities as part of its separate settlement with the SEC. Additionally, $47.2 million will go to the SEC, which will pass most on as restitution to municipal issuers and $22.3 million will go to the IRS.

With respect to the debarment analysis, UBS also entered into a Non-Prosecution Agreement (NPA) with the DOJ - which states that UBS admits, acknowledges and accepts responsibility for illegal, anticompetitive conduct by its former employees.

According to the NPA, from 2001 through 2006, certain former UBS employees at its municipal reinvestment and derivatives desk and related desks, entered into unlawful agreements to manipulate the bidding process and rig bids on municipal investment contracts. These contracts were used to invest the proceeds of, or manage the risks associated with, bond issuances by municipalities and other non-profit entities.

When investors purchase municipal securities, the municipalities generally temporarily invest the proceeds of the sales in reinvestment products before the money is used for the intended purposes. Under IRS regulations, the proceeds of tax-exempt municipal securities must generally be invested at fair market value which is usually established through a competitive bidding process in which bidding agents search for the appropriate investment vehicle for a municipality.

In essence, UBS rigged the bids to make it seem like they were competitive when they were not; however, the investments must be purchased at fair-market value to ensure the issuers have not earned illegal arbitrage profits by gaining higher investment yields than actual bond yields, which could threaten the tax-exempt status of the underlying bonds.

Mark Zaino, the former director of UBS’ Municipal Reinvestment and External Derivatives desk in New York, was barred by the SEC. Additionally, Zaino pleaded guilty a year ago to three criminal counts of conspiracy, conspiracy to restrain trade, and wire fraud and has been cooperating with the Justice Department’s antitrust investigation.
The DOJ has also filed charges against three other former UBS officials: Peter Ghavami, a managing director and co-head of municipal bond reinvestment, and Gary Heinz and Michael Welty, who were vice presidents and marketers.

Mitigating Factors:

As a result of UBS’s admission of conduct; its cooperation with the DOJ and the SEC, the IRS and the state attorneys general; its monetary and non-monetary commitments to the SEC, IRS and state attorneys general; and its remedial efforts to address the anticompetitive conduct, the DOJ agreed not to prosecute UBS for the manipulation and bid rigging of municipal investment contracts, provided that UBS satisfies its ongoing obligations under the agreement.

UBS cooperated fully with the investigation and does not endorse, ratify, or condone anti-competitive activity or other violations of law.

Furthermore, the UBS settlement with the IRS assures there will be no change to the tax-exempt status of bonds associated with muni investment and swap contracts.

UBS has implemented a number of remedial measures, among other things:

1. Both the ARS marketing business and the Municipal Reinvestment and Derivatives Group no longer exist at UBS – UBS has exited these businesses. In addition, employees directly responsible for these businesses are no longer employed by UBS.

2. Senior Management has been changed, including the appointment of a new Chief Executive Officer, Chief Financial Officer and General Counsel, at both the parent (UBS AG) and operating subsidiary level (UBS Financial Services Inc.).

3. UBS created and distributed to all employees a new "Code of Business Conduct and Ethics of UBS", a statement stressing compliance with law and ethical behavior. All UBS employees globally are required to read, understand and comply with the Code. The Code is included in mandatory training activities to ensure that it is properly understood and correctly applied, and it further promotes a culture of compliance throughout UBS.

4. In 2009, the global UBS Compliance function was reorganized to better meet current challenges. In particular, UBS increased its focus on regionally coordinated risk assessment, reporting, policy, training, monitoring and surveillance, and employee compliance. These functions, along with Anti-Money Laundering Compliance, are now organized regionally and report up to Global Compliance, in order to maximize consistency, controls, and efficiencies across business divisions. At the same time, UBS Financial Services, Inc. has retained its local compliance presence, to ensure that advice is delivered by compliance officers with specialized knowledge of the business.

5. UBS has increased mandatory Online Compliance Programming for its employees. Mandatory Annual Compliance Training is now required of all employees. In addition, UBS has increased training in certain areas, particularly with respect to education of our client-facing sales staffs in connection with products and services offered by UBS.
Conclusion:

Staff has performed a review of these actions with assistance from the Attorney General’s Office. Staff has weighed the seriousness of the offenses in conjunction with the mitigating factors presented by UBS and staff does not believe disqualification is warranted.

Prepared by: Marcus Saldutti
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: UBS Financial Services Inc. and related entities

COMPANY ADDRESS: 1000 - 1200 Harbor Boulevard
480 Washington Boulevard
Weehawken Jersey City Hudson County
480 Washington Boulevard
Jersey City Hudson County

PROJECT LOCATION: 1000 - 1200 Harbor Boulevard
480 Washington Boulevard
Weehawken Jersey City Hudson County
480 Washington Boulevard
Jersey City Hudson County

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

APPLICANT BACKGROUND:
UBS Financial Services Inc. is a worldwide financial institution serving private, institutional and corporate clients. UBS combines its wealth management, investment banking and asset management businesses to deliver superior financial solutions. Headquartered in Zurich and Basel, Switzerland, UBS has offices in more than 50 countries, including all major financial centers, and employs approximately 65,000 people. UBS AG is the parent company of the UBS Group (the “Group”). The operational structure of the Group is comprised of the Corporate Center and four business divisions: Wealth Management & Swiss Bank, Wealth Management Americas, Global Asset Management and the Investment Bank.

UBS Financial Services and related entities are recipients of an 80% BEIP grant (P12434) closed in 2002 projecting the creation of 1,450 new jobs in Weehawken and Jersey City. Based on the latest report and disbursement of BEIP award, UBS has created 1,641 jobs for an award of $4,843,192. As the jobs associated with this BRRAG request are subject of the BEIP grant, UBS, if the BRRAG is approved, will terminate the BEIP agreement and repay the EDA as required.

UBS also received Authority assistance in 2006 under the Structured Finance program to claim sales tax exemption on leasehold improvements and machinery and equipment purchased at Weehawken project. The sales tax savings was approximately $2.3 million. The Structured Finance project will also be terminated with a negotiated repayment of sales tax savings.

MATERIAL FACTOR/NET BENEFIT:
UBS is in the process of evaluating its leases and the renewal of approximately 710,000 sq. ft. of existing space in Weehawken and approximately 270,000 sq. ft. in Jersey City, affecting approximately 2,000 employees in NJ. The alternative is to relocate some employees to Tennessee and consolidate the remainder in their Connecticut and NY City facilities. Management has indicated that a BRRAG award will be a material factor in the company’s decision to remain in New Jersey. UBS has also demonstrated that the grant of these tax credits will result in a net positive benefit to the State of approximately $611 million.

APPROVAL REQUEST: TAX CREDIT TERM: 6 years
COMMITMENT DURATION: 11 years

The Members of the Authority are asked to approve the proposed BRRAG benefit to UBS Financial Services Inc. to encourage the company to relocate within New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award amount and the term. If the criteria met by the company differs from that shown herein, the award amount and the term will be raised or lowered to reflect the award amount and the term that corresponds to the actual criteria that have been met.
CONDITIONS OF APPROVAL:
1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 11 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 12/31/2014 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.
5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 12/31/2014.
6. The active BEIP grant and Structured Finance agreements must be terminated and the benefits repaid to the Authority as required: $4,843,192 in BEIP payments before UBS signs the BRRAG grant agreement and $1,158,877.60 in Structured Finance benefits at time of the issuance of the first letter of compliance associated with the BRRAG tax credit.

END OF APPLICANT’S FISCAL YEAR:
CAPITAL INVESTMENT MUST BE MADE BY:
December 31, 2014
TOTAL ESTIMATED GRANT AWARD OVER TERM:
$ 27,000,000
STATE FISCAL YEAR 1 APPROVAL (SFY 2016):
$ 4,500,000
STATE FISCAL YEAR 2 APPROVAL (SFY 2017):
$ 4,500,000
STATE FISCAL YEAR 3 APPROVAL (SFY 2018):
$ 4,500,000
STATE FISCAL YEAR 4 APPROVAL (SFY 2019):
$ 4,500,000
STATE FISCAL YEAR 5 APPROVAL (SFY 2020):
$ 4,500,000
STATE FISCAL YEAR 6 APPROVAL (SFY 2021):
$ 4,500,000
ELIGIBLE BRRAG JOBS:
YEARLY TAX CREDIT AMOUNT PER EMPLOYEE:
$ 1,500
BONUS AWARD PER EMPLOYEE:
$ 750
TOTAL YEARLY TAX CREDITS INCLUDING BONUS:
$ 2,250
ANTICIPATED AVERAGE WAGES:
$ 135,500
ESTIMATED TOTAL GROSS ANNUAL PAYROLL:
$ 271,000,000
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 11 YRS:
$ 136,185,000
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:
$ 57,885,000
OPERATED IN NEW JERSEY SINCE:
1987
PROJECT IS: (X) Expansion ( ) Relocation
CONSTRUCTION/RENOVATION: (X) Yes ( ) No
DEVOLPMENT OFFICER: J. Colon APPROVAL OFFICER: T. Wells
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 14, 2011

SUBJECT: Citigroup Global Markets, Inc. and
Citibank, N.A. (collectively “Citigroup”)
Jersey City, New Jersey  P17365

Modification Request:
Consent to the addition of three entities (Citicorp North America, Inc., Citigroup Technology, Inc. and Citigroup Management Corporation) as additional entities on the NOC VII Jersey City Business Employment Incentive Program (“BEIP”) grant. The addition of these entities will not materially increase the amount of this capped grant and will proactively remedy future potential deficiencies in the company’s 80% base employment commitment. As a condition of this approval, Citigroup will amend its grant agreement which currently limits the 80% base employment to the grantees, to 80% base employment statewide.

