MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
      Chief Executive Officer
DATE: September 8, 2009
SUBJECT: Agenda for Board Meeting of the Authority September 8, 2009

Notice of Public Meeting
Roll Call
Approval of Previous Month’s Minutes
Chief Executive Officer’s Monthly Report to the Board
Authority Matters
Bond Projects
Loans/Grants/Guarantees
Clean Energy Solutions
Edison Innovation Fund
Incentive Programs
Board Memorandums
Real Estate
Public Comment
Adjournment
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
August 11, 2009

MINUTES OF THE MEETING

Members of the Authority present: Joseph McNamara, Vice Chairman; James Kelly, representing the State Treasurer; Dan Ryan representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Public Members: Philip Kirschner, Thomas Manning, Elliot M. Kossofsky, Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Present via Phone: Carl Van Horn, Chairman; and, Raymond Burke, First Alternate Public Member.

Absent from the meeting: Jerold Zaro representing the Governor’s Office; and Public Members: Timothy Carden, Steve Plofker, Charles Sarlo, and Richard Tolson.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General, and guests.

Chairman Van Horn 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 July 14, 2009 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Manning, seconded by Mr. Poliner and was approved by the 9 voting members present.

The next item was the presentation of the Chief Executive Officer’s Monthly Report to the Board. (For Informational Purposes Only)
BOND RESOLUTIONS

PROJECT: Century Packaging, Inc.    APPL.#26784
LOCATION: East Brunswick/Middlesex Cty.
PROCEEDS FOR: equipment acquisition
FINANCING: $2,535,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Ryan    SECOND: Mr. Manning    AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Final Bond

PROJECT: Elysian Charter School of Hoboken    APPL.#26661
LOCATION: Hoboken City/Hudson
PROCEEDS FOR: building renovation
FINANCING: $3,920,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Ryan    SECOND: Mr. Manning    AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Public Hearing Only

PROJECT: Giordano Vineland Scrap Material    APPL.# P24260
LOCATION: Vineland/Cumberland Cty.
PROCEEDS FOR: finance machinery and equipment

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Greater Brunswick Regional Charter School or related entity.    APPL.#26660
LOCATION: New Brunswick/Middlesex Cty.
PROCEEDS FOR: building renovation
FINANCING: $6,050,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Ryan    SECOND: Mr. Kosoffsky    AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
PROJECT: Greater Brunswick Charter School APPL.#27102
LOCATION: New Brunswick/Middlesex Cty.
PROCEEDS FOR: refinance existing debt and renovations
FINANCING: $1,000,000 Main Street Business Assistance loan
MOTION TO APPROVE: Mr. Burke SECOND: Mr. Kosoffsky AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Mr. Latoof entered the meeting at this time.

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Central Jersey Waste & Recycling Inc. APPL.#24882
LOCATION: Trenton/Mercer Cty.
PROCEEDS FOR: equipment acquisition and building construction
FINANCING: $1,500,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Kosoffsky AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: New York Terminals II, LLC. APPL.#27317
LOCATION: Elizabeth/Union Cty.
PROCEEDS FOR: refinance existing debt and construction
FINANCING: $2,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Poliner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following residential projects were presented under the Petroleum Underground Storage Tank Program.
MOTION TO APPROVE: Mr. Kirschner SECOND: Mr. Latoof AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Martin Berlin APPL.#26728
LOCATION: Brick Twp./Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $118,695 Petroleum UST Remediation, Upgrade, & Closure Fund Grant
The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of July 2009. (For Informational Purposes Only)

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following municipal projects were presented under the Hazardous Discharge Site Remediation Fund Program.

MOTION TO APPROVE: Mr. Kelly  SECOND: Mr. Latoff  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Township of Berkley (Bayview Park)  APPL.#26730
LOCATION: Berkley/Ocean Cty.
PROCEEDS FOR: remedial action
FINANCING: $297,468 Hazardous Discharge Site Remediation Fund

PROJECT: Jersey City Redevelopment Agency (Turnpike Dump #5)  APPL.#27474
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: remedial investigation
FINANCING: $199,650 Hazardous Discharge Site Remediation Fund

PROJECT: Borough of Red Bank  APPL.#27889
LOCATION: Red Bank/Monmouth Cty.
PROCEEDS FOR: remedial investigation
FINANCING: $284,903 Hazardous Discharge Site Remediation Fund

PROJECT: Jewish Community Federation of Greater Clifton LOCATION: Clifton/Passaic Cty.
PROCEEDS FOR: remedial action
FINANCING: $253,593 Hazardous Discharge Site Remediation Fund

The next item was a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of July 2009. (For Informational Purposes Only)

CLEAN ENERGY SOLUTIONS

The next item is to approve scoring criteria to the Clean Energy Solutions Edison Innovative Projects Program approved at the June 9, 2009 meeting. The Board is also requested to approve a Memorandum of Understanding between the Board of Public Utilities and the Authority concerning EDA receipt and management of ARRA federal stimulus funds.

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Manning AYES: 10 RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

The next item amends the Clean Energy Solutions Capital Investment program (CESCI): terms/conditions to authorize the Authority in cases where an applicant has a 10% or greater ownership in the project to rely on pro-forma financials to demonstrate that the project can achieve a DSCR of 1.2:1 and in addition to considering the assignment of other public grant funding in lieu of personal guarantees, authorize the Authority to seek assurances (e.g. guarantees, obligations, etc.) from the parent entity or other principals; other collateral; and/or the assignment of assets (e.g. renewable energy credits) that total 120% of the loan amount (as long as aggregate state funding does not exceed 50% of the project cost) as means to secure loan repayment and adequate DSCR.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kirschner AYES: 10 RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: AustarPharma, LLC LOCATION: Edison Twp./Middlesex Cty. BUSINESS: pharmaceuticals
GRANT AWARD: 60% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Kirschner SECOND: Mr. Latoof AYES: 10 RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
PROJECT: 1.D. Systems, Inc.  APPL.#27306
LOCATION: TBD  BUSINESS: electronic device technology
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Sanchez Cano S.A. and Affiliates  APPL.#27618
LOCATION: Franklin/Somerset Cty.  BUSINESS: food products
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning  SECOND: Mr. Latoof  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Deloitte LLP  APPL.# 17444
LOCATION: TBD
REQUEST: based on significant leasehold improvement of $3.8 million and considering the impact of 950 new jobs in New Jersey with an average salary of $105,000, staff recommends making an exception to the 20% cap. The term of the existing BEIP grant will not be extended as a result of this modification.
MOTION TO APPROVE: Mr. Kirschner  SECOND: Mr. Kosoffsky  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Deloitte LLP  PPL.# 27838
LOCATION: TBD.  BUSINESS: financial advisory
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kirschner  SECOND: Mr. Latoof  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Direct Cabinet Sales  APPL.# 27731
LOCATION: TBD  BUSINESS: kitchen cabinetry
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Pitney Bowes Inc  APPL.# 27896
LOCATION: TBD.  BUSINESS: parcel shipping
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Manning  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: I.D. Systems, Inc.
LOCATION: Hackensack/Bergen Cty.
BUSINESS: technology
GRANT AWARD: $60,500 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Medin Corporation & Fabulous Fabricators LLC
dba Source One
LOCATION: Patterson/Passaic Cty.
BUSINESS: manufacturing
GRANT AWARD: $142,800 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Direct Cabinet Sales
LOCATION: Linden/Union Cty
BUSINESS: cabinetry
GRANT AWARD: $60,500 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Pitney Bowes Inc
LOCATION: Clifton City/Passaic Cty
BUSINESS: shipping
GRANT AWARD: $187,200 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kirschner  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

UEZ/SALEM SALES TAX EXEMPTION

PROJECT: E.I. du Pont de Nemours & Company
LOCATION: Deepwater/Salem Cty.
TAX BENEFIT: $900,000
MOTION TO APPROVE: Mr. Ryan  SECOND: Mr. Poliner  AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

BOARD MEMORANDUMS

PROJECT: The Acorn Montessori School, Inc.
LOCATION: Clinton Twp./Hunterdon Cty.
FINANCING: $2,480,000 Tax-Exempt Bond
APPL.# 16457
REQUEST: consent to a change in the amortization of the Bond from 20 years to interest only payments for one year followed by a 24 year amortization with a balloon payment due on the maturity date of July 1, 2026.

MOTION TO APPROVE: Mr. Poliner  SECOND: Mr. Manning  AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17  
PUBLIC HEARING: Yes  
PUBLIC COMMENT: None

PROJECT: ACLS Pleasantville, Inc.  APPL.#25412  
LOCATION: Pleasantville/Atlantic Cty.  
FINANCING: $575,414 Direct Loan  
REQUEST: modify the Board’s approval to allow the payment of interest expense on shareholder loans to the extent a minimum fixed charge coverage ratio is maintained as measured by Citizen’s Bank  
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: Landis Theater Properties, LLC  APPL.#22125  
LOCATION: Vineland/Cumberland Cty.  
FINANCING: $8,000,000 New Market Tax Credit Allocation  
REQUEST: (1) increase the NMTC allocation approval for the Landis project from $8 million to a maximum $10.3 million and (2) modify the amount of the total recapture guarantee provided by the Authority to US Bank from $2.64 million to a maximum $4.02 million.  
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kirschner  AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: Vineland Development Corporation  APPL.#26414  
LOCATION: Vineland/Cumberland Cty.  
FINANCING: $5,600,000 New Market Tax Credit Allocation  
REQUEST: (1) increase the NMTC allocation approval for the Vineland Development Corporation Project from $5.6 million to $6.2 million and (2) modify the amount of the total recapture guarantee provided by the Authority from $2.184 million to $2.418 million.  
MOTION TO APPROVE: Mr. Manning  SECOND: Mr. Kirschner  AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

The next item was to approve Valley National Bank as a Preferred Lender.  
MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Kosoffsky  AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21
The next item was a summary of projects approved under Delegated Authority in July 2009. (For Informational Purposes Only)

**New Jersey Business Growth Fund:** P.A.B. Inc. and The Boat House Restaurant, Inc.; Placko Signs, LLC or Nominee; R & R Investments LLC and R. Filderman and Sons dba R & R Associates; Severino Pasta Manufacturing Company Inc.

**Fast Start Direct Loan Program:** CarpetCycle, LLC; HHP Enterprises, LLC or Nominee; Mitchell Hardware Company.

**NJ Main Street Program:** Bylanda Foods, LLC; Duran & Pandos; Fulcrum Facilities Services, LLC; Swift Electrical Supply Company, Inc.

**Preferred Lender Program:** Parkway-Kew Corporation

### REAL ESTATE

The next item was to enter into a License Agreement with Comcast Cable Communications Management, LLC, a service provider to tenants at the Waterfront Technology Center in Camden.

**MOTION TO APPROVE:** Mr. Latoof  **SECOND:** Kirschner  **AYES:** 10  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 22
PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Kirschner, and seconded by Mr. Latoof, the meeting was adjourned at 11:00 a.m.

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
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
        Chief Executive Officer

DATE: September 8, 2009

RE: Chief Executive Officer’s Report to the Board

**New Employment Statistics Show Economic Stimulus Initiatives are Working**

Economic stimulus initiatives promulgated by Governor Corzine and the state Legislature are moving New Jersey forward on the road to economic recovery. Statistics released in mid-August by the New Jersey Department of Labor and Workforce Development show that the state’s employment grew in July – for the first time in 17 months – led by a gain of 13,000 jobs at private-sector companies. Significant increases were reported in the areas of leisure and hospitality, construction, professional and business services and manufacturing. Overall, preliminary LWD estimates indicated that there was an overall increase of 5,900 jobs in July. These new statistics show that Governor Corzine’s economic growth initiatives are working and helping to restore economic confidence, and that private-sector employment is trending in the right direction.

**Twenty-Five Main Street Applications Filed Through August; 13 Finalized**

Swift Electrical Supply Co., Inc., a family-run distributor of electrical supplies with offices in Teterboro and East Brunswick, is the latest business to finalize financing under the Main Street Business Assistance Program, closing a $750,000 working-capital loan in August that will help maintain 70 positions at the company. The loan was made in conjunction with an $11-million line of credit with PNC Bank.

Through the end of August, 25 applications seeking $9.5 million in funding assistance were received from 25 companies that expected to maintain nearly 650 jobs and create almost 140 new positions. Thirteen of the 18 projects approved so far have closed involving $4 million in assistance. Six have been line of credit guarantees.

**NEW JERSEY URBAN FUND**

The EDA closed 38 financings through the end of August totaling almost $44 million in the urban centers of Atlantic City, Camden, Elizabeth, Jersey City, Newark, Paterson and Trenton under the New Jersey Urban Fund. These projects involve over $180 million in total investment and are expected to create more than 1,100 new full-time jobs and more than 2,050 construction jobs.
Paramount Bakeries, Inc., a husband- and wife-owned commercial bakery that primarily serves supermarket chains, expects to maintain 40 jobs and add 15 more as it expands its production and offices facilities in Newark with the help of $2.7-million TD Bank loan that includes a $1.25-million EDA participation made under the Statewide Loan Pool for Business program. The loan was finalized in August and I was pleased to see the company’s growth first-hand when I visited for a facility tour during the month.

CarpetCycle, LLC was another August closing. The Elizabeth carpet recycling company borrowed $300,000 under the FastStart for Small Business program to purchase a shearing machine and baler that will enable it to separate nylon carpeting from its backing and resell it at a higher value. The business expects to add 11 new jobs in the next two years.

OTHER URBAN ACTIVITY

Through August, the EDA closed 38 projects in other Urban Aid cities, providing $21 million in bonds, loans, loan guarantees and environmental assistance grants for borrowers investing almost $45 million in the state’s economy. This support is expected to result in the creation of more than 160 jobs.

Pathways to Independence, Inc., a private, nonprofit organization that offers prevocational and vocational training to adults with disabilities throughout New Jersey, borrowed $250,000 in August under the Fund for Community Economic Development to supplement Valley National Bank funding and enable the 30-year old organization to acquire a building it currently leases in Kearny.

EDISON INNOVATION FUND

The EDA closed 19 Edison projects totaling over $55 million in financing through August that are expected to result in total investments of more than $250 million in New Jersey and the creation of over 2,000 new jobs. Through the end of August, the EDA finalized equity-like financing totaling $6.1 million with 10 Edison Innovation Fund projects.

Semprae Laboratories, Inc., a health care product manufacturing company, executed a Business Employment Incentive Program grant agreement worth an estimated $220,000 over 10 years in late July in connection with its plans to create 10 new jobs and establish corporate headquarters in Saddle Brook. The company had considered Pennsylvania, New York and South Carolina as a location. It had finalized a $1-million Edison Innovation Fund investment in January.

CORE ACTIVITY

Core financing surpassing $317 million was finalized in the January-through-August period with 106 other projects that plan to invest in excess of $822 million in their projects and create nearly 2,000 new, full-time jobs and over 9,200 construction jobs.

HHP Enterprises, Inc. closed a $200,000 FastStart for Small Business loan in August that is being used to purchase, renovate and convert an existing restaurant in Metuchen from a Thai food establishment to a pub that offers American and Irish cuisine. Ten new jobs will be created.
Events/Speaking Engagements:

In August, the EDA participated as attendees, exhibitors or speakers at five events and organized site visits to eight businesses involving Governor Corzine and/or Authority representatives. Major events included a Commerce and Industry Association of New Jersey meeting in Mahwah and a Statewide Minority Conference in Newark. The site tours were arranged with businesses that have received state assistance through the EDA and included visits to the Cavalier Diner in Roselle, EMS Formation in Moorestown, NDS Technologies in Vineland, Ocean Power Technologies of Pennington in Atlantic City, Paramount Bakeries in Newark, Petra Solar in South Plainfield, Severino Pasta Manufacturing in Haddon and TerraCycle in Trenton.
AUTHORITY MATTERS
MEMORANDUM

To: Members of the Authority

From: Carl Van Horn
Chairman

Date: September 8, 2009

Subject: Annual Meeting

The New Jersey Economic Development Authority’s By Laws provide that an annual reorganization meeting be held in September of each year. The purpose of this meeting is to elect the officers of the Authority for the coming year, including the Treasurer and Vice Chair. As has been done in years past, it is recommended that the position of Board Treasurer be held by State Treasurer R. David Rousseau. The position of Vice Chairman is currently held by Joe McNamara, who is interested in continuing to serve in this role, subject to confirmation by the Members.

The appointment of Assistant Secretaries to the Board to support the Secretary in her absence is also required. I am recommending that Maureen Hassett, Kathleen Stucy, Gregory Ritz and John Rosenfeld serve as Assistant Secretaries.

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

**Director’s Loan Review Committee** - Chair: Ray Burke, Tim Carden, Charles Sarlo, the Executive Branch Designee, Commissioner of the Department of Banking and Insurance, and the Commissioner of the Department of Labor and Workforce Development.

The DLRC will meet monthly to review all non real estate development Authority exposure requests, including, but not limited to, direct and loan guarantee requests.

**Audit Committee** – Chair: Tim Carden, Carl Van Horn, Ray Burke, Steven Plofker, the State Treasurer, and the Commissioner of the Department of Banking and Insurance.
The Audit Committee monitors the financial operations of the Authority including the review of the annual operating budget and those responsibilities outlined in the committee Charter. The committee will meet quarterly and at such other times as determined by the Chair.

**Policy Committee** - Chair: Joe McNamara, Carl Van Horn, Philip Kirshner, Executive Branch Designee, and the Commissioner of the Department of Labor and Workforce Development.

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

**Real Estate Committee** - Chair: Charles Sarlo, Richard Tolson, Tom Manning, Elliott Kosoffsky, the Commissioner of the Department of Environmental Protection and the State Treasurer.

The Real Estate Committee will review all monthly real estate matters with Authority exposure prior to the Board meeting and will meet quarterly and at such other times as determined by the CEO in consultation with the Chair.

**Compensation Committee** – Chairman Carl Van Horn, Joe McNamara and Tim Carden.

The Compensation Committee was formed at the direction of the Chairman in 2007 to advise on compensation policies that enable the attraction and retention of staff and meets as determined by the CEO in consultation with the Chair.

Attached is a schedule of the monthly Board meetings through September 2010. By resolution we will be adopting this schedule for the next year’s Board meeting dates. The meeting notice is posted on the Secretary of State’s bulletin board, the Star Ledger, the Trenton Times, and on the EDA website along with the monthly meeting agenda. I am also seeking your approval for the following actions: 1) Committee appointments as noted above; 2) Appointment of the Assistant Secretaries; and 3) Election of a Vice Chair and Treasurer.
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<th>Directors’ Loan Review Committee</th>
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<td>October 5, 2009</td>
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Board meetings are held on the second Tuesday of each month. Both meetings are held at 10:00.
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Appropriation from NJ Legislature – FY2010
Small Business Development Centers (SBDCs)

DATE: September 8, 2009

Request:

The Members are requested to authorize the Chief Executive Officer to execute a Grant Agreement with Rutgers, The State University of New Jersey, to provide financial support for the New Jersey Small Business Development Centers (SBDCs) in an amount not to exceed $250,000.

The funds were appropriated for FY2010 by the Legislature through the Appropriations Act, P.L. 2009, c.68, and are to be allocated to the SBDCs through a Grant Agreement with Rutgers. Historically, this annual appropriation had been administered by the Commerce Commission and became the responsibility of the EDA through the implementation of P.L. 2008, c.27 that consolidated economic development programs under the EDA.

The role of the SBDCs is to provide business support services to small, women and minority businesses in New Jersey. The services of the SBDCs are complimentary to the technical assistance services supported by the EDA and are included in the array of assistance available to small businesses growing and expanding in New Jersey.

Background:

Over 30 years ago, the United States Small Business Administration (SBA) named Rutgers, The State University of New Jersey, as the State’s headquarters for the New Jersey Small Business Development Centers (NJSBDCs). The State Legislature has annually funded the SBDCs by allocating an appropriation subject to a written agreement.

The NJSBDCs consist of a headquarters and 11 regional centers throughout the State. In 2008 - 2009, counselors advised approximately 6,700 clients (50% existing businesses) and taught over 800 workshops. Primary funding sources for the SBDCs include the federal SBA, State of New
Jersey, and New Jersey colleges and county colleges. The Legislature’s Appropriation represents approximately 5% of the total funding.

In accordance with our streamlined economic development strategies, the EDA works with the NJSBDCs, the Division of Minority and Women Business Development (DMWBD) and the Office on Supplier Diversity (OSD) of the Treasury, and other technical assistance providers to identify opportunities to leverage and optimize resources that support services to the business community including those related to procurement, with a focus on small, women and minority owned businesses.

**Key Deliverables:**

Staff from the Authority, the SBDCs, DMWBD and OSD worked together to identify key metrics for FY2010. Performance against these metrics will be monitored through quarterly reports from the NJSBDC headquarters office. Metrics include:

- 11,050 clients - attend at least one topical workshop
- 4,000 clients - receive one-on-one counseling
- 1,100 clients – procurement training and/or counseling
- 33 referrals to EDA for small business financing
- 200 counseled for small business certifications
- 225 counseled for women and/or minority owned business registrations
- Participate with EDA, DMWBD and OSD in marketing small business services and referrals
- Through SBDC guidance and intervention, secure:
  - $28,000,000 in total loan amount, including owner’s equity
  - $19,000,000 in total procurement contract value, including $5,737,500 for state contracts

**Grant Agreement:**

The FY2010 Grant Agreement is in substantially the same form as the attached FY2009 agreement. The terms of the Agreement may be subject to revision, although the basic terms and conditions will remain consistent. The final Agreement will be subject to approval of the Chief Executive Officer and the Attorney General’s Office.

**Recommendation:**

The Members’ approval is requested to authorize the Chief Executive Officer to execute a Grant Agreement with Rutgers, The State University of New Jersey, to provide financial support for the New Jersey Small Business Development Centers (SBDCs) in the amount not to exceed $250,000 as authorized by the FY2010 Appropriations Act, P.L. 2008, c.68.

Caren S. Franzini

Prepared by Marion Zajac
GRANT PROVISIONS BETWEEN THE

NEW JERSEY
ECONOMIC DEVELOPMENT AUTHORITY (EDA)

AND

RUTGERS, THE STATE UNIVERSITY

GRANT for FISCAL YEAR 2009 - SMALL BUSINESS

GENERAL TERMS AND CONDITIONS

I. Grant Agreement Data

II. Compliance with Existing Laws

III. Bonding and Insurance

IV. Indemnification

V. Assignability

VI. Availability of Funds

VII. Special Grant Conditions for "High Risk" Grantees

VIII. Financial Management System

IX. Method of Payment

X. Allowable Costs

XI. Period of Availability of Funds

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ATTACHMENTS

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B. Approved Budget

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GRANT AGREEMENT

I. Grant Agreement Data:

1. Date Issued 7/01/08

2. Supersedes Award Notice Dated N/A

3. Grant for Fiscal Year 2009 - Small Business

4. Title of Grant Award: Small Business Development Centers

5a. Grantor Name: NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (hereafter referred to as EDA)

Address: P O BOX 990
Trenton, NJ 08625-0990

5b. Grantee Name: Rutgers, The State University
Street: Office of Research and Sponsored Programs, ABS III, 3 Rutgers Plaza
City: New Brunswick, NJ 08901

6. Grant Period: 7/1/08 – 6/30/09

7. Vendor Identification Number: 226001086

8. Award Computation for Grant:

   a. Amount of Financial Assistance $500,000

   b. Less: Unobligated Balance from Prior Budget Periods 0

   c. Less: Cumulative Prior Award(s) this Budget Period 0

   d. Amount of this Action $500,000

9a. Nature or purpose of program to be funded: To provide Rutgers University, which hosts the New Jersey Small Business Development Center with the financial support necessary to enable it to provide technical assistance/outreach to the New Jersey small business community.