Background:
Founded in 1812, Citibank, N.A. is the consumer banking operation of Citigroup Global Markets, Inc., a diversified financial institution serving consumer and corporate customers in 160 countries, employing 258,000 worldwide and as of February 2011, 4212 in New Jersey.

In 2004 and 2006, respectively, EDA approved two BEIP grants to incent the relocation of jobs from New York to New Jersey. These BEIP grants were made to Citigroup Global Markets, Inc., Citigroup Technology, Inc. and Citibank, N.A. and were located at Warren and Jersey City NOC VII, respectively. As of 12/31/10, Citigroup reported approximately 1,500 jobs at those original BEIP project sites). In February 2011, EDA approved a third BEIP grant to Citibank, N.A. and Affiliates to incent the creation of an additional 400 jobs at NOC III in Jersey City. Citigroup also indirectly employs approximately 2,700 full-time employees and a substantial number of contract employees at other sites in New Jersey for which the company does not receive BEIP benefits.

The 2006 BEIP grant for the NOC VII site, unlike the current requirements of the BEIP program, required Citigroup to retain, for the life of the BEIP grant, 80% of the employees that applicant employed at the project site at the time of the BEIP approval. In March 2009, Citigroup advised EDA that it was changing its business model in response to industry conditions. Those changes including divesting its 100% ownership and operation of Smith Barney, a retail investment business which was supported by back office employees that were
included in the company’s 80% base employment list.

Throughout those discussions, Citigroup reinforced its commitment to stay in New Jersey but was clear that the change in business model would permanently reduce its employment numbers. While it had always historically met the conditions of its BEIP agreements, the company was concerned about falling below the 80% employment test for the Jersey City [NOC VII] grant. The company has been working with EDA over the past two years to proactively address this concern.

While Citigroup divested its 100% ownership of Smith Barney in 2010, other Citi affiliates (Citicorp North America, Inc., Citigroup Technology, Inc. and Citigroup Management Corporation) that were not part of this grant continued to employ staff at NOC VII.

In order to proactively remedy the 80% base employment commitment, Citigroup is requesting the members’ consent to add these additional entities to the grant. The addition of these entities will not materially increase the amount of BEIP award because this grant is capped and these jobs will not be counted under the other BEIP grant agreements. As part of its commitment to New Jersey, Citigroup also will agree to modify its grant agreement to expand the 80% base employment commitment which is currently limited to the entities on the grant to 80% base employment statewide. This change will make this grant consistent with the current requirements for the BEIP program.

**Legal Review:**
Staff has reviewed the name change and legal questionnaire regarding this application and found no disqualifying issues.

**Economic Viability Review:**
After reporting net losses in 2008 and 2009 due to the economic downturn, Citigroup returned to profitability in 2010 and reported net profits in each of the 4 quarters, which in aggregate totaled $10.6 billion on $87 billion in revenue. Citigroup has also exceeded federal bank regulatory capital requirements for bank holding companies (Tier 1 Capital ratio of at least 6%; Total Capital ratio of at least 10%; Leverage ratio of at least 3%; not be subject to Federal Reserve’s requirement to maintain additional levels of capital) by reporting the following ratios at 12/31/10: Tier I: 10.75%; Capital: 16.59%; Leverage: 6.60%.

In its first quarter 10-Q for 2011, Citigroup reported total revenue of $25.5 billion and a $3 billion net profit for the three-month period ending 3/31/11 versus revenue of $31.7 billion with a $4.4 billion net profit for the three-month period ending 3/31/10. The decrease in profitability quarter over quarter was primarily due to declining consumer loan balances and interest rates for fixed income investments.

Based on the rebound in its operations/profitability and strong capitalization ratios, Citigroup continues to be economically viable.
Recommendation:
Consent to the addition of Citicorp North America, Inc., Citigroup Technology, Inc. and Citigroup Management Corporation as additional entities on the Jersey City [NOC VII] BEIP grant and consent to broaden the 80% employment test to statewide employment, for the reasons cited above.

Prepared by: Karen Gallagher/Lisa Coane
MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: July 14, 2011
SUBJECT: Delegated Authority Approvals for 2ND Quarter 2011
For Informational Purposes Only

POST CLOSING ACTIONS APPROVED UNDER DELEGATED AUTHORITY

<table>
<thead>
<tr>
<th>Name</th>
<th>EDA Exposure</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>M&amp;A Holdings (Camden Yards Steel Co.)</td>
<td>$794,225</td>
<td>Extend a maturing $385,000 Main Street loan for one year to 5/1/12, fully amortizing by maturity. As consideration for the extension, the borrower has agreed to reduce the principal balance by $135,000 and accelerate the repayment schedule. (Borrower also has an existing $544,000 Economic Recovery Board of Camden loan that was not impacted.)</td>
</tr>
<tr>
<td>Waiting Room, Inc. (restaurant)</td>
<td>$82,745</td>
<td>Extend and re-amortize the maturing balloon NJDA loan for four years to 5/1/15 at the current interest rate of 6.75% As consideration for the extension, the borrower has agreed to expedite the repayment schedule by one year.</td>
</tr>
</tbody>
</table>

Prepared by: Daniel Weick
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini  
Chief Executive Officer

DATE: July 14, 2011

SUBJECT: Incentives Modifications  
(For Informational Purposes Only)

On September 11, 2001, and as amended on September 16, 2003, the Members of the Authority approved a delegation of authority to the Chief Executive Officer and staff to approve certain BEIP modifications.

Attached is a list of the BEIP modifications that were approved in the 2nd quarter ending June 30, 2011.

Prepared by: C. Craddock
**BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

<table>
<thead>
<tr>
<th>Name</th>
<th>Action</th>
<th>Modification</th>
</tr>
</thead>
<tbody>
<tr>
<td>AXA Equitable Life Insurance Company</td>
<td>Addition of Grantee</td>
<td>Addition of AXA Technology Services America, Inc. to the grant. Adding this entity will not materially increase the number of jobs on this grant. This is a capped grant.</td>
</tr>
<tr>
<td>Travelport, Inc./Apollo Galileo USA Partnership/Trip Network, Inc., Cendant Travel, Inc./Travel Industries, Inc.</td>
<td>Addition of Grantees/Remove Grantees</td>
<td>Addition of Travelport Operations, Inc. and GTA North America to the grant. Also, the addition of Galileo International, Inc. back to the grant after it was inadvertently removed. Adding these entities will not materially increase the number of jobs on this grant. Removal of Cendant Travel, Inc., Travel Industries and Trip Network, Inc. from the grant as they are no longer operating entities.</td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: July 14, 2011

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

The following projects were approved under Delegated Authority in June 2011:

New Jersey Business Growth Fund:

1) Formed in 1999, Karatonis Realty, LLC (P33066), is a real estate holding company that will purchase a commercial property located at 325 Cortlandt St., Belleville Township, Essex County. The operating company, Woodpeckers, Inc. was founded in 1993 as a non-upholstered wood furniture manufacturer. PNC Bank approved a $1,050,000 bank loan with a five-year, 50% guarantee, not to exceed $525,000. Proceeds will be used to refinance real estate. Currently, the company has six employees and plans to create six new positions within the next two years.

2) Monroe Realtors Inc. (P36782) is a real estate holding company that owns a three-story commercial property located at 1036-1040 Main Street, Paterson City, Passaic County. The operating companies, AJI, Inc. d/b/a Sheefa Pharmacy, Inc. and Accuvance Diagnostics Corporation are both providing a corporate guarantee and collectively occupy 36.5% of the building. PNC Bank approved a $2,000,000 bank loan with a five-year, 50% guarantee of principal outstanding, not to exceed $1,000,000. The loan proceeds will refinance debt originally used to purchase and construct the three-story building. The company currently has fourteen employees and plans to create forty new positions over the next two years.

3) Wayson LLC (P36781) is a real estate holding company that is jointly owned by Wayne and Sonora Foster (husband/wife) and is located in Dover Township, Ocean County. Dr. Foster is a facial plastic surgeon who established his practice in 2003 and currently has two locations: Toms River and Manasquan. The operating companies are Ear, Nose & Throat of New Jersey, The Foster Management Group, Ocean Surgicenter, LLC and Wayne P. Foster, MD. PNC Bank approved a $1,254,000 bank loan with a five-year, 25% guarantee of principal outstanding, not to exceed $313,500. Proceeds will be used to refinance an existing mortgage and for business expansion. The company currently has 21 employees and plans to create eight new jobs over the next two years.
NJ Main Street Program - Modification:

1) Bach Associates, PC (P36757), located in Haddon Heights Borough, Camden County, was formed in 1988 as a professional corporation that provides engineering, architectural, interior design, environmental, and planning services to New Jersey municipalities as well as private clients. The Bank approved an $850,000 working capital line of credit, contingent upon a one-year renewal of a 50% Authority guarantee of principal outstanding, not to exceed $250,000. Additional EDA exposure consists of a 50% guarantee on The Bank term loan. At inception, the loan amount was $485,000 resulting in an EDA guarantee of $242,500. Currently, the company has and will maintain 25 employees.

Prepared by: D. Lawyer

DL/gvr
MEMORANDUM

TO:       Members of the Authority

FROM:     Caren S. Franzini
          Chief Executive Officer

RE:       Selection of Real Estate Advisory Services Consultant

DATE:     July 14, 2011

Summary  The Members’ approval is being requested to enter into a contract with Jones Lang LaSalle Americas, Inc. for an annual maximum of $200,000 per year for 3 years, with two 1-year extension options to provide real estate advisory services to the Authority. These services will assist the Authority to evaluate real estate projects and investments in connection with a range of development-related activities.

Background  In 2008, the Authority conducted a Request for Qualifications / Proposals (RFQ/P) process for these services to assist with the Authority’s expanding role in the evaluation of incentives and activity in the real estate development arena. The Authority entered into a 3-year contract with Jones Lang LaSalle Americas, Inc. (JLL), which has performed to the Authority’s satisfaction such tasks as creating and analyzing proformas, conducting financial and market analyses, evaluating investment proposals, and developing econometric models to assist the Authority with valuing the Urban Transit Hub Tax Credit and Economic Redevelopment Growth Grant.

In anticipation of the expiration of the initial contract with JLL, the Authority issued another RFQ/P to the consultant community. The RFQ/P was duly advertised in three (3) newspapers and posted on both the Authority’s website, as well as the State’s Business Portal site. Additionally, three (3) prospective firms, identified by the Finance and Development Department, were advised of the release of the RFQ/P, via broadcast e-mail. An Informational Pre-Bid Conference for this solicitation was held on Tuesday, May 3, at the Authority’s offices in Trenton. The purpose of the Conference was to review the requirements of the RFQ/P with prospective
Proposers and to address any questions raised at that time. A sole proposal was received from Jones Lang LaSalle Americas, Inc. (Chicago, IL), in response to this solicitation. After reviewing their response, a selection committee, consisting of Authority staff, technically evaluated the proposal, and determined that it meets the evaluation criteria and meets the minimum standards for acceptance. Accordingly, it is being recommended that the Authority enter into a contract for these services.

Like the previous engagement, as projects and tasks arise, staff will provide the firm with a project-specific scope of services. This will occur prior to the commencement of work for the particular project or task. The firm will respond with a cost estimate to include a not-to-exceed amount, based on the fee schedule that it provided in their proposal. The hourly rates quoted in the current fee schedule are the same as those of the 2008 engagement. JLL has indicated that it will maintain its 2008 pricing without any increase. After a cost estimate for a scope is submitted, staff will review and, if they deem to be appropriate, will accept in writing. The sum of all fees will not exceed $200,000 per year for up to three years. The Authority’s approved 2011 budget included consulting fees that will be utilized for this contract.

Attached please find the evaluation form for Jones Lang LaSalle and form of contract in substantially final form. The terms of the contract may be subject to revision, although the basic terms and conditions will remain consistent with those in the attachment. The final contract will be subject to the approval of the Chief Executive Officer and the Attorney General’s Office.

Recommendation
In summary, the Members’ approval is requested to enter into a contract with Jones Lang LaSalle for a maximum of $200,000 per year for 3 years, with 2, 1-year extension options exercised at the Authority’s discretion, to provide real estate advisory services to the Authority.

Caren S. Franzini

Attachments

Prepared by: Gina Behnfeldt
<table>
<thead>
<tr>
<th>Item #</th>
<th>EVALUATION CRITERIA</th>
<th>Weight (percentage of total score)</th>
<th>PROPOSER #1</th>
<th>PROPOSER #2</th>
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<tbody>
<tr>
<td>1</td>
<td>the qualifications and experience of the Proposer's management, supervisory and other key personnel assigned to perform work against the resulting contract, including joint venture partners and subconsultants, as evidenced by the resumes presented</td>
<td>20.0%</td>
<td>24.5</td>
<td>4.9</td>
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<td>2</td>
<td>extent of the Proposer's documented experience in successfully providing similar services of comparable size and scope as that required of this RFQ/P, including work in New Jersey, as evidenced by the narratives submitted</td>
<td>25.0%</td>
<td>27.5</td>
<td>6.875</td>
<td>0</td>
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<td>3</td>
<td>depth of experience with real estate development community as evidenced by complexity of projects and numbers of projects with which the Proposer has experience, as described in “Section XIX - Qualifications / Performance of the Proposer on Contracts of Similar Size and Scope / Description of the Proposer’s Organization”</td>
<td>15.0%</td>
<td>28</td>
<td>4.2</td>
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<td>0</td>
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<td>4</td>
<td>Proposer’s detailed approach and plans to perform the services required by the “Scope of Services / Deliverables” section of this RFQ/P (reference Attachment A), including the Proposer’s contract management plan</td>
<td>10.0%</td>
<td>22.5</td>
<td>2.25</td>
<td>0</td>
<td>0</td>
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MANDATORY FEE SCHEDULE:

A. "Blended Hourly Rates," for each individual / position expected to perform work against the resulting contract (reference Exhibit R – Section 2A-2M).

<table>
<thead>
<tr>
<th>MANDATORY FEE SCHEDULE A</th>
<th>Weight (percentage of total score)</th>
<th>PROPOSER #1</th>
<th>PROPOSER #2</th>
<th>PROPOSER #3</th>
<th>PROPOSER #4</th>
<th>PROPOSER #1</th>
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<td>4.00</td>
<td>30.0%</td>
<td>21</td>
<td>6.3</td>
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Percentage Total: 100%  
123.5

TOTAL PROPOSER SCORE: 4.09  
0.00  
0.00  
0.00  

On a scale of 1 - 5, evaluate and score the above proposal as follows:  
1 - Poor  
2 - Fair  
3 - Good  
4 - Very Good  
5 - Excellent
AGREEMENT made this ____ day of July, 2011, by and between the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (the "Authority or NJEDA"), having its address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990, and Jones Lang LaSalle Americas, Incorporated (the "Vendor"), having its address at 200 East Randolph Drive, Chicago, IL 60601.

The Authority and the Vendor agree as follows:

1. **The Work.** The Vendor shall perform or shall provide the services as specifically detailed in the Vendor’s Proposal, dated May 24, 2011 and the Authority’s Request for Proposal ("RFQ/P"), dated April 25, 2011, which are attached hereto and made a part of this Contract.

   As the Authority determines that it is in need of services on a project–by-project basis, it will provide the Vendor with a project-specific Scope of Services. This will occur prior to the commencement of the Work for the particular project. The Vendor will respond with a cost estimate for the project-specific Scope of Services, based on the Fee Schedule provided in its Proposal. The cost estimate will include a “not-to-exceed amount.” Once the Authority accepts the cost estimate, in writing, for a particular project; the Work may begin. If the cost estimate for a particular project is rejected; the Vendor will be asked to amend or resubmit its cost proposal, to meet the Authority’s needs. If the Authority rejects the Vendor’s resubmitted cost estimate for a given project; the Authority reserves the right, at its sole discretion, to negotiate the time and fees (i.e. the professional level / title of employee) assigned to the project-specific Scope of Services or seek to have the particular Scope of Services completed by an alternate service provider.

2. **Time.** The Vendor shall render the services described in the Vendor’s Proposal
and RFQ/P as requested by the Authority and generally pursuant to the Fee Schedule included therein.