9b. This Grant is subject to the terms and conditions incorporated either directly or by reference in the following:

   Attachment A – Additional Grant Provisions
   Attachment B – Approved Budget
   Attachment C – Comparison of Actual Expenditures to Budget
The Grantee’s Terms and Conditions for Administration of Grants is referenced in this Grant.

Acceptance of the Grant terms and conditions is acknowledged by the Grantee by:

1. Returning a copy of this Grant Agreement with Section I properly completed or
2. Accepting funds from the State Grantor Agency. This method of acceptance is valid if a Grant application signed by an officer of the Grantee is on file at the State Grantor Agency.

10. Remarks/Other Terms and Conditions attached: Yes X, No

11. EDA and Grantee Agreement Signatures

If this Grant, including all attachments annexed hereto, correctly sets forth your understanding of the terms of the Grant Agreement, please indicate your organization’s concurrence with such terms by having the enclosed copy of this Grant signed by an appropriate officer of your organization and returned to the EDA.

ACCEPTED AND AGREED

Rutgers, The State University

By: ___________________________
Title: __________________________
Date: __________________________

COUNTERSIGNED:

New Jersey Economic Development Authority

By: __________________________
Title: __________________________
Date: __________________________
II. **Compliance with Existing Laws**

The Grantee, in order to induce the EDA to award this Grant, agrees to comply with all Federal, State and municipal laws, rules, and regulations generally applicable to the activities which Grantee engaged in the performance of this Grant.

These laws, rules and regulations include, but are not limited to the following:

**Federal Office of Management and Budget (OMB) documents:**

* Circular A-102, Grants and Cooperative Agreements with State and local Governments

* Compliance Supplement for Single Audits of State and Local Governments - Uniform Requirements for Grants to State and local Governments (Compliance Supplement, Revised)

* Circular A-110, Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations

* Circular A-128, Audits of State and Local Governments


* Directory of Generally Applicable Requirements and Administrative Management Standards for Federal Assistance

**New Jersey Department of the Treasury, Office of Management and Budget documents:**


* New Jersey Grants Management Information System, State Grant Compliance Supplement (www.state.nj.us/treasury/omb/publications/Grant/index)

* Treasury's Single Audit Policy Guide for Nonprofit Sub-recipients and Independent Auditors

**EDA policies and requirements**

The Grantee shall comply with the EDA's prevailing wage requirements for construction contracts if awarded in connection with the Grant, pursuant to P.L. 2007, c. 245; N.J.S.A. 34:1B-5.1; Affirmative Action requirements, pursuant to P.L. 2007, c.245 N.J.S.A. 34:1B-5.4; and any implementing regulations.

Grantee acknowledges and agrees that failure to comply with all applicable Federal and State laws, rules and regulations shall be grounds for termination of this Grant Agreement pursuant to Section XXIIIC.

III. **Bonding and Insurance**

Bonding and Insurance of the type described Attachment A, Part VIII, shall be provided.
IV. Indemnification

The Grantee shall be solely responsible for and shall keep, save, and hold the EDA and the State of New Jersey harmless from all claims, loss, liability, expense, or damage resulting from all mental or physical injuries or disabilities, including death, to employees or recipients of the Grantee's services or to any other persons, or from any damage to any property sustained in connection with the delivery of the Grantee's services which results from any acts or omissions, including negligence or malpractice, of any of its officers, directors, employees, agents, servants or independent contractors, or from the Grantee's failure to provide for the safety and protection of its employees, whether or not due to negligence, fault or default of the Grantee. The Grantee's liability under this Agreement shall continue after the termination of this Agreement with respect to any liability, loss, expense or damage resulting from acts occurring prior to termination.

V. Assignability

The Grantee shall not subcontract any of the work or services covered by this Grant, nor shall any interest be assigned or transferred except as may be provided for in this Grant or with the express written approval of the EDA. This restriction does not apply to Grantee contracts for regional centers.

VI. Availability of Funds

The parties hereto recognize and agree that both the initial provision of funding and continuation of funding under this Grant Agreement are expressly dependent upon the availability to the EDA of funds appropriated by the State Legislature from State and/or Federal revenue or such other funding sources as may be applicable. A failure of the EDA to make any payment under this Agreement or to observe and perform any condition on its part to be performed under the Agreement as a result of the failure of the Legislature to appropriate shall not in any manner constitute a breach of the Agreement by the EDA. The EDA shall not be held liable for any breach of this Grant Agreement because of the absence of available funding appropriation. In addition, future funding shall not be anticipated from the EDA beyond the duration of the Grant period set forth in the Grant Agreement. In no event shall the Agreement be construed as a commitment by the EDA to expend funds beyond the termination date set forth in this Agreement.

VII. Special Grant Conditions For "High Risk" Grantees

A. A Grantee may be considered "high risk" if the EDA determines that a Grantee:

1. Has a history of unsatisfactory performance.
2. Is not financially stable.
3. Has a management system which does not meet the management standards set forth in this part.
4. Has not conformed to terms and conditions of previous awards.
5. Is otherwise not responsible; and if the EDA determines that an award will be made, special conditions and/or restrictions shall correspond to the high risk condition and shall be included in the award.

B. Special conditions or restrictions may include:

1. Payment on a reimbursement basis.
2. Withholding authority to proceed to the next phase until receipt or evidence of acceptable performance within a given funding period.
3. Requiring additional, more detailed financial reports.
4. Additional project monitoring.
5. Requiring the Grantee to obtain technical or management assistance.
6. Establishing additional prior approvals.
C. If EDA decides to impose such conditions, an EDA official will notify the Grantee as soon as possible, in writing of:

1. The nature of the special conditions/restrictions.
2. The reason(s) for imposing them.
3. The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions.
4. The method of requesting reconsideration of the conditions/restrictions imposed.

VIII. Financial Management System

A. The Grantee Financial Officer, as designated in Attachment F of this Grant, shall be responsible for maintaining an adequate financial management system. The Grantee Financial Officer will notify the EDA when the Grantee cannot comply with the requirements established in this Section of the Grant.

B. The Grantee’s financial management system shall provide for:

1. Financial Reporting

   Accurate, current, and complete disclosure of the financial results of each Grant must be made in accordance with the financial reporting requirements of this Grant.

2. Accounting Records

   Records that adequately identify the source and application of funds for EDA supported activities. These records must contain information pertaining to Grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures and income.

3. Internal Control

   Effective internal and accounting controls over all funds, property and other assets. The Grantee shall adequately safeguard all such assets and assure that they are used solely for authorized purposes.

4. Budget Control

   Comparison of actual expenditures or outlays with budgeted amounts for each Grant. Also, relation of financial information with performance or productivity data, including the development of unit cost information required by the EDA.

5. Allowable Cost

   Procedures for determining reasonableness, allowability, and allocability of costs generally consistent with the provisions of Federal and State requirements.

6. Source Documentation

   Accounting records that are supported by source documentation.

7. Cash Management

   Procedures to minimize the time elapsing between the advance of funds from the EDA and the disbursement by the Grantee, whenever funds are advanced by the EDA.
C. The EDA may require the submission of a, "Statement of Adequacy of the Accounting System," as provided in Attachment A, Section IV of this Grant.

D. The EDA may review the adequacy of the financial management system of any applicant for financial assistance as part of a pre-award review or at any time subsequent to the award. If the EDA determines that the Grantee's accounting system does not meet the standards described in paragraph B. above, additional information to monitor the Grant may be required by the EDA upon written notice to the Grantee, until such time as the system meets with EDA approval.

IX. **Method of Payment**

A. At the EDA's discretion, an initial advance payment may be made to the Grantee upon receipt by the EDA of a properly executed copy of this Grant, signed by an appropriate officer of the Grantee organization. Such advances, however, shall not exceed the dollar or percent of the Grant limits established in Attachment A, Section VII of this Grant.

B. Progress payments shall be made by the EDA on a periodic basis as prescribed in Attachment A, Section VII of this Grant.

   Such payments shall be issued upon receipt of the required financial and narrative reports described in Section XIX of this Grant.

C. Payment may, at the discretion of the EDA, be made either in fixed amounts as determined by the EDA to be reasonable to maintain an appropriate level of Grant services or in the form of reimbursement of actually reported expenditures.

D. Payment by the EDA is subject to approval of the Director of the Office of Management and Budget and/or the State Treasurer and/or other necessary State official authorizing the release of the funds appropriated by the Legislature as may be required by law.

X. **Allowable Costs**

A. Limitation on Use of Funds

Grant funds must be used only for allowable costs.

B. Applicable Cost Principles

For each kind of organization, there is a set of Federal principles for determining allowable costs. Allowable costs will be determined in accordance with applicable Federal cost principles applicable to the organization incurring the costs (e.g., OMB Circulars A-87, A-122, A-21, etc.) and State requirements.

XI. **Period of Availability of Funds**

A. General

Grantees may charge to the award only costs resulting from obligations of the funding period. Costs incurred by the Grantee prior to a fully executed Grant Agreement between the Grantee and the EDA are at the Grantee's own risk should funding not occur. Carryover of any unobligated balance from one funding period to another funding period requires the written approval of the EDA.
B. Liquidation of Obligations

If a Federal award is a source of this Grant, the EDA must liquidate all obligations incurred under Federal awards not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of Federal financial reports. The Federal agency may extend this deadline at the request of the EDA.

Grantees must ensure compliance with State and Federal liquidation of obligation requirements. In addition, Grantees shall be required to account to the satisfaction of the EDA for the period of availability of funds and liquidation of obligations of Grants in accordance with Federal and State requirements.

XII. Matching and Cost Sharing

The Grantee shall be required to account to the satisfaction of the EDA for matching and cost sharing requirements of this Grant in accordance with Federal and State requirements.

XIII. Program Income

Program income shall be defined as gross income earned by the Grantee from Grant supported activities. Such earnings include, but will not be limited to, income from service fees, sale of commodities, usage or rental fees, and royalties on patents and copyrights.

A. Interest earned on advances of Grant funds shall be remitted to the Department of the Treasury through the EDA if a Grantee receives interest earned on advances of Grant funds of $250 or more in a fiscal year, except for interest earned on advance to instrumentalities of a state as provided in the Intergovernmental Cooperation Act of 1968 (Public Law 90-577).

B. Unless the Grant provides otherwise, the Grantee shall have no obligation to the EDA with respect to royalties received as a result of copyrights or patents produced under the Grant.

All other program income earned during the Grant period shall be retained by the Grantee and used in accordance with Attachment A, Section VI of this Grant.

XIV. Audit Requirements

Grantee shall comply with the requirements set forth in Attachment A, Section III.