The term of this Contract is three (3) years with two (2), one (1) year extension options, to be exercised at the sole discretion of the Authority, at the same prices, terms and conditions. To the extent that the Authority’s written approval of the cost estimate for a project-specific Scope of Services includes a time for completing the Work for the particular project; the Vendor shall render the services for the particular project in accordance with the Authority’s written approval of the cost estimate. Prices, terms and conditions shall remain firm throughout the term of the contract and any extensions thereto.

Notwithstanding the expiration or termination of this agreement, the Authority reserves the right in its sole discretion to extend this agreement on a month-to-month basis beyond expiration or termination until a replacement contract for Real Estate Advisory Consulting Services is entered into by the Authority.

3. **Contract Price.** The Authority shall pay the Vendor for the performance of the Work on a time and expense basis as per the “Hourly Rate Fee Schedule” set forth in the Vendor's Proposal and in accordance with the Authority’s written approval of a cost estimate for a project-specific Scope of Services. This is a Requirements (i.e. task order) Contract; there is no minimum guarantee of Work or payment. The total annual Contract Price shall not exceed Two Hundred Thousand ($200,000.00) Dollars per year unless an increase is approved in writing by the Authority. The Authority may require services in addition to those agreed to in the RFQ/P and the Proposal. Compensation to the Vendor for additional services shall be in accordance with the Hourly Rates Fee Schedule (reference Exhibit R – Section 1A - M) as set forth in Vendor’s Proposal; or if not specified in Vendor’s Proposal, then reasonable and customary amounts as negotiated by the Authority.

4. **Ownership and Use of Documents.** All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract,
including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the Authority and shall be delivered to the Authority upon thirty (30) days notice by the Authority. Regarding software computer programs and/or source codes developed for the Authority, the work shall be considered “work for hire,” that is, the Authority, not the Vendor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, the Vendor or subcontractor hereby assigns to the Authority all right, title and interest in and to any such material, and the Authority shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

In the event the Vendor’s proposal identifies bringing pre-existing intellectual property into a project, the background intellectual property (“Background Intellectual Property”) owned by the Vendor on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the Vendor. This contract, grants to the Authority, a non-exclusive, perpetual royalty-free license to use any of the Vendor’s Background IP delivered to the Authority for the purposes contemplated by the contract and any extensions thereto.

5. **Manner of Payment.** On a monthly basis, no later than the 15th of each month, the Vendor shall submit to the Finance and Development Division an original invoice, a weekly timesheet for Vendor’s employees and subcontractors, a completed “Monthly Status Report”, original invoices for any approved costs for which the Vendor expects to be reimbursed and any other documentation, as may be required by the Authority to process
payment. The Authority will make prompt payment to the Vendor, following receipt of and approval of the documentation. No project multipliers shall be used in billings submitted under this Contract, as set forth in the proposal. The Vendor must submit a “Monthly Status Report” to the Authority. Invoices will not be processed unless accompanied by the “Monthly Status Report”.

6. **Indemnification.** The Vendor shall defend, indemnify, protect and hold harmless the Authority, and its officers, agents, servants and employees from and against any and all suits, claims, demands, losses or damages of any kind arising out of or claimed to arise out of any act, error, or omission on the part of the Vendor, its officers, agents, servants, employees and subcontractors in the performance of services under this Contract. The Vendor shall, at its own expense, appear, defend and pay all charges for attorneys and all costs and other expenses arising from such suit or claim or incurred in connection therewith. If any judgment shall be rendered against the Authority or its officers, agents, servants, and employees for which indemnification is provided under this Section 6, the Vendor shall, at its own expense, satisfy and discharge the same.

The Vendor shall be liable to the Authority for any reasonable costs incurred by the Authority to correct, modify, or redesign any technical information, reports, findings, analyses, surveys or drawings generated or produced by Vendor or any Work performed by the Vendor or its subcontractor that is found to be defective or not in accordance with the provisions of the Contract as a result of any negligent act, error, or omission on the part of the Vendor, its officers, agents, servants, employees and subcontractors. The Vendor shall be given a reasonable opportunity to correct any deficiency.

The indemnification obligation set forth in Section 6 is not limited in any way by the insurance coverage required pursuant to Section 7 of this Contract and shall survive the terms of this contract.

7. **Insurance.** The Vendor shall procure and maintain, at its own expense, liability
insurance for damages of the kinds and in the amounts hereinafter provided, from insurance companies licensed, admitted and approved to do business in the State of New Jersey. The Vendor shall obtain this coverage from A VII or better - rated companies as determined by A.M. Best Company. All liability insurance policies shall afford coverage on an occurrence rather than claims made basis with the exception of the professional liability coverage. The types and minimum amounts of insurance required are as follows:

(a) **Commercial General Liability Insurance.**

The Consultant shall maintain Commercial General Liability Insurance, and, if necessary, Commercial Umbrella Insurance, with a limit of not less than $1,000,000 for each occurrence, and $2,000,000 general aggregate limit. Commercial General Liability insurance shall be written on an ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall include liability arising out of, occasioned by or resulting from premises, operations, independent contractors, products, completed operations, personal injury and advertising injury, and liability assumed under an insured contract in connection with Services performed under this Contract. The New Jersey Economic Development Authority, the State of New Jersey and their respective directors, officers, members, employees and agents shall be included as an additional insured under the Commercial General Liability, using ISO additional insured endorsement CG 20 10 (or a substitute form providing equivalent coverage), and under the Commercial Umbrella, if any. In addition, the Consultant Firm may also be required to name other parties as additional insureds prior to the initiation of Services. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the New Jersey Economic Development Authority.

(b) **Workers' Compensation and Employers' Liability.**

The Consultant shall, at its own cost and expense, maintain Workers' Compensation and Employers’ Liability insurance prescribed by the laws of the State of New Jersey and any
other jurisdiction required to protect employees of the Consultant while engaged in the performance of the Services under this Contract. Coverage shall include an endorsement to extend coverage to any State, which may be interpreted to have legal jurisdiction. Workers' Compensation coverage shall be statutory and the Employers' liability limits (including Umbrella coverage) shall not be less than $100,000 per accident for bodily injury by accident and $100,000 for each employee for bodily injury by disease and $500,000 policy limit for bodily injury by disease.

(c) **Professional Liability Insurance (Errors and Omissions).**

The Consultant shall maintain Professional Liability Insurance with coverage retroactive to the Effective Date, sufficient to protect the Consultant from any liability arising from the Services and professional obligations performed pursuant to this Agreement in an amount not less than $1,000,000 per claim and $1,000,000 in the aggregate for all operations conducted.

The Consultant warrants they will notify the Authority in writing of any reduction in the aggregate coverage within thirty (30) days. The Consultant warrants that coverage shall not be circumscribed by any endorsements excluding coverage arising out of services performed pursuant to this Agreement.

(d) **Commercial Automobile Liability Insurance.**

The Consultant Firm shall carry Commercial Automobile Liability insurance, at all times. The policy shall cover any owned, hired or non-owned automobile / vehicle used by the insured with minimum limits for liability for bodily injury and property damage shall not be less than $1 million per occurrence as a combined single limit.

ACORD Certificates of Insurance acceptable to the Authority in respect to each of the aforementioned policies shall be filed with the Authority prior to commencement of Work. These Certificates shall contain a provision that the Consultant Firm’s insurers shall endeavor to provide the Authority thirty (30) days advanced written notice in the event of cancellation or non-
renewal of coverage. The Consultant Firm shall notify the Authority within forty-eight (48) hours of any changes, reduction or cancellations made to any of the policies which affect the Authority.

8. **Conflict of Interest.** Vendor, its officers, employees or principal shareholders (“Interested Parties”) shall not hold any ownership interest in any real estate development project that is included within the Work of this Contract; and shall not be under contract (other than this Contract) to perform work or services on any real estate development project that it included within the Work of this Contract. Furthermore, Interested Parties shall not hold any interest in or right to acquire any interest in any of the real estate that is the subject of a project specific Scope of Services. The Authority reserves the right to limit or restrict the scope of the Work to be performed by Vendor in the event that the Authority determines in its discretion that a project specific Scope of Services would create a potential conflict of interest. Any limitation or restriction on the scope of Work by the Authority because of a potential conflict of interest shall not reduce or interfere with payment of compensation to the Vendor for Work that does not create a potential conflict of interest.

Subcontractor(s) hired by Vendor to perform Work under this Contract, including the officers, employees or principal shareholders of such Vendor’s subcontractor(s) (“Subcontractor Interested Parties”) shall not hold any ownership interest in any real estate development project that is the subject of a project specific Scope of Services that the subcontractor is engaged in; and shall not be under contract (other than such subcontract) to perform work or services on any real estate development project that is the subject of a project specific Scope of Services that the subcontractor is engaged in. Furthermore, Subcontractor Interested Parties shall not hold any interest in or right to acquire any interest in the real estate that is the subject of a project specific Scope of Services that the subcontractor is engaged in. The Authority reserves the right to limit or restrict the scope of the Work to be performed by Vendor in the event that the
Authority determines in its discretion that a subcontractor of Vendor would create a potential conflict of interest. Any limitation or restriction on the scope of Work by the Authority because of a potential conflict of interest by a subcontractor shall not reduce or interfere with payment of compensation to the Vendor for Work that does not create a potential conflict of interest or the appearance of a conflict of interest.

Before beginning Work on any project specific Scope of Services, Vendor shall provide to the Authority its written certification that: (i) Interested Parties and Subcontractor Interested Parties do not hold any ownership interest in the real estate development project that is the subject of the project specific Scope of Services; (ii) Interested Parties and Subcontractor Interested Parties are not under any contract (other than this Contract or such subcontract) to perform work or services related to the particular project that is the subject of the project specific Scope of Services; and (iii) Interested Parties and Subcontractor Interested Parties do not hold any interest in or a right to acquire any interest in any of the real estate that is the subject of the project specific Scope of Services. Vendor shall have an on-going obligation to notify the Authority in writing of any change in circumstances, including obtaining additional information that would make such Vendor Certification less than completely accurate. Said on-going obligation to notify the Authority shall remain in effect for as long as Work is being performed on the project specific Scope of Services.

Interested Parties and Subcontractor Interested Parties are barred from earning any brokerage or other commissions from anyone other than the New Jersey Economic Development Authority in connection with any transaction that arises from or out of any projects that is included within the Work of this Contract. Said bar from earning brokerage or other commissions shall remain in effect for the Term of this Contract including any extension thereof.

During the term of this contract as an on-going obligation, the Vendor, its Subcontractors and Interested Parties must promptly notify NJEDA in writing of any work performed by Vendor,
a Subcontractor or Interested Party for a client or clients intending to apply for NJEDA assistance as soon as such work begins.

9. **Termination.** The Authority shall have the right without cause and in its complete discretion to terminate the Contract at any time upon seven (7) days advance written notice to the Vendor. In such event, absent a default on the part of the Vendor, the Vendor shall be entitled to compensation for all services properly provided to the Authority pursuant to the Contract prior to such termination.

In addition to other remedies available under law to the non-defaulting party, this Contract may be terminated by either party upon seven (7) days advance written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

10. **Confidential Information of the Authority.** In connection with performing the Work, the Vendor, its employees, joint venture partners and subcontractors may receive, review and become aware of proprietary, personnel, commercial, marketing and financial information of the Authority, its employees, members, borrowers, applicants or business associates that is confidential and/or proprietary in nature (“Confidential Information”). All information gathered, obtained and viewed during the performance of The Work shall be deemed Confidential Information. The Vendor agrees that the use and handling of Confidential Information by the Vendor, its employees, joint venture partners and subcontractors, if any, shall be done in a responsible manner and solely for furtherance of the Work. Other than to its employees and subcontractors who have a need to know Confidential Information in connection with performance of the Work, the Vendor agrees not to disclose any Confidential Information, without the prior written consent of the Authority. The Vendor shall be responsible to assure that its employees, joint venture partners and subcontractors, if any, do not disclose any Confidential Information without the prior written consent of the Authority. The Vendor shall
inform each of its employees, joint venture partners and subcontractors, if any, that receives any Confidential Information of the requirements of this Section 9 of the Contract and shall require each such employees, joint venture partners and subcontractors, if any, to comply with such requirements.

Notwithstanding the foregoing, the term Confidential Information shall not include information which: (i) is already known to the Vendor, its employees, joint venture partners and subcontractors, if any, from sources other than the Authority; (ii) is or becomes generally available to the public other than as a result of a disclosure by the Vendor or its employees, joint venture partners and subcontractors, if any; or (iii) is required to be disclosed by law or by regulatory or judicial process.

Pursuant to Section 6 Indemnification of the Contract, the Vendor shall indemnify and hold the Authority, its employees and members harmless for any breach of Section 9 “Confidential Information of the Authority”, by the Vendor, its employees, joint venture partners and subcontractors, if any.

11. Debarment Liability. The Vendor acknowledges that it shall be rendered liable to debarment in the public interest, pursuant to procedures established by Executive Order No. 34 (1976), and updated by Executive Order No. 189 (1988), and pursuant to N.J.A.C. 19:30-2, for violating any of the following provisions:

a. No Vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any Authority officer or employee or special Authority officer or employee, as defined by N.J.S.A. 52:13D-13(b) and (e), with which such Vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13(i), of any such officer or employee, or any partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13(g).
b. The solicitation of any fee, commission, compensation, gift, gratuity, or other thing of value by any Authority officer or employee or special Authority officer or employee from any Authority Vendor shall be reported in writing forthwith by the Vendor to the Attorney General of New Jersey and the Executive Commission on Ethical Standards.

c. No Vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such Vendor to, any Authority officer or employee or special Authority officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to the Authority, or with any person, firm or entity with which he or she is employed or associated or in which he or she has an interest within the meaning of N.J.S.A. 52:13D-13(g). Any relationships subject to this subsection shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the Authority officer or employee or special Authority officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

d. No Vendor shall influence, or attempt to influence or cause to be influenced, any Authority officer or employee or special Authority officer or employee in his or her official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.

e. No Vendor shall cause or influence, or attempt to cause or influence, any Authority officer or employee or special Authority officer or employee to use, or attempt to use, his or her official position to secure unwarranted privileges or advantages for the Vendor or any other person.

12. **Time for Completion and Damages.** The time for beginning and the time for completion of the Work are essential conditions of the Contract, and the Work embraced shall
be commenced on the date of the “Notice to Proceed”.

The Vendor shall proceed with the Work at such rate of progress to insure full completion as set forth in the RFQ/P and the Vendor’s Proposal. To the extent that the Authority’s written approval of the cost estimate for a project-specific Scope of Services includes a time for completing the Work for the particular project; the Vendor shall render the services for the particular project in accordance with the Authority’s written approval of the cost estimate.

For reasons within the Vendor’s control, if the Vendor shall fail to complete the Work, or shall be responsible for a delay which results in the failure to complete the Work within the time specified, or extension of time granted by the Authority, then the Vendor will pay the Authority an amount sufficient to compensate the Authority for its damages incurred as a result of such failure to complete.

13. **Contractual Liability Act.** Notwithstanding any provision in this Contract or in the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., to the contrary, the parties hereto agree that any and all claims made by the Vendor against the State of New Jersey and/or the Authority for damages, including, but not limited to costs and expenses, shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act.

14. **Political Campaign Contributions.**

14.1 For the purpose of this Section 14, the following shall be defined as follows:

a) “Contribution” means a contribution reportable as a recipient under “The New Jersey Campaign Contributions and Expenditures Reporting Act” (P.L. 1973, c. 83 (C.10:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq., a contribution made to a legislative leadership committee, a contribution made to a municipal political party committee or a contribution made to a candidate committee or election fund of any candidate for or holder of the office of Lieutenant Governor. Currently, contributions in excess of $300 during a reporting period are deemed “reportable” under these laws.

b) “Business Entity” - means:
i. a for-profit entity as follows:
   A. in the case of a corporation: the corporation, any officer of the corporation, and any person or business entity that owns or controls 10% or more of the stock of corporation;
   B. in the case of a general partnership: the partnership and any partner;
   C. in the case of a limited partnership: the limited partnership and any partner;
   D. in the case of a professional corporation: the professional corporation and any shareholder or officer;
   E. in the case of a limited liability company: the limited liability company and any member;
   F. in the case of a limited liability partnership: the limited liability partnership and any partner;
   G. in the case of a sole proprietorship: the proprietor; and
   H. in the case of any other form of entity organized under the laws of this State or other state or foreign jurisdiction: the entity and any principal, officer, or partner thereof;

ii. any subsidiary directly or indirectly controlled by the business entity;

iii. any political organization organized under section 527 of the Internal Revenue Code is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and

iv. with respect to an individual who is included within the definition of business entity the individual’s spouse or civil union partner, and any child residing with the individual, provided, however, that, this Order shall not apply to a contribution made by such spouse, civil union partner, or child to a candidate for whom the contributor is entitled to vote or to a political party committee within whose jurisdiction the contributor resides unless such contribution is in violation of section 9 of P.L. 2005, c. 51 (C.19:44A-20.1 et seq.) ("Chapter 51").