XV. Budget Revision and Modification

A. This section sets forth criteria and procedures to be followed by the Grantee in reporting deviations from the approved budget and in requesting approvals for budget revisions and modification. Revisions and modifications to this Grant must be requested by the Grantee and approved by the EDA in writing.

B. Grantee shall request in writing, approval of the EDA when there is reason to believe a revision or modification will be necessary for the following reasons:

1. Changes in the scope, objective, financial assistance, key personnel, timing of the project or program or providing financial assistance to a third party by sub-granting (if authorized by law) or by other means or obtaining the services of a third party to perform activities which are central to the purpose of the award.
2. The need for additional funding or to extend the period of availability of funds.

3. The revisions involve the transfer of amounts budgeted for indirect costs to absorb increases in direct costs.

   For the purpose of this Grant, indirect costs are defined as those incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved.

   Direct costs are defined as those which can be identified specifically with a particular cost objective. These costs may be charged directly to Grants, contracts or to other programs against which costs are finally lodged.

4. Grantee’s plans to transfer funds allotted for training allowance (direct payments to trainees) to other categories of expense.

C. The EDA may also, at its option, establish policy to restrict transfers of funds among direct cost categories and must require Grantees to comply with applicable Federal and State requirements concerning prior approval for certain budget changes.

D. All other changes to budget, except as described in paragraphs B and C do not require approval.

E. When requesting approval for budget revisions, the Grantee shall clearly show the change in cost categories and may use the budget form provided in Attachment B of this Grant.

F. The EDA may request changes in the scope of services of the Grantee to be performed thereunder. Such changes, including any increase or decrease in the amount of the Grantee’s compensation, which are mutually agreed upon by and between the EDA and the Grantee must be incorporated in written amendments to this Grant.

G. If the Grantee is making program expenditures or providing Grant services at a rate which, in the judgment of the EDA, will result in substantial failure to expend the Grant amount or provide Grant services, the EDA may so notify the Grantee. If, after consultation, the Grantee is unable to develop to the satisfaction of the EDA a plan to rectify its low level of program expenditures or Grant services, the EDA may upon thirty (30) days notice to the Grantee, reduce the Grant amount by a sum so that the revised Grant amount fairly projects program expenditures over the Grant period. This reduction shall take into account the Grantee’s fixed costs and shall establish the committed level of services for each program element of the Grant services at the reduced Grant amount.

H. If the revision requested will result in a change to the Grantee’s approved project which requires Federal prior approval, the EDA will obtain the Federal agency’s approval before approving the Grantee’s request.

XVI. Property Management Standards

Property furnished by the EDA or acquired in whole or in part with Federal or EDA funds or whose cost was charged to a project supported by Federal or EDA funds shall be utilized and disposed of in a manner generally consistent with State and Federal requirements.

XVII. Procurement Standards

Procurement of supplies, equipment, and other services with funds provided by this Grant shall be accomplished in a manner generally consistent with Federal, State, and EDA requirements.
Adherence to the standards contained in the applicable Federal and State laws and regulations does not relieve the Grantee of the contractual responsibilities arising under its procurement. The Grantee is the responsible authority, without recourse to the EDA, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurement entered in support of a Grant.

XVIII. **Program Performance and Monitoring of Program Performance**

A. The Grantee shall perform the services and be subject to the performance standards set forth in Attachments A and I of this Grant Agreement.

B. The Grantee must assure compliance with applicable State requirements and that performance standards are being achieved. Grantee monitoring must cover each program, function or activity to monitor performance under Grant supported activities to assure time schedules and objectives are being met, projected work units by time periods are being accomplished, and other performance standards are being achieved as applicable and as defined in Attachments A and D of this Grant Agreement.

C. The Grantee shall inform the EDA of the following types of conditions which affect program objectives and performance as soon as they become known:

1. Problems, delays, or adverse conditions which will materially impair the ability to attain program objectives, prevent meeting time schedules and standards, or preclude the attainment of project work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any EDA assistance required to resolve the situation.

2. Favorable developments or events which enable meeting time schedules and standards sooner than anticipated or at less cost or producing more beneficial results than originally planned.

D. The EDA may, at its discretion, make site visits to:

1. Review program accomplishments and management control systems.

2. Provide such technical assistance as may be required.

E. The EDA, the Grantee, and the United States Small Business Administration, which are the three major funding sources of the Small Business Development Centers, may hold quarterly meetings to review the program at agreed upon dates.

XIX. **Financial and Performance Reporting**

A. The Grant budget as used in this Section means the approved financial plan to carry out the purpose of the Grant. This plan is the financial expression of the project or program as approved during the Grant application and award process. The Approved Budget is contained in Attachment B. It should be related to performance for program evaluation purposes and disclose all sources (Grant, other State funding, federal, other) used by the Grantee to support this program.
B. The Grantee shall submit interim revenue and expenditure reports comparing actual expenditures from all funding sources (categorized by type of source) with the approved budget as shown in Attachment C. These reports shall be submitted on a periodic basis, as prescribed in Attachment A of this Grant.

C. The Grantee shall submit a Performance Report on an interim basis as prescribed by the EDA, and specifically, reports on metrics as described in Attachments A and I of this Grant. However, reports shall not be required more frequently than quarterly or less frequently than annually. Performance Reports shall be submitted as prescribed in Attachment A of this Grant. The Performance Report shall present the following information for each program function or activity involved:

1. A comparison of actual accomplishments to the goals established in Program Specifications (Attachment D) for the period. Where the output of Grant programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

2. Reasons established goals were not met.

3. Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

4. Metrics reports as described in Attachments A and I.

D. The Grantee shall submit final reports as prescribed in Attachment A of this Grant.

In addition, a comparison of actual with budget expenditures and a written narrative Performance Report, signed by an appropriate officer of the organization, of what was accomplished by the expenditure of funds towards achieving the purpose(s) of this Grant. The Grantee must submit a final narrative Performance Report.

E. Extensions to reporting due dates may be requested upon written notification to the EDA.

F. If reports are not submitted as required, the EDA may, at its discretion, suspend payments on this Grant. The State of New Jersey may, at its discretion, take such action to withhold payments on this or any Grant with the EDA or with other State agencies until the required reports have been submitted.

XX. **Access to Records**

A. The Grantee in accepting this Grant agrees to make available to the EDA and to any State or Federal agency whose funds are expended in the course of this Grant, or any of their duly authorized representatives, pertinent accounting records, books, documents and papers as may be necessary to monitor and audit Grantee’s operations.

B. All visitations, inspections and audits, including visits and requests for documentation in discharge of the EDA’s responsibilities, shall as a general rule provide for prior notice when reasonable and practical to do so. However, the EDA retains the right to make unannounced visitations, inspections, and audits as deemed necessary.

C. The EDA reserves the right to have access to records of any sub-Grantees and requires the Grantee to provide for EDA access to such records in any Grant with the sub-Grantee.
D. The EDA reserves the right to have access to all work papers produced in connection with audits made by the Grantee or independent certified public accountants, registered municipal accountants or licensed public accountants hired by the Grantee to perform such audits.

XXI. Record Retention

A. Except as otherwise provided, financial and programmatic records, supporting documents, statistical records and all other records pertinent to the Grant shall be retained for a period of three years, unless Federal or State funding statutes requires longer periods (e.g., the five-year record retention requirements for the Federal Commission of Education programs under the General Education Provisions Act, GEPA.)

1. If any litigation, claim, negotiation, action or audit involving the records is started before the expiration of the three-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.

2. Records for non-expendable property acquired with EDA funds shall be retained for three years after its final disposition, unless otherwise provided.

B. For Federal and State purposes (unless otherwise provided):

1. General - The retention period starts from the date of submission of the final expenditure report, or for Grants that are renewed annually, from the date of submission of the annual financial report.

2. Real Property and Equipment - The retention period for real property and equipment records starts from the date of the disposition, replacement or transfer at the direction of the awarding EDA.

C. The EDA may request transfer of certain records to its custody from the Grantee when it determines that the records possess long-term retention value and will make arrangements with the Grantee to retain any records that are continuously needed for the joint use.

XXII. Enforcement

A. Remedies for Noncompliance

If a Grantee materially fails to comply with any term of an award, whether stated in a State or Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the EDA may take one or more of the following actions, as appropriate in the circumstances:

1. Withhold payments under the Grant pending correction of the deficiency by the Grantee or more severe enforcement action by the EDA.

2. Disallow payment or reimbursement for all or part of the cost of the activity or action not in compliance.

3. Suspend or terminate the current award for the Grantee's program.

4. Withhold further awards for the Grantee's program.
5. Obtain return of the balance of Grant funds held by the Grantee or seek reimbursement for funds expended that were not in compliance with the terms and conditions of the Grant Agreement.

6. Deem the Grantee high risk and impose special conditions.

7. Take other remedies that may be legally available.

B. Hearings, Appeals

In taking an enforcement action, the EDA will provide the Grantee an opportunity for such hearing, appeal, or other administrative proceeding to which the Grantee is entitled under any statute or regulation applicable to the action involved.

C. Effects of Suspension and Termination

Costs of Grantee, resulting from obligations incurred by the Grantee during a suspension or after termination of an award, are not allowable unless the EDA expressly authorizes them in the notice of suspension or termination or subsequently. Other Grantee costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:

1. The costs result from obligations which were properly incurred by the Grantee before the effective date of suspension or termination, and non-cancelable, and,

2. The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

D. Relationship to Debarment and Suspension

The enforcement remedies identified in this Section, including suspension and termination, do not preclude the Grantee from being subject to Federal debarment and suspension procedures, or from EDA debarment regulations at N.J.A.C. 12A: 4-2.1 et seq.

XXIII. Termination and Suspension

A. The following definitions shall apply for the purposes of this section:

1. Termination

   The termination of a Grant means the cancellation of assistance, in whole or part, under a Grant at any time prior to the date of completion.

2. Suspension

   The suspension of a Grant is an action by the EDA which temporarily suspends assistance under the Grant pending corrective action by the Grantee or pending a decision to terminate the Grant by the EDA.

3. Disallowed Costs
Disallowed costs are those charges to the Grant which the EDA or its representatives determine to be beyond the scope of the purpose of the Grant, excessive, or otherwise unallowable.

B. When the Grantee has failed to comply with Grant award stipulations, standards, or conditions, the EDA may suspend the Grant and withhold further payments; prohibit the Grantee from incurring additional obligations of Grant funds pending corrective action by the Grantee; or decide to terminate the Grant in accordance with paragraph C below. The EDA shall allow all necessary and proper costs, which the Grantee could not reasonably avoid during the period of suspension, provided they meet Federal and State requirements.

C. The EDA may terminate the Grant in whole or in part whenever it is determined that the Grantee has failed to comply with the conditions of the Grant. The EDA shall promptly notify the Grantee in writing of the determination and the reasons for the termination together with the effective date. Payments made to the Grantee or recoveries by the EDA under the Grant terminated for cause shall be in accord with the legal right and liability of the parties.

D. The EDA and the Grantee may terminate the Grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date and in case of partial terminations, the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date and shall cancel as many outstanding obligations as possible.

E. The Grant Close-out procedures in Section XXIV of the Grant shall apply in all cases of termination of the Grant.

XXIV. Grant Close-out Procedures

A. The following definitions shall apply for the purpose of this section:

1. Grant Close-out

   The close-out of a Grant is the process by which the EDA determines that all applicable administrative actions and all required work of the Grant have been completed by the Grantee.

2. Date of Completion

   The date when all activities under the Grant are completed or the expiration date in the award document, or any supplement or amendment thereto.

B. The Grantee shall submit a final report upon completion of the Grant period or termination of the Grant. This final report shall be in accordance with Section XIX of this Grant.