14.2 The terms, restrictions, requirements and prohibitions set forth in P.L. 2005, c. 51 are incorporated into this Agreement by reference as material terms of this Agreement with the same force and effect as if P.L. 2005, c. 51 were stated herein its entirety. Compliance with P.L. 2005, c. 51 by Vendor shall be a material term of this Agreement.

14.3 Vendor hereby certifies to the Authority that commencing on and after October 15, 2004, Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) has not solicited or made any Contribution of money, pledge of Contribution, including in-kind Contributions, that would bar a contract agreement between Vendor and the Authority pursuant to P.L. 2005, c. 51. Vendor hereby further certifies to the Authority that any and all certifications and disclosures delivered to the Authority by Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) are accurate, complete and reliable. The certifications made herein are intended to and shall be a material term of this Agreement and if the Treasurer of the State of New Jersey determines that any Contribution has been made in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

14.4 Vendor hereby covenants that Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) shall not knowingly solicit or make any contributions of money, or pledge of a contribution, including in-kind contributions, to a candidate committee or election fund of any candidate or holder of the public office of Governor of New Jersey or to any New Jersey state or county political party committee prior to the expiration or earlier termination of this Agreement. The provisions of this Paragraph 13.4 are intended to and shall be a material term of this Agreement and if the Treasurer of the State of New Jersey determines that any Contribution has been made by Vendor (and each of its principals, subsidiaries and political organizations included within the definition of Business Entity) in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.
14.5 In addition to any other Event of Default specified in the Contract Documents, the Authority shall have the right to declare an event of default under this Agreement if: (i) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits a Contribution in violation of P.L. 2005, c. 51, (ii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) knowingly conceals or misrepresents a Contribution given or received; (iii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits Contributions through intermediaries for the purpose of concealing or misrepresenting the source of the Contribution; (iv) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) makes or solicits any Contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor, or to any State or county party committee; (v) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) engages or employs a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any Contribution, which if made or solicited by Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) directly would violate the restrictions of P.L. 2005, c. 51; (vi) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) funds Contributions made by third parties, including consultants, attorneys, family members, and employees; (vii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) engages in any exchange of Contributions to circumvent the intent of P.L. 2005, c. 51; (viii) Vendor (or any of its principals, subsidiaries and political organizations included within the definition of Business Entity) directly or indirectly through or by any other person or means, does any act which would violate the restrictions of P.L. 2005, c. 51; or (ix)
any material misrepresentation exists in any Political Campaign Contribution Certification and Disclosure which was delivered by Vendor to the Authority in connection with this Agreement.

14.6 Vendor hereby acknowledges and agrees that pursuant to P.L. 2005, c. 51, Vendor shall have a continuing obligation to report to the Office of the State Treasurer, Political Campaign Contribution Review Unit of any Contributions it makes during the term of this Agreement. If after the effective date of this Agreement and before the entire Contract Price is paid by the Authority, any Contribution is made by Vendor and the Treasurer of the State of New Jersey determines such Contribution to be a conflict of interest in violation of P.L. 2005, c. 51, the Authority shall have the right to declare this Agreement to be in default.

15. **General Conditions.**

A. The Work shall be performed in a professional manner, in accordance with the standards generally expected or required within the profession and the Work shall also be performed in accordance with all applicable state, federal and local laws, rules, regulations and ordinances.

B. The Vendor shall provide such reports, certificates, and documents as the Authority may reasonably require.

C. The Vendor shall provide to the Authority, at Vendor's expense, copies of all drawings, plans, cost estimates, design analyses, reports, and / or other documents required for the Project.

D. If the Authority or Vendor observes or otherwise becomes aware of any fault or defect in the Project or nonconformance with any of the Contract Documents, prompt written notice thereof shall be given by the party discovering the defect to the other.

E. The Authority shall furnish all information available to the Authority, and reasonably required for the performance of the Work and shall render approvals and decisions as expeditiously as possible for the orderly progress of the Vendor's services and of the Work.
F. The Vendor shall comply with the affirmative action requirements set forth in the Law Against Discrimination, N.J.S.A. 10:5-31 et seq., and the regulations promulgated thereunder by the State Department of Treasury.

G. The Vendor is required to comply with the requirements of N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27 et seq., which are expressly included within the terms of this Contract, reference “Exhibit A” annexed hereto and made a part hereof.

H. In accordance with Public Law 2004, Chapter 57, a subcontractor shall provide a copy of its business registration to any Vendor who shall forward it to the NJEDA. No contract with a subconsultant shall be entered into by any Vendor unless the subconsultant first provides proof of valid business registrations. The Vendor shall provide written notice to all subconsultants that they are required to submit a copy of their business registration to the Vendor. The Vendor shall maintain a list of the names of any subconsultants and their current addresses, updated as necessary during the course of the contract performance. The Vendor shall submit to the NJEDA a copy of the list of subconsultants, updated as necessary during the course of performance of the contract. The Vendor shall submit a complete and accurate list of the subconsultants to the NJEDA before a request for final payment is made to the NJEDA. The Vendor and any subconsultant providing goods or performing services under this contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the “Sales and Use Tax Act”, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State, refer to “Exhibit B”.

I. In accordance with the requirements of N.J.S.A. 52:32-17 et seq., N.J.A.C. 12A:10-1.2 et seq., N.J.A.C. 12A:10A-1.2 et seq., N.J.A.C. 17:13-1.2 et seq., and N.J.A.C. 17:14-1.2 et seq., as amended, the Authority is required to develop a set-aside plan for Small Businesses. The Vendor agrees that, if awarded a contract based on this plan, it shall comply
with all requirements of these provisions. If the Vendor fails to comply with the requirements of these provisions, the Authority may declare this Contract void.

J. Pursuant to N.J.S.A. 52:34-13.2, all Work and all subcontractor services performed in connection with or as part of the Work shall be performed within the United States.

K. The Vendor shall not disclose to any third party the contents of the information, reports, findings, analysis, surveys, drawings and creative elements generated or produced in performance of this Contract, or provide copies of same, without the prior written consent of the Authority, except where such information, reports, etc. are legally required by order of court or administrative agency, state or federal.

L. The Authority and the Vendor, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party of this Contract and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Contract. Neither the Authority nor the Vendor shall assign, sublet, or transfer any interest in this Contract without the prior written consent of the other party.

M. Any notices required to be given under this Contract shall be mailed to:

New Jersey Economic Development Authority  
P.O. Box 990  
Trenton, New Jersey 08625-0990  
Attn: Timothy Lizura – Sr. Vice President –  
Finance and Development

and

Jones Lang LaSalle Americas, Incorporated  
400 Interpace Parkway  
Building D, First Floor  
Parsippany, NJ 07054  
Attn: Patrick Flinn – Managing Director – Public Institutions  
Northeast Market Lead

N. To the extent that there is any conflict between the terms and conditions of the Vendor’s Proposal and the terms and conditions of the Contract and the Authority’s RFQ/P, the Contract and RFQ/P shall control.
O. This Contract shall be construed under the laws of the State of New Jersey.

P. The headings of the various paragraphs of this Contract are inserted for the convenience of reference only, and in no way define, describe or limit the scope or intent of this Contract or any of the provisions hereof, and shall not affect the interpretation of this Contract or any of the provisions hereof.

Q. This Contract shall be construed without any presumptions against the drafter and shall be considered as though it were drafted cooperatively by both parties.

R. In the event that any portion of this Contract is found to be contrary to law and unenforceable; the validity of remaining covenants, agreements, terms and provisions contained in this Contract, shall be in no way affected, prejudiced or disturbed thereby.

S. This Contract constitutes the entire agreement between the parties. Any changes or amendments to the Contract must be in writing and signed by the Vendor and an authorized representative of the Authority.

T. The parties hereto represent that they have the proper authority to sign on behalf of the entities entering this Contract and they fully intend for the Authority and Vendor to be legally bound.

This Contract for Professional Services – Real Estate Advisory Consulting Services is entered into as of the day and year first written above.

ATTEST:                         ATTEST:

________________________________         ________________
   Timothy Lizura                By: ______________________________
   Sr. Vice President -         Caren S. Franzini
   Finance and Development      Chief Executive Officer

ATTEST:

________________________________

JONES LANG LaSALLE AMERICAS, INC.

_______________________________

By: ___________________________
EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE


GOODS, PROFESSIONAL SERVICES AND GENERAL SERVICE CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers’ representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq. as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2, or good faith
efforts to meet targeted county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

EXHIBIT A (Continued)

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE
N.J.S.A. 10:5-31 et seq., N.J.A.C. 17:27

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personal testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval
Certificate of Employee Information Report
Employee Information Report Form AA302

The contractor and its subcontractor shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the Division from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C.17:27.
EXHIBIT B

Business Registration Notice:

All New Jersey and out-of-State business organizations must obtain a “Business Registration Certificate” (“BRC”) from the Department of the Treasury - Division of Revenue, prior to conducting business with the New Jersey Economic Development Authority (“Authority”). Proof of valid “Business Registration” of the successful bidder, joint venture partners and named subcontractors must be obtained by the Authority before a contract can be awarded. Failure to submit such “Business Registration Certificate(s)” may render the proposal materially non-responsive. The “Business Registration” form (Form NJ-REG) can be found online at:

http://www.state.nj.us/treasury/revenue/gettingregistered.htm#busentity.

Definitions:

“Affiliate” means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. An entity controls another entity if it owns, directly or individually, more than fifty (50%) percent of the ownership in that entity.

“Business organization” means an individual, partnership, association, joint stock company, trust, corporation, or other legal business entity or successor thereof.

“Business Registration” means a “Business Registration Certificate” issued by the Department of the Treasury or such other form or verification that a contractor or subcontractor is registered with the Department of Treasury.

“Contracting agency” means the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, or any independent State authority, commission, instrumentality or agency, or any State college or university, any county college, or any local unit.

“Contractor” means a business organization that seeks to enter, or has entered into, a contract to provide goods or services with the New Jersey Economic Development Authority.

“Subcontractor” means any business organization that is not a contractor that knowingly provides goods or performs services for a contractor or another subcontractor in the fulfillment of a contract.
EXHIBIT B (Continued)

Requirements Regarding *Business Registration Form*:

A contractor must have a valid “Business Registration Certificate” in order to be awarded a contract by the New Jersey Economic Development Authority.

All subcontractors shall provide a copy of its “Business Registration” to any contractor who shall forward it to the Authority. No contract with a subcontractor shall be entered into by any contractor unless the subcontractor first provides proof of valid “Business Registration”.

The contractor shall provide written notice to all subcontractors that they are required to submit a copy of their business registration to the contractor. The contractor shall maintain a list of the names of any subcontractors and their current addresses, updated as necessary during the course of the contract performance. The contractor shall submit to the Authority, a copy of the list of subcontractors, updated as necessary during the course of performance of the contract. The contractor shall submit a complete and accurate list of the subcontractors to the New Jersey Economic Development Authority before a request for final payment is made to the Authority.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the “Sales and Use Tax Act”, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State.
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Waterfront Technology Center Camden
Lease Amendment with Accenture Federal Services, Inc (fka Gestalt, LLC)

DATE: July 14, 2011

Summary
I am requesting the Members' approval to execute an amendment permitting a partial termination of the lease agreement between the Authority and Accenture Federal Services, Inc. ("Accenture") at the Waterfront Technology Center at Camden ("WTCC").

Background
At the September, 2005 meeting, the Members approved a ten year lease with Gestalt, LLC for up to 20,000 square feet on the fourth floor of WTCC. In 2006, a lease was executed with Gestalt for 11,215 square feet, which included a termination option at the end of the fifth lease year, on October 31, 2011, for a fee of $250,000. At the August 2007 meeting, the Members approved a lease amendment with Gestalt, LLC, adding approximately 1,080 square feet of conference room space on the fourth floor ("Conference Room Premises").

Gestalt was acquired by and merged with Accenture National Security Services, LLC in December, 2007. Recently, Accenture National Security Services, Inc. was absorbed by its parent company, Accenture Federal Services, Inc. Accenture is a global management consulting, technology services and outsourcing company, and is a tenant in good standing.

Accenture is in the process of a thorough examination of all their leases, and as a result is reducing and in some circumstances terminating them in an effort to reduce costs. In lieu of a full termination of their lease at WTCC, they have requested a partial termination, allowing them to reduce their space from 12,295 square feet to 9,343 square feet. They will relinquish the Conference Room Premises (1,080 square feet) as well as 1,872 square feet at the west end of the floor. The effective date will be the end of the fifth lease year, consistent with the existing termination option. In lieu of paying a termination fee, at its cost, Accenture will demise the space by adding a wall, a door to the elevator lobby, and a separate electric meter.
The attached Second Addendum to Lease is in substantially final form. The final document may be subject to revision, although the basic terms and conditions will remain consistent with those in the attachment. The final terms of the Second Addendum to Lease will be subject to the approval of the Chief Executive Officer and the Attorney General’s Office.

**Recommendation**

In summary, I am requesting the Members' approval for execution of a lease amendment with Accenture to permit a partial termination of its lease, and 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.

Caren S. Franzini  
Chief Executive Officer

**Attachment**

Prepared By: Christine Roberts
SECOND ADDENDUM TO LEASE COVERING
WATERFRONT TECHNOLOGY CENTER AT CAMDEN

This Second Addendum to Lease (the “Second Addendum”) is made as of the ______ day of _______________ 2011, by and between Accenture Federal Services, Inc., a Delaware corporation (“Tenant”), as successor in interest as tenant under the Original Lease (defined below) to Accenture National Security Services, LLC (“ANSS”) and the New Jersey Economic Development Authority (“Landlord”).

WHEREAS, Landlord and Gestalt, LLC (“Gestalt”) entered into a certain Waterfront Technology Center at Camden Lease Agreement dated March 22, 2006, (the “Original Lease”) for the premises described therein (the “Leased Premises”) and located in the Waterfront Technology Center at Camden, (the “Building”) 200 Federal Street, Camden, New Jersey.

WHEREAS, Landlord and Gestalt entered into a certain Addendum to Lease Agreement dated September 1, 2007 (the “Addendum”) expanding the Leased Premises to include certain additional premises located in the Building and described therein as the “Conference Room Premises”. The Original Lease and the Addendum are herein referred to as the “Lease”.

WHEREAS, Gestalt merged its corporate existence into Tenant’s predecessor, ANSS. ANSS was merged into Accenture Federal Services, Inc. and the Lease is now a binding agreement between Landlord and Tenant.

WHEREAS, Tenant has requested and Landlord has agreed to terminate Tenant’s occupancy and rental obligations related to a portion of the original Leased Premises and all of the Conference Room Premises without altering or amending Tenant’s other rights and obligations under the Lease relative to the balance of the Leased Premises.

NOW, THEREFORE in consideration of the covenants and conditions set forth herein and other good and valuable consideration paid, the sufficiency of which is hereby acknowledged by each of the parties, Tenant and Landlord hereby agree as follows:

1. The Recitals set forth above are true and correct and are incorporated by reference herein.

2. Landlord and Tenant hereby agree that the demise of premises under the Lease is hereby amended and reduced by approximately Two Thousand, Nine Hundred, Fifty-Two (2,952) square feet of space consisting of approximately One Thousand, Eight Hundred, Seventy-Two (1,872) square feet of the premises demised in the Original Lease and all of the One Thousand, Eighty (1,080) square feet of premises demised as the Conference Room Space in the Addendum (collectively herein referred to as the “Vacated Premises”) and Tenant’s rights to occupy, possess and enjoy the Vacated Premises is hereby terminated and cancelled as of the Effective Date.
8. Tenant hereby represents and warrants to Landlord that: (i) Tenant has complied with the Industrial Site Recovery Act, N.J.S.A. 13:6 et seq. in connection with its surrender of the Vacated Premises; and (ii) as of the Effective Date, except for any Non-Tenant Contamination that might exist, the Vacated Premises are free of any and all Hazardous Substances, and in compliance with all environmental laws.

9. Tenant represents that Tenant has dealt with no real estate broker in connection with this Second Addendum. Tenant shall indemnify and hold Landlord harmless from any and all claims by any real estate agent, consultant or broker for real estate commission or listing agreement in connection with the surrender of the Vacated Premises.

10. Tenant hereby confirms that Tenant shall not be entitled to receive any further Business Lease Incentive Grant payments for the Vacated Premises and Tenant agrees that the certain Business Lease Incentive Grant Agreement (the “BLI Grant Agreement”) between Gestalt (as Grantee) and Landlord (as Grantor) dated as of March 22, 2006 as amended by Addendum to Business Lease Incentive Grant Agreement dated September 1, 2007 no longer applies to the Vacated Premises.

11. Tenant agrees to leave and vacate the Vacated Premises in broom clean condition, subject to inspection and approval by Landlord.

12. All capitalized terms used herein but not otherwise defined shall have the same meanings ascribed to them in the Lease and the Addendum.