   The EDA may permit extensions when requested in writing by the Grantee.

C. The Grantee will, together with the submission of the final report, refund to the EDA any unexpended funds or unobligated (unencumbered) cash advanced, except such sums that have been otherwise authorized in writing by the EDA to be retained.

D. Within the limits of the Grant amount, the EDA may make a settlement for any upward or downward adjustments of costs after these reports are received.
E. In the event a final audit has not been performed prior to the close-out of the Grant, the EDA retains the right to recover any appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.

F. The Grantee shall account for any property acquired with Grant funds or received from the EDA in accordance with the provisions of Section XVI of this Grant.
Attachment A is hereby annexed to and provides for additional Grant provisions and conditions between the EDA ("Grantor" or "EDA") and Rutgers, The State University ("Grantee") as detailed below.

I. **Performance of Services**

A. On behalf of the EDA in cooperation with the Office of Supplier Diversity (OSD), within Treasury, and other state agencies, the Grantee shall provide the services to small, women and minority businesses (SWMB) statewide. The categories of services to be provided include but are not limited to business operations, financing, procurement and referrals to expertise and resources to enable the businesses to start-up and expand in New Jersey. Examples of services are listed below. Metrics are attached as Attachment I.

1. Conduct a loan referral and packaging program
2. Coordinate managerial and technical assistance programs in the State
3. Serve as a liaison to businesses with the agencies and departments of state, federal and local governments
4. Assist in obtaining legal counsel
5. Provide financial analysis and accounting assistance
6. Assist in obtaining business and employee insurance
7. Assist in arranging contracts with franchisees
8. Assist in arranging for loans from commercial banks
9. Assist with license agreement negotiations
10. Assist with procuring business bonding
11. Make referrals to private consultants, institutions, and other business services
12. Assist in finding sources of financing from federal, state and local providers
13. Provide an accessible resource location for businesses in their dealings with various levels of government
14. Initiate and encourage education programs for eligible businesses

15. Conduct workshops and seminars related to topics recommended by EDA and OSD from time to time

16. Distribute promotional material and information on behalf of the EDA, OSD and State of New Jersey

17. Make available to the EDA and OSD all surveys and studies conducted relating to all of the services provided by Grantee

18. Compile statistical data from registered/certifies businesses, as the EDA and OSD deem appropriate

19. Support EDA in outreach to ethnic and other chambers of commerce to educate their members on EDA financing and services opportunities

20. Verify SWMB information necessary for updating and expanding the systems of the EDA and OSD

21. Grantee shall partner with EDA and appropriate state agencies, including OSD, in outreach and marketing programs to increase procurement opportunity awareness in the SWMB community as follows:

   a) Support and promote the OSD training for set-aside, certification and procurement with the State.

   b) Partner with OSD and other state agencies in the planning and marketing of a statewide procurement conference.

   c) Assist in the creation of partnership opportunities with New Jersey private corporate offices to promote procurement with certified MBEs and WBEs as well as registered SBE businesses.

   d) Support the identification of and communication to small, women and minority business organizations.

   e) Support outreach to ethnic and other chambers of commerce to educate their members on the State’s SWMBE database for procurement and other promotional opportunities.

   f) Aid in meetings with small business, women and minority trade organizations to educate their members.

   g) Identify and provide joint information to home-based businesses about obtaining government contracts.

   h) Counsel clients on State bidding opportunities and processes.

   i) Identify subcontracting opportunities for the affected community.

   j) Arrange for staff at all centers to attend OSD procurement training.
22. Grantee shall also provide the following services:
   a) Maximize referrals between state and federal agencies regarding all subjects of interest to the small business community.
   b) Offer resources and services to the electronic commerce industry.

II. Performance Standards

A. Grantee shall meet performance standards as outlined in Attachment I under this Grant Agreement.

B. Client contact information on activities in Attachment A, Section I shall be provided by the Grantee to the EDA in a format to be agreed upon by the parties.

III. Audit Requirements

A. Any audit required under Section XII of this Grant Agreement will be conducted on an organization-wide basis and on the Grantee’s fiscal year. It is the EDA’s understanding the Grantee’s fiscal year ends on June 30 of each calendar year.

B. Any changes in the fiscal year must be reported immediately to the EDA.

C. Copies of audit reports must be submitted to the EDA.

D. Grantees must assure the EDA that auditors satisfactorily comply with the General Accounting Office’s Government Auditing Standards (Yellow Book) for internal and external quality control review program requirements.

E. The Grant is subject to audit as part of the normal annual audit of the Grantee institution. The audit must comply with the applicable Federal OMB circular, the Department of the Treasury, Circular Letter 98-07, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments, and New Jersey Grant Compliance Supplement. In addition to these audit requirements, the Grant may also be subject to audit and/or programmatic review by the EDA.

F. The following method has been designated in performing audits.
   
   _ State auditors
   
   _ EDA internal auditors
   
   _ CPA firm appointed by the EDA
   
   _ CPA firm appointed by the Grantee
   
   _ To be included in the Grantee’s organization-wide audit

G. Grants which are basically procurement in nature and less than $NA shall not be subject to the audit requirements contained in Section XIII of this Grant.
IV. **Statement to Adequacy of Accounting System**

A statement attesting to the adequacy of the Grantee’s accounting system in accordance with the standards set forth in Section VIII, Financial Management System of this Grant.

- **X** Must be completed by the Chief Financial Officer
- **__** Is not required

V. **Budget Revision and Modification**

All budget revisions and modifications must be in writing and approved by the EDA using Attachment H. The following procedures will be required for budget revisions and modifications:

A. For all Grants refer to Section XV.

B. The budget variance request must be submitted in writing by the Grantee and must include an explanation of reasons for the variance request.

Since the Grantee is not to incur expenditures over and above the limits set for budget variances, it is incumbent on the Grantee to request budget variance approval whenever it is anticipated that spending will exceed the limits.

VI. **Program Income**

Other program income, if any, as defined in Section XIII, shall be treated by the Grantee in the following manner:

- **__** Added to funds committed to the project by the Commission and be used to further eligible program objectives; or

- **__** Deducted from the total project costs for the purpose of determining the net costs on which the Commission Grant payments shall be based.

- **__** Cost sharing or matching method (Using program income to meet cost sharing or matching requirements.)

- **X** Not Applicable.

VII. **Reporting and Payment** (See Sections IX and XIX of this Grant)

A. Reports and payments shall be made by the EDA to the Grantee on a quarterly basis.

B. The Grantee shall provide to the EDA the following metrics on a quarterly basis. All of the metrics shall be broken out by individual SBDC location.

1. A quarterly report the measuring the activity and achievements against the Performance Standards agreed upon by both parties prior to the commencement of the granting period (Attachment I).
a) Clients serviced through 1) counseling, 2) training and/or 3) information during marketing and outreach, reported under these three categories of services received:
   i. Number of distinct businesses serviced
   ii. Percentage of SBE/MBE/WBE serviced, based upon the State designation NOTE: This metric specifically relates to the total number of small business counseled clients who fall within the State’s definition of “small business;” the total number of business clients who are “minority-owned businesses;” and the total number of small business clients that are “women-owned businesses” (regardless of SBE registration or MBE/WBE certification status at the OSD).
   iii. Percentage of type of business via lifecycle (e.g., start-up, in business between 1-5 years, between 5-10 years, more than 10 years, etc.)
   iv. Percentage of all businesses served still in operation at the close of the FY by type (based on a survey of the relative sample population) Note: This metrics indicator applies to all existing businesses, start-ups and pre-ventures.

b) Jobs created and retained among SBDC clients (by quarter and relative to previous years)

c) Loans facilitated
   i. Average loan value
   ii. Type of assistance provided (e.g., packaging loan application, etc.)

d) State procurement contracts in alignment with OSD
   i. Average value of contracts
   ii. Percentage SBE/MBE/WBE Note: This metrics indicator relates to the percentage of all those small businesses or small business owners who received assistance in the procurement specialty area who have consummated procurement contracts.
   iii. Type of counseling provided (e.g., help with MBE/WBE certification application, etc.)

e) Revenue/Expenses (including state funding all sources of revenue & solely state funding), as further set forth at Attachment C.

2. Based upon the fiscal year of July 1, 2008 through July 30, 2009, quarterly periods of work are defined as:

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Months</th>
<th>Reports due</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>July 1 through September 30</td>
<td>within 45 days</td>
</tr>
<tr>
<td>Second</td>
<td>October 1 through December 31</td>
<td>after close of quarter</td>
</tr>
<tr>
<td>Third</td>
<td>January 1 through March 30</td>
<td></td>
</tr>
<tr>
<td>Fourth</td>
<td>April 1 through June 30</td>
<td></td>
</tr>
</tbody>
</table>

3. An invoice of budgeted expenditures per quarter, certified by the Grantee’s designated Financial Officer or their representative, shall be submitted to the EDA within 45 days of the end of each quarterly reporting period. See Attachment C for a sample invoice.

C. The Grantee’s financial reports shall be prepared in a manner consistent with the Grantee’s normal accounting records, which is:

X  Cash Basis  _  Accrual Basis  _  Other (Specify)

D. Revenue (including state funding and all sources of revenue) and Expenses are to be projected for FY2009 in a format established in Attachment B and submitted to EDA by a date established by EDA.

VIII. Bonding and Insurance
IX. Interest

A. Charges for Unresolved Audit Findings

An interest charge on unallowable costs that are not repaid by the Grantee shall begin to accrue 30 days from the date the Grantee is notified of the debt. The interest shall continue to accrue while any appeal of the audit findings is underway. In the event the Grantee is successful in its appeal, the accrued interest will be eliminated.

B. Interest Earned on Advanced Payments

Under OMB Circular A-110, Grants and Cooperative Agreements, Grantees or Sub-Grantees are required to maintain advances of Federal grant funds (if any) in interest bearing accounts, unless an exception applies (advances received are less than $120,000; interest would not earn in excess of $250 per year).

In addition, Grantees must deposit advances of State Grants and State Aid payments in interest bearing accounts. However, the Commission shall determine if interest on advanced State payments exceeding $250 shall be remitted to the Commission or applied to the Grant.

In accordance with Terms and Conditions of the award, interest earned on advanced payments shall be reported.

X. Other Grant Provisions

A. It is the Commission's understanding that the Grantee's fiscal year ends on 6/30. Any changes in the fiscal year must be reported immediately to the Commission.
GRANT AGREEMENT BETWEEN THE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

AND

RUTGERS, THE STATE UNIVERSITY

APPROVED BUDGET – ATTACHMENT B

Grant No. FY2009 Small Business
FOR THE PERIOD 7/1/08 - 6/30/09

<table>
<thead>
<tr>
<th>Budget Categories</th>
<th>Grant</th>
<th>Other State</th>
<th>Other Funds</th>
<th>Federal</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue by category</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total revenue</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Expenditures by category</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total budgeted costs</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>
GRANT AGREEMENT BETWEEN THE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

AND

RUTGERS, THE STATE UNIVERSITY

COMPARISON OF ACTUAL EXPENDITURES TO BUDGET – ATTACHMENT C

Grant No. FY2009 Small Business

Grantee Name: Rutgers, The State University
Address: Office of Research & Sponsored Prgms.
New Brunswick, NJ 08901

Grant No. Fiscal Year 2009 Small Business
Grant Term: 7/1/08 - 6/30/09
Report Period: ________________

<table>
<thead>
<tr>
<th>BUDGET CATEGORY</th>
<th>APPROVED BUDGET</th>
<th>EXPENDITURES THIS PERIOD</th>
<th>CUMULATIVE EXPENDITURES</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>GRANT</td>
<td>ALL OTHER FUNDS</td>
<td>GRANT</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL EXPENDED

LESS: GRANTEE SHARE

REIMBURSABLE AMOUNT

Certification
I hereby certify that under the penalties of the law that the information contained herein is correct that it corresponds to books and records at this agency; the expenditures reported were made solely for the purposes specified in the contract for this project and that all applicable charges are just and due.