13. This Second Addendum may be executed in any number of counterparts and each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

14. This Second Addendum shall be governed by the laws of the State of New Jersey.

15. Except as expressly modified hereby, all terms, conditions, definitions, undertakings and covenants of the Lease shall remain in full force and effect and are in no way abrogated by this Second Addendum. The parties hereby confirm the validity and continued force and effect of the Lease.
STATE OF NEW JERSEY  )
COUNTY OF MERCER  ) ss.:  

On the ___ day of __________________, in the year two thousand eleven, before me, the undersigned, personally appeared CAREN S. FRANZINI, personally known to me or proved to me on the basis of satisfactory evidence to be the CHIEF EXECUTIVE OFFICER of the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey, whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the entity named therein executed the Second Addendum to Lease.

Notary Public

STATE OF NEW JERSEY  )
COUNTY OF  ) ss.:  

On the ___ day of __________________, in the year two thousand eleven, before me, the undersigned, personally appeared ____________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the ____________________________, of ACCENTURE FEDERAL SERVICES, INC. whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in her/his capacity as Authorized Signatory, and that by her/his signature on the instrument, the entity named therein executed the Second Addendum to Lease.

Notary Public
MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
Senior Vice President

RE: Aviation Research & Technology Park
Substitute Aviation Research & Technology Park, Inc. for South Jersey Economic Development District as Co-Grantee for the $2.5 Million USEDA Public Works Grant

DATE: July 14, 2011

Summary
I am requesting the Members approve the substitution of the Aviation Research and Technology Park Inc., (ARTP) for the South Jersey Economic Development District (SJEDD) as the co-grantee on the $2.5 million grant from the United States Department of Commerce, Economic Development Administration (USEDA), under its Public Works Grant Program. ARTP will be substituted as the lead co-grantee for the grant.

Background
In 2007, the Aviation Research & Technology Park, Inc. (ARTP) completed the master plan study that the Authority partially funded with $50,000. ARTP’s eleven-member board includes five ex-officio public members representing the South Jersey Transportation Authority, the Casino Reinvestment Development Authority, Richard Stockton College, the County of Atlantic, and the New Jersey Economic Development Authority.

The master plan envisions the development of a technology park on 55 acres adjacent to Atlantic City International Airport and the Federal Aviation Administration’s William J. Hughes Technical Center in Egg Harbor Township. The Technical Center has a workforce of 3,000 employees on its 5,000-acre campus. The tech park site is currently leased from the Federal Aviation Administration (FAA) to the SJEDD, with ARTP providing marketing and management services for the life of the project. The plan provides for the development of approximately 12 building sites that will be leased to or developed by industries that complement the Technical Center’s aviation mission. At buildout, the technology park will generate an
estimated 1,000 jobs. Development of the park requires new infrastructure improvements on the 55 acres that include, but are not limited to, utility (e.g., water, sewer, gas electric, and communications) and road improvements to serve the building pad sites. The infrastructure improvements will cost approximately $7.5 million.

In 2007, to partially fund the infrastructure improvements, the SJEDD requested that the Authority serve as the public entity co-sponsor for the $2.5 million grant application to the USEDA. The Public Works Grant Program requires that a public state, county or local government entity serve as an application co-sponsor. The grant is jointly awarded to the Authority and SJEDD.

In March 2008, USEDA awarded the project the infrastructure grant, and in April 2008, the Members authorized the Authority to serve as co-grantee with SJEDD. Since April 2008, SJEDD completed the infrastructure design, obtained the required approvals, bid the project, and started construction; it will complete the infrastructure by September 2011. During this period, SJEDD has administered the grant and ensured compliance with USEDA’s requirements.

Based on a mutual decision by ARTP and SJEDD, and with FAA’s consent, SJEDD will no longer be serving as lessee and master developer for the park. The ARTP Board believes that a private sector master developer is needed to invest equity and bring tech development expertise to the project. Accordingly, upon completion of the USEDA-funded infrastructure, SJEDD will assign its leasehold interest in the land to ARTP, ARTP will select a master developer for the proposed seven buildings through an open and competitive selection process, and ARTP will assume responsibility for compliance with those USEDA grant conditions that survive beyond USEDA’s certificate of completion for the infrastructure work.

ARTP’s responsibilities (with respect to the USEDA grant) will be limited to monitoring and reporting on post-construction compliance. ARTP has professional staff to perform this role. NJEDA will require ARTP to provide reports for its review prior to submission to USEDA.

SJEDD and ARTP are currently negotiating the terms for ARTP to assume the FAA lease and USEDA grant obligations for the proposed technology park. For ARTP to assume SJEDD’s obligations under the USEDA grant, the Authority’s approval is required.

The Authority’s approval will have the following conditions:

1. USEDA’s approval of the substitution.
2. Completion of the infrastructure improvements by SJEDD.
3. Sign-off and full disbursement of the grant funds prior to the substitution of ARTP.
4. Transfer of the lease from SJEDD to ARTP.
5. ARTP’s indemnification of the Authority for ARTP’s role in receiving and administering the grant funds.
6. ARTP assuming SJEDD’s lead co-grantee responsibilities under the grant agreement.
Recommendation
In summary, I am requesting the Members’ approval to substitute the ARTP as co-grantee in lieu of SJEDD for the $2.5 million USEDA public works grant, under the conditions provided in this memo, and for the Chief Executive Officer to execute the standard form of USEDA grant agreement and other documents necessary to complete the transaction, all in a form acceptable to the Authority’s Chief Executive Officer and the Attorney General’s Office.

Timothy J. Lizura
Senior Vice President

Prepared by: David Nuse
Juan Burgos
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Waterfront Technology Center Camden
Lease Agreement with Montgomery Investment Technology, Inc.

DATE: July 14, 2011

Summary
I am requesting the Members’ approval 1) to enter into a lease agreement with Montgomery Investment Technology, Inc. ("MIT") for approximately 1,872 square feet of fourth floor office space at the Waterfront Technology Center at Camden ("WTCC"), and 2) for a Business Lease Incentive ("BLI") Grant for approximately $6,660 payable over two years.

Background
MIT, formed in 1988, currently occupies about 1,132 square feet in two separate offices in the Rutgers Camden Technology Campus ("RCTC"), a business incubator which originally leased 20,000 square feet on the second floor of the WTCC Tech One building. MIT is expanding and ready to graduate from the incubator.

MIT develops software and provides consulting and training services which assists investment and financial professionals in the valuation of options and derivative securities. The company currently has seven full time employees, and maintains another office in Radnor, PA.

Accenture Federal Services ("Accenture"), a tenant on the fourth floor of WTCC, has requested a partial termination of its lease. A portion of the premises being terminated will be demised by Accenture to create a 1,872 sf suite. Subject to the Authority’s approval of the Accenture partial termination, MIT will lease this suite.

Staff performed a financial analysis and determined that a security deposit equal to three months’ rent, or $9,900, will be required.
**Recommendation**
In summary, I am requesting the Members' approval for the following: 1) execution of the Authority’s standard form of lease with MIT for approximately 1,872 square feet of office space at the Waterfront Technology Center at Camden’s Tech One building on terms generally consistent with the attached sheet and; 2) a $6,660 Business Lease Incentive Grant to MIT payable over two years per the approved schedule for office and high tech tenants, contingent on approval of the Camden Economic Recovery Board staff under Delegated Authority; 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.

Caren S. Franzini  
Chief Executive Officer

**Attachment**

Prepared By: Christine Roberts
LANDLORD: NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

PROPERTY: THE WATERFRONT TECHNOLOGY CENTER AT CAMDEN

TENANT: Montgomery Investment Technology, Inc.

PREMISES: Approximately 1,872 rentable square feet on the fourth floor.

LEASE TERM: Five (5) years.

RENT COMMENCEMENT: Rent shall commence to accrue (the "Rent Commencement Date") on the effective date of the Accenture partial termination agreement.

BASE RENTAL RATES: Years 1 - 5: $21.25 psf modified gross

TAXES AND OPERATING EXPENSES (CAM): The lease is a modified gross lease and the base rent includes CAM (water, sewer, utilities and maintenance), real estate taxes (PILOT), insurance, snow/landscape service, and property management (including office janitorial and security). The tenant will be responsible for separately metered tenant electric.

BASE YEAR ESCALATIONS: After Year 1, Tenant will be responsible for any taxes, operating expense and CAM charges which exceeds Landlord’s Base Year operating expenses. Increases will be capped at 5% per year.

TERMINATION PROVISION: Tenant has the option to terminate the lease at no cost to Tenant if Landlord replaces current surface parking with a parking structure which would result in an additional cost to Tenant.

RENEWAL OPTIONS: None.

 BROKER: None.

SECURITY DEPOSIT: Approximately equal to three months’ rent, or $9,900.

BLI GRANT: Year 1: $5.00 psf
Year 2: $4.00 psf