________________________________________
Date
Signature-Financial Officer
GRANT AGREEMENT BETWEEN THE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

AND

RUTGERS, THE STATE UNIVERSITY

PROGRAM SPECIFICATIONS – ATTACHMENT D

Grant No. FY2009 Small Business

Briefly describe the services the EDA is acquiring. Specify the products or reports on services to be generated, the dates such must be completed and delivered to the EDA and OSD, the target population to be serviced, and the expected result.

I Services Acquired by the EDA

The New Jersey Small Business Development Center (SBDC) network, headquartered at Rutgers Business School Graduate Programs, partners with EDA, OSD and other service providers to assist the Small, Women and Minority Business community on behalf of the State.

The SBDC network is part of a national partnership between the federal and state governments, college and universities and the private sector. Specifically, NJSBDC HQ receives funding from the State through EDA, host educational and business institutions and corporate sources, which is then leveraged to bring in matching dollars from the U.S. Small Business Administration on a 2:1 basis.

NJSBDC HQ manages eleven full-time regional centers and eighteen affiliated offices throughout the State. The Network also includes specialty counseling and training programs for entrepreneurs involved in international trade, government procurement, technology commercialization and manufacturing. A variety of educational and business resources, including the latest Internet and online technologies are used to counsel and train small business owners as they deal with financing, marketing and managing their companies.

II Grant Terms Relating to EDA Goals

See Attachment A, Sections I and II “Performance of Services” and “Performance Standards” and Attachment I, “Performance Standards”.

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GRANT AGREEMENT BETWEEN THE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
AND
RUTGERS, THE STATE UNIVERSITY

AUTHORIZED SIGNATORIES – ATTACHMENT E

Grant No. FY2009 Small Business

The following Grantee representatives are authorized to approve actions noted below on behalf of Grantee.

CONTRACT AMENDMENT

Jacqueline Cornelius, Director For Research and Sponsored Programs

Signature: ________________________________

Signature: ________________________________

BUDGET MODIFICATION

Jacqueline Cornelius, Director For Research and Sponsored Programs

Signature: ________________________________

Signature: ________________________________

EXPENDITURE REPORT DOCUMENTS

Guyaram Narine, Manager for Grant Accounting

Signature: ________________________________

Signature: ________________________________
GRANT AGREEMENT BETWEEN THE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

AND

RUTGERS, THE STATE UNIVERSITY

STATEMENT OF ADEQUACY OF ACCOUNTING SYSTEM – ATTACHMENT F

Grant No. FY2009 Small Business

Caren Franzini, Chief Executive Officer
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
P O Box 990
Trenton, New Jersey 08625-0990

Ms. Franzini:

I am the Manager, Grant Accounting of the Rutgers, The State University - Newark and in this capacity, I will be responsible for establishing and maintaining the financial accounts for NJSBDC. The accounting system that will be established and maintained for the purposes of this Grant will be adequate to:

1. provide for accurate identification of the receipts and expenditures of funds provided by EDA per the approved budget cost categories.

2. provide for documentation supporting each book entry, filed in such a way that it can be readily located.

3. provide accurate and current financial reporting information.

4. be integrated with a strong system of internal controls.

5. provide accurate and identifiable records of any required match portion of this Grant, and

6. will conform to any and all requirements of guidelines that the Federal Government and State of New Jersey may issue.

Date

Guyaram Narine, Mgr., Grant Accounting
Rutgers, The State University
GRANT AGREEMENT BETWEEN THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND RUTGERS, THE STATE UNIVERSITY

CONTRACT AMENDMENT FORM – ATTACHMENT G

Grant No. FY2009 Small Business

Recipient's Name: __________________________ Project No.: ________________________________
Budget Period: __________________________ Effective Date: ____________________________
Project Name: ________________________________

Section I: Reason for Amendment

1. Change in Contract Term (New Term ________________ to ________________)
2. Change in Type of Service
3. Change in Level of Service
4. Change in Program Methodology
5. Other - Please Explain Below
6. Change in Total Contract Amount

Section II: Justification


Section III: Approvals

Grantee
Representative: __________________________ Date: __________________________

EDA
Representative: __________________________ Date: __________________________
GRANT AGREEMENT BETWEEN THE
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
AND
RUTGERS, THE STATE UNIVERSITY

BUDGET MODIFICATION FORM – ATTACHMENT H

Grant No. FY2009 Small Business

Recipient’s Name: __________________________ Project No: __________________________

Budget Period: __________________________ Effective Date: __________________________

Project Name: __________________________

<table>
<thead>
<tr>
<th>Budget Category</th>
<th>Present Budget</th>
<th>Proposed Increase (+)</th>
<th>Proposed Decrease (-)</th>
<th>Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Direct Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Grantee Share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Justification for Budget Modification: (Please attach a separate sheet detailing the reasons)

_____ 1. Change in Total Contract Amount
_____ 2. Addition or Deletion of a Budget Category

Grantee Representative: __________________________ Date: _______________

EDA Representative: __________________________ Date: _______________
## Attachment I - Performance Standards

### Service Categories

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>FY2008 Plan</th>
<th>FY2008 Actual</th>
<th>FY2009 Adjustment</th>
<th>EDA Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>business lifecycle (Note: participants counted more than once)</td>
<td>40% in business</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training</td>
<td>group workshops</td>
<td>16,109</td>
<td>16,889</td>
<td>25%</td>
<td>12,667</td>
</tr>
<tr>
<td></td>
<td># of workshops delivered</td>
<td>800</td>
<td>942</td>
<td>25%</td>
<td>707</td>
</tr>
<tr>
<td>Counseling</td>
<td>one-on-one</td>
<td>6,033</td>
<td>6,290</td>
<td>25%</td>
<td>4,718</td>
</tr>
</tbody>
</table>

### Reporting Structure Agreement

- **Quarterly reports**
- **Business sector - suggested categories:**
  - Auto/Transportation
  - Manufacturing
  - Care/day & Adult
  - Marketing
  - Cleaning/facility maintenance
  - Pet care
  - Consulting
  - Contracting
  - Design/fabrication
  - Printing/Publishing
  - E-commerce
  - Real estate
  - Entertainment
  - Retail
  - Food
  - Security/safety
  - Franchise
  - Technology
  - Graphics/video production
  - Training/education
  - Health/beauty
  - Wholesale/Export & Import
  - Human resources
  - Other - please specify sector

- **Training topic - suggested categories:**
  - Readiness Assessment
  - Start-up
  - Business Planning
  - Sales & Marketing
  - Exit
  - Business Operations
  - Other - please specify topic

### Marketing/Outreach

<table>
<thead>
<tr>
<th>Procurement</th>
<th>Events</th>
<th>Statewide conference Regional seminars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDA</td>
<td>Open Door Day SB forums with EDA and partners client participation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Open Door Day</td>
<td>SBDC team</td>
</tr>
</tbody>
</table>

### Hours Invested (Range)

- Participate with OSD (OSD to participate with SBDC regions)
  - OSD and SBDC in partnership; OSD - state contracting; SBDC - federal and corporate contracting
  - 1-2
  - 12-16
## Attachment I - Performance Standards

### Service Categories

<table>
<thead>
<tr>
<th>Description</th>
<th>FY2008 Plan</th>
<th>FY2008 Actual</th>
<th>FY2009 Adjustment</th>
<th>EDA Agreement***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>1,900</td>
<td>1,220</td>
<td>25%</td>
<td>915</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>900</td>
</tr>
<tr>
<td>Counselled</td>
<td>495</td>
<td>1,715</td>
<td>25%</td>
<td>371</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>400</td>
</tr>
</tbody>
</table>

**EDA Agreement***: 900

**Adjustment**: 25%

**Note**: participants counted more than once

### Reporting Structure Agreement

- **categorize** - S, W, M-owned enterprises
- **business sector categories suggested above**
- **OSD and SBDC in partnership; OSD - state contracting; SBDC - federal and corporate contracting**
- **reciprocal referral relationship between OSD and SBDC**
- **categorize by topic - suggested categories listed above**
- **match expertise to RFP business focus**
- **hours invested (range) - suggested ranges listed above**
## Attachment I - Performance Standards

### RESULTS

<table>
<thead>
<tr>
<th>Service Categories Description</th>
<th>FY2008 Plan</th>
<th>Actual</th>
<th>FY2009 Adjustment</th>
<th>EDA Agreement</th>
<th>Reporting Structure Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>include results in report</td>
</tr>
<tr>
<td>Created</td>
<td>2,226</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained</td>
<td>8,573</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Packaging</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>loan data - total loan amount, city/county, financial institution, business sector, etc. measure by range: up to $100,000 $100,000 - 500,000 $500,000 - $1,000,000 over $1,000,000</td>
</tr>
<tr>
<td>financing including equity</td>
<td>$32 million</td>
<td>$41,478,661</td>
<td>20%</td>
<td>$33 million</td>
<td></td>
</tr>
<tr>
<td>average loan size</td>
<td></td>
<td>$220,524</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># of loans/value</td>
<td>120 / $26,462,926</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDA loan referrals</td>
<td></td>
<td></td>
<td></td>
<td>40 list firms</td>
<td>10 closed loans including 3 SWMBE - EDA tracks indicate which financial institution is participating</td>
</tr>
<tr>
<td>Procurement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registrations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>list recipients</td>
</tr>
<tr>
<td>SBE</td>
<td>210</td>
<td></td>
<td></td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Certifications</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MBE</td>
<td>123</td>
<td></td>
<td></td>
<td>125</td>
<td></td>
</tr>
<tr>
<td>WBE</td>
<td>95</td>
<td></td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Contracts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>amount of State, federal and corporate measure by range - ranges defined above categorize by S, W, M-owned enterprises business sector - categories suggested above</td>
</tr>
<tr>
<td>Total value</td>
<td>$22,000,000</td>
<td>$22,000,000</td>
<td></td>
<td>$22,000,000</td>
<td></td>
</tr>
<tr>
<td>State Federal Corporate</td>
<td></td>
<td></td>
<td></td>
<td>$7,662,000</td>
<td></td>
</tr>
<tr>
<td>Success Stories</td>
<td></td>
<td></td>
<td></td>
<td>5 success stories per quarter including 2 related to procurement</td>
<td></td>
</tr>
</tbody>
</table>

### NOTES

*50% reduction in state funding
**Office of Supplier Diversity
***based upon Legislative appropriation for FY2009
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Technical Assistance for Small Businesses (TA)

DATE: September 8, 2009

Information Memo:
This memo serves as a performance update of the Technical Assistance contract with UCEDC which was approved by the EDA Board in August 2008 as well as to inform the Board of the first renewal of the contract.

The contract relationship with UCEDC has resulted in quality technical assistance services to small businesses, as well as women and minority-owned business enterprises, throughout the state. The results of three quarters of the first year’s contract demonstrate UCEDC’s satisfactory performance. In order to provide continuous technical assistance services, staff will proceed to extend the contract for the second year of the three-year contract.

The performance of UCEDC is on target to perform the key deliverables identified by EDA by the end of the contract’s first year. This contract was approved by the EDA Board in August 2008 and allowed for an extension of up to two years (at the sole description of the EDA) at the rate of $300,000 annually, for a total expense of $900,000 over three years. Staff has monitored performance against established deliverables and, based upon this satisfactory performance, will be extending the contract for the second year of a three-year contract, October 17, 2009 through October 16, 2010. The resources were approved as a part of the 2009 budget and will be included in our 2010 budget proposal. The deliverables for the upcoming contract year will be in substantially the same program areas as the 2008-2009 and, after being finalized within the next few weeks, will be included in the contract.

Background:
EDA selected UCEDC in 2008 through an RFQ/P for the delivery of TA services statewide. The EDA’s objective is to support a customer-focused approach through various but integrated delivery methods to different business sectors and lifecycle stages, including but not limited to small businesses, women and minority enterprises.
The chart below summarizes key deliverables outlined by EDA for the first year of UCEDC’s contract and UCEDC performance through the 3rd quarter of the contract. It is anticipated that UCEDC will meet or exceed all performance measures by the end of the first year’s contract.

<table>
<thead>
<tr>
<th>EDA Key Deliverables</th>
<th>Under 2008 UCEDC Contract</th>
<th>Achievements by End of 3rd Qtr</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marketing services:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop partnerships with community and economic development organizations</td>
<td>100 statewide organizations 40 urban organizations</td>
<td>191 91</td>
</tr>
<tr>
<td>Participate in networking events</td>
<td>50 in rural and suburban centers 40 in targeted urban centers</td>
<td>40 41</td>
</tr>
<tr>
<td><strong>Technical Assistance:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inquiries with 24-hr. response</td>
<td>1,000 intakes 500 in-depth services</td>
<td>720 430</td>
</tr>
<tr>
<td>Assess needs and capabilities</td>
<td>200 start-up entrepreneurs 100 existing small businesses</td>
<td>183 120</td>
</tr>
<tr>
<td>Topical business workshops in English and Spanish</td>
<td>18 (5 in targeted urban centers)</td>
<td>28</td>
</tr>
<tr>
<td>Training with EDA’s Entrepreneurial Training Institute (ETI) curriculum</td>
<td>2 training sessions in English 1 training session in Spanish</td>
<td>2 1</td>
</tr>
<tr>
<td>Mentoring, one-on-one, start-up or existing entrepreneurs</td>
<td>1,000 hours</td>
<td>697 45% were Spanish-speaking</td>
</tr>
<tr>
<td><strong>Financial Assistance:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans/year</td>
<td>45 3 in partnership with EDA</td>
<td>21 1</td>
</tr>
<tr>
<td>Financial literacy workshops in Spanish and English</td>
<td>18 (6 in targeted urban centers)</td>
<td>28</td>
</tr>
</tbody>
</table>

*reflects the economic climate. UCEDC states they are making a stronger effort of identify loan prospects by educating commercial lenders statewide and have hired a Loan Outreach Coordinator to identify lending opportunities.

**Staff Action:**
Based upon the EDA Board action in August, 2008 and the satisfactory performance of UCEDC against EDA’s key deliverables, staff will implement the second year of the UCEDC contract at a cost of $300,000.

[Signature]

Caren S. Franzini

Prepared by Marion Zajac
MEMORANDUM

TO: Members of the Board

FROM: Caren S. Franzini
Chief Executive Officer

RE: Urban Transit Hub Tax Credit Program

DATE: September 8, 2009

Request:

The Members of the Board are requested to approve proposed amendments to the rules implementing the Urban Transit Hub Tax Credit Program based on recent statutory revisions to the “Urban Transit Hub Tax Credit Act,” P.L. 2007, c. 346.


The major provisions of the proposed amendments – intended to facilitate a key aspect of the New Jersey Economic Stimulus Act to catalyze expanded economic development and to safeguard public funds provided for redevelopment projects in urban hub areas – are summarized in the attached draft rule proposal and highlighted below:

• Require a business to demonstrate at the time of application that the State’s financial support of the proposed capital investment in a qualified business facility will yield a net positive economic benefit to both the State and the eligible municipality.

• Lower the capital investment threshold from $75 million to $50 million for an owner of a qualified business facility and from $50 million to $17.5 million for a tenant that occupies a leased area of the qualified business.

• Expand the “urban transit hub” definition to include: (1) property located within a 1/2 mile radius surrounding the mid-point of one of up-to-two underground light rail stations’ platform areas that are most proximate to an interstate rail station; (2) property adjacent to, or connected by rail spur to, a freight rail line if the business utilizes that freight line for loading and unloading freight cars on trains; and (3) all light rail stations in urban transit hubs.

• Expand urban transit hub zones to include property that can become a qualified investment facility within a one-mile-wide zone in a qualified municipality under the "Municipal Rehabilitation and Economic Recovery Act" (Camden).
• Cap the value of all credits approved under the program at $1.5 billion; and allow for $150 million of the cap, as adjusted by EDA, to be allocated to developers for 20 percent of residential projects within urban transit hub municipalities.

• Clarify that S-corporations and limited liability corporations are included as businesses that may be eligible to participate in the program and clarify that a tax credit is not to be applied against individual New Jersey gross income tax liability.

• A developer who is a holder of a credit may sell their credit, covering one or more years, under the tax credit transfer certificate program for consideration received by the business of not less than 75 percent of the transferred credit amount.

• Allow up to three tenants to meet the 250 employee requirement in the aggregate; allow full-time employee requirement to be met by persons employed by a professional employer organization, pursuant to an employee leasing agreement, for at least 35 hours a week; and allow out-of-State residents working in New Jersey to be counted as “full time employees.”

• Relax the 10 percent statewide full-time workforce reduction trigger before the business suffers a mandatory forfeiture of an annual tax credit by setting the trigger at 20 percent.

• Provide that for a business applying before January 1, 2010, its credit shall not be reduced if it relocates to an urban transit hub from another location or locations in the same municipality; and allow reduction of the credit by 20 percent if less than 200 employees are employed, even if a business relocates to an urban transit hub from another location in the same municipality.

• Require the EDA to set standards to encourage green building.

• Set new fees for program administration to cover costs related to economic impact analysis and annual tax credit transfer process.

**Recommendation:**

The Members of the Board approve the proposed amendments to the rules implementing the Urban Transit Hub Tax Credit Program and authorize staff to submit the proposed amendments for publication in the New Jersey Register, subject to final review and approval by the office of the Attorney General and the Office of Administrative Law (OAL). With the exception of the new fee structure, the amendments to the rules will be effective upon filing with OAL. The new fees will be incorporated at adoption and applicants notified of risk if fees are not adopted as proposed.

Prepared By: Jacob Genovay
OTHER AGENCIES
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Authority Assistance Programs
Urban Transit Hub Tax Credit Program

Authorized By: New Jersey Economic Development Authority, Caren S. Franzini,
Chief Executive Officer.

Authority: P.L. 2009, c. 90.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2009-

Submit written comments by January 1, 2010:

Maureen Hassett, SVP Governance & Communications
New Jersey Economic Development Authority
PO Box 990
Trenton, NJ 08625-0990

The agency proposal follows:

Summary

The New Jersey Economic Development Authority ("EDA" or "Authority") is proposing amendments to the Urban Transit Hub Tax Credit Program based on statutory revisions to the Urban Transit Hub Tax Credit Act, P.L. 2007, c. 346, enacted pursuant to P.L. 2009, c. 90, summarized as follows:

N.J.A.C. 19:31-9.1 Applicability and scope

The proposed amendments reflect changes to the summary of the scope and purpose of the program pursuant to the provisions contained in P.L. 2009, c. 90.

N.J.A.C. 19:31-9.2 Definitions

The proposed amendments redefine certain terms used in this subchapter as follows:
“affiliate” also means any business under common control with the business, control for affiliate purposes, as determined by the Division of Taxation, may be at lesser percentages of ownership than required by statute, and affiliates may contribute to meeting eligibility requirements of a business; “business” clarified to include an S corporation or a limited liability corporation as eligible to participate in the program and includes an affiliate of the business; “capital investment” excludes components that have received financial assistance from any other State funding source as well as any non-permanent vehicles and heavy equipment, in residential development all elements of project may constitute capital investment, and new deadlines added for undertaking and completing residential development and constructing a new building and acquiring, renovating or reconstructing an existing building; “eligible municipality” shall have had 30 percent or more of the value of real property exempt from local property taxation during tax year 2006; “full-time employee” requirement may be met by persons employed by a professional employer organization pursuant to an employee leasing agreement for at least 35 hours a week, and out-of-State residents working in New Jersey; “light rail station” revised to conform with reference in definition of urban transit hub; “rail station” removes prohibition of all light rail stations; “tenant” added to distinguish between a lessee or owner of a condominium in a qualified business facility and qualified residential facility; “urban transit hub” includes (1) all light rail stations located within an urban transit hub (2) property within a one-mile-wide zone in a qualified municipality under the Municipal Rehabilitation and Economic Recovery Act, P.L. 2002, c. 43, (N.J.S.A. 52:27BBB-1 et seq.) (3) property located within a 1/2 mile radius surrounding the mid-point of one of up-to-two underground light rail stations’ platform areas that are most proximate to an interstate rail station and (4) property adjacent to, or connected by rail spur to, a freight rail line if the business utilizes that freight line for loading and unloading freight cars on trains; and “urban transit tax credit” or “tax credit” eliminates the New Jersey Gross Income Tax from taxes upon which the urban transit hub tax credits may be applied against. The proposed amendments also provide additional terms for “developer,” “full-time employee at the qualified business facility,” “professional employer organization,” “qualified residential project,” “residential developer,” and “residential unit” based on revisions in P.L. 2009, c. 90.

N.J.A.C. 19:31-9.3 Eligibility criteria

The proposed amendments 1) reduce the capital investment threshold from $75 million to $50 million for an owner of a qualified business facility and from $50 million to $17.5 million for a tenant that occupies a leased area of the qualified business; 2) include the capital investment made by a tenant in the owner’s capital investment to meet the minimum capital investment threshold and provide that any capital investment made by a tenant above this amount is added to the amount of tax credit the tenant is otherwise entitled to receive based on its portion of the net leasable area in the qualified business facility; 3) allow up to three tenants, in the aggregate, to meet the 250 employee requirement; 4) require qualified businesses to demonstrate that a proposed capital investment will result in a net positive economic benefit for the State and eligible municipality; 5) establish eligibility criteria for residential developers including demonstrating that the qualified residential project may not be accomplished without the provision of tax credits; 6) remove a provision relating to acquisition of a capital investment which is redundant due to the revised definition of “capital investment”; 7) allow a developer that acquires a qualified residential project to be deemed to have acquired the capital investment made or acquired by the seller; and 8) enable a business investing in a qualified business facility
to apply for tax credits valued at less than the total amount of the capital investment in its project.

N.J.A.C. 19:31-9.4 Restrictions

The proposed amendments 1) remove the restriction on eligibility for casino licensees to qualify for the program; 2) preclude from qualification any business which has qualified for a tax credit based on capital investment and employment of full-time employees used for a grant provided under the InvestNJ Business Grant Program Act, P.L. 2008, c. 112 (N.J.S.A. 34:1B-237 et seq.); 3) clarify dates for allowed commencement and completion of construction projects; and 4) extend authorization for businesses receiving assistance under the InvestNJ Business Grant Program and Municipal Rehabilitation and Economic Recovery Act to repay assistance to be eligible for urban transit hub tax credits.

N.J.A.C. 19:31-9.5 Application submission requirements

The proposed amendments expand the application submission requirements to include 1) a certification that the State’s financial support of the proposed project will yield a net positive economic benefit to both the State and the eligible municipality; 2) a pro forma analysis indicating that a proposed qualified residential project needs the tax credits to be accomplished; 3) a description of certain green building standards to be incorporated into the proposed project; and 4) a submission, from any tenant helping meet the employment requirement, certifying that subject employees will be full-time employees at the qualified business facility and listing the average annual wage and benefits of such employees.

N.J.A.C. 19:31-6 Application and servicing fees

The proposed amendments 1) establish a uniform application fee; 2) increase the existing servicing fee; 3) establish a new fee for the fiscal impact analysis required by P.L. 2009, c. 90 to verify that the financial support of the proposed capital investment in a qualified business facility will yield a net positive economic benefit to both the State and the eligible municipality; and 4) impose a fee for application of a tax credit transfer certificate.

N.J.A.C. 19:31-9.7 Review of application and certification of project completion

The proposed amendments 1) establish deadlines for residential developers to apply for the tax credit within five years and to submit documentation for approval of their credit amount within eight years, after the effective date of P.L. 2009, c. 90; 2) outline the parameters for the net benefits test certified by applicants pursuant to 9.5(a)2iv; 3) specify the factors which the Authority will consider in determining the allocation of credits to residential projects; and 4) clarify that the EDA shall determine the maximum amount of tax credits to be granted and, in the case of a residential developer, the percentage amount of allowed tax credits for its capital investment in a qualified residential project.

N.J.A.C. 19:31-9.8 Project agreement
The proposed amendments would expand certain terms and conditions under project agreements, including demonstration of site control of the qualified business facility and representations and covenants regarding the use of certain green building components of proposed projects.

N.J.A.C. 19:31-9.9 Tax credit amount; application and allocation of tax credit

The proposed amendments 1) clarify that the amount of tax credit allowed, subject to the maximum amount of tax credits approved, and in the case of a residential developer, the maximum percentage amount of allowed credits in a qualified residential project, shall be equal to the capital investment made by the business or the capital investment represented by the business’s leased area or area owned by the business as a condominium; 2) remove superseded language pertaining to allocation of credits for partnerships; and 3) eliminate the New Jersey Gross Income Tax from taxes upon which the urban transit hub tax credits may be applied against.

N.J.A.C. 19:31-9.10 Application for tax credit transfer certificate (New)

The proposed new section of the subchapter allows a developer who is a holder of a credit, upon application and approval by the Division of Taxation in Treasury and the Authority, to sell their credit, covering one or more years, under the tax credit transfer certificate program for consideration received by the business of not less than 75 percent of the transferred credit amount.

N.J.A.C. 19:31-9.11 Cap on total credits (New)

The proposed new section of the subchapter caps the value of all credits approved under the program at $1.5 billion and allows for $150 million of the cap, as adjusted by the Authority, to be allocated to developers for residential projects within certain municipalities.

N.J.A.C. 19:31-9.12 Reduction and forfeiture of tax credits (New)

The proposed new section of the subchapter, which amends provisions contained in existing section 9.10, requires that only for a business applying before January 1, 2010, there shall be no reduction of tax credits if the business relocates to an urban transit hub from another location(s) in the same municipality; and, increases the trigger for forfeiture of the credit so that a business cannot reduce its Statewide workforce by more than 20 percent in the last tax accounting or privilege period prior to approval. The proposed new section also deletes language regarding the forfeiture of tax credits due to sale or lease of a qualified facility which is being transferred to new section 9.13.

N.J.A.C. 19:31-9.13 Effect of sale or lease of qualified facilities (New)

The proposed new section of the subchapter transfers language from existing section 9.10 regarding the forfeiture of tax credits due to the sale or lease of a qualified facility, incorporates a new requirement for the sale of a qualified residential facility and clarifies that tenants in a
qualified residential project are not eligible to apply for tax credits and that an owner or a qualified residential facility may not assign tax credits to a tenant.

As the Authority has provided a 60-day comment period in this notice proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

**Full text** of the amendments follows:

SUBCHAPTER 9. URBAN TRANSIT HUB TAX CREDIT PROGRAM

19:31-9.1 Applicability and scope

These rules are promulgated by the New Jersey Economic Development Authority (the “Authority”) to implement the Urban Transit Hub Tax Credit Act, P.L. 2007, c. 346 (the “Act”), as amended by P.L. 2009, c. 90. The Act establishes a tax credit program for capital investment and increased employment in targeted urban rail transit hubs to catalyze economic development in those transit hubs. The Act further provides that the Urban Transit Hub Tax Credit Program (the “Program”) is to be administered by the New Jersey Economic Development Authority and that the Authority consults with the Director of the Division of Taxation in the Department of the Treasury when adopting rules for the Program. The Program provides that businesses making at least [$75 million] **$50,000,000** in new capital investments in a qualified business facility in an “urban transit hub” and employing at least 250 full-time employees at that facility may be eligible for tax credits in order to catalyze economic development in those urban areas. Businesses may apply for the tax credits by January 13, 2013 and satisfy the capital investment and employment conditions for award of the credits by January 13, 2016, subject to the rules in this subchapter. The tax credits are equal to 100 percent of the claimants’ qualified capital investments made, and taxpayers may apply 10 percent of the total credit amount per year over a 10-year period against their corporation business tax, insurance premiums tax or gross income tax liability. Tenants in qualified business facilities may also receive tax credits, if they occupy space in a qualified business facility that proportionally represents at least [$25 million] **$17,500,000** of the capital investment in the facility and employ at least 250 full-time employees in that facility. **Developers may apply for a credit of up to 20 percent of their capital investment in a qualified residential project by July, 28 2014 and satisfy the capital investment conditions for award of credits by July 28, 2017, subject to the rules in this subchapter.** The tax credits are reduced to eighty percent if 200 new jobs (to the State) are not created, or forfeited if certain facility and Statewide employment levels are not maintained. The program is limited to municipalities that are eligible for urban aid, that [have] **had** at least 30 percent of their real property value exempt from property taxes during 2006, and that have a specified commuter rail station, excluding any rail station located at an international airport [and all light rail stations].

19:31-9.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.
“Affiliate” means an entity that directly or indirectly controls, is under common control with, or is controlled by the business. Control exists in all cases in which [Evidence of such control shall include whether] the entity is a member of a controlled group of corporations as defined pursuant to Section 1563 of the Internal Revenue Code of 1986, as amended, 26 U.S.C. s. 1563 or the entity [being] is an organization in a group of organizations under common control as defined in Section 414(b) or (c) of the Internal Revenue Code of 1986, as amended, 26 U.S.C. s. 414(b), (c). A taxpayer may establish by clear and convincing evidence, as determined by the Director of the Division of Taxation in the Department of the Treasury, that control exists in situations involving lesser percentages of ownership than required by those statutes. An affiliate [is an entity that contributes to meeting either the capital investment or employment requirements or both for the project] of a business may contribute to meeting either the qualified investment or full-time employee requirements of a business that applies for a credit under section 3 of P.L. 2007, c. 346 (N.J.S.A. 34:1B-209).

... “Business” means a corporation that is subject to the tax imposed pursuant to section 5 of P.L. 1945, c. 162 (N.J.S.A. 54:10A-5), a corporation that is subject to the tax imposed pursuant to sections 2 and 3 of P.L. 1945, c. 132 (N.J.S.A. 54:18A-2 and 54:18A-3), section 1 of P.L. 1950, c. 231 (N.J.S.A. 17:32-15) or N.J.S.A. 17B:23-5, or is an entity classified as a partnership, an S corporation, or a limited liability corporation [for Federal income tax purposes. If a business is using an affiliate to satisfy the employment or capital investment requirements or both, of the Program, a business shall include such affiliate or affiliates]. A business shall include an affiliate of the business if that business applies for a credit based upon any capital investment made by the affiliate or full-time employees of an affiliate are necessary to evidence compliance with eligibility requirements. [For purposes of identifying full-time employees of a business, any such employees hired by or taxes paid by a professional employer organization (PEO) with which the business has entered into an employee leasing agreement shall be allocable to the business.]

“Capital investment” in commercial development means the site preparation and construction, repair, renovation, improvement, equipping, or furnishing of a building, structure, facility or improvement to real property. Capital investment includes obtaining and installing furnishings and machinery, apparatus or equipment for the operation of a business in a building, structure, facility or improvement to real property, site-related utility and transportation infrastructure improvements, plantings or other environmental components required to attain the level of silver rating or above in the LEED building rating system but only to the extent that such components have not received any financial assistance from any other State funding source, except that it does not include soft costs such as financing and design, furniture or decorative items such as artwork or plants, or office equipment with a useful life of under five years. Vehicles and heavy equipment not permanently located in the building, structure, facility or improvement shall not constitute a capital investment. (The United States Green Building Council has developed the Leadership in Energy & Environmental Design (LEED) Green Building Rating System for measuring the energy efficiency and environmental sustainability of buildings. The LEED Rating System is a third party certification program and
the nationally accepted benchmark for the design, construction and operation of high performance buildings.) Also included is remediation of the qualified business facility site, but only to the extent that such remediation has not received financial assistance from any other Federal, State, or local funding source. [In residential development, only core and shell elements of the project shall constitute capital investment, for example all finishes, furnishings, plumbing and lighting fixtures, and tenant amenities shall be excluded.] With respect to [both] commercial [and residential] development, to be included the capital investment must be undertaken after the January 13, 2008 effective date of the Act and completed by the eighth anniversary of that date.

To be considered, the project consisting of construction of a new building shall not have progressed beyond site preparation prior to January 13, 2008; the project consisting of acquisition of an existing building shall not have closed title prior to January 13, 2008; and the project consisting of renovation or reconstruction of an existing building shall not have commenced construction prior to January 13, 2008. **With respect to residential development, to be included the capital investment must be undertaken after July 28, 2009, the effective date of P.L. 2009, c. 90, and completed by the eighth anniversary of that date, that is by July 28, 2017. To be considered, the project consisting of construction of a new building shall not have progressed beyond site preparation prior to July 28, 2009; the project consisting of acquisition of an existing building shall not have closed title prior to July 28, 2009; and the project consisting of renovation or reconstruction of an existing building shall not have commenced construction prior to July 28, 2009.**

“Developer” means, with respect to a qualified business facility, a business that intends to construct and lease a business facility. A developer may seek to receive approval that the facility will constitute a qualified business facility conditioned upon identification of tenants that will have qualifying employment and pro formas indicating that the capital investment requirements will be met.

“Eligibility period” means the 10-year period in which a business may claim an urban transit hub tax credit, beginning with the tax period in which the Authority accepts the certification of the business that it has met the capital investment and employment qualifications, if any, of the Program.

“Eligible municipality” means a municipality: which qualifies for State aid pursuant to P.L. 1978, c. 14 (N.J.S.A. 52:27D-178 et seq.) or which was continued to be a qualified municipality thereunder pursuant to P.L. 2007, c. 111; and in which 30 percent or more of the value of real property [is] was exempt from local property taxation during tax year 2006. The percentage of exempt property shall be calculated by dividing the total exempt value by the sum of the net valuation, which is taxable and that which is tax exempt. For State fiscal year 2008, the eligible municipalities are: Camden, East Orange, Elizabeth, Jersey City, Newark, New Brunswick, Paterson, Trenton and Hoboken. For subsequent State fiscal years, the Authority, after consultation of the Department of Community Affairs, shall annually publish at www.newjerseybusiness.gov a notice listing the eligible municipalities.

“Full-time employee” means a person employed by the business for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, as determined by the Authority, or a person who is
employed by a professional employer organization pursuant to an employee leasing agreement between the business and the professional employer organization, in accordance with P.L. 2001, c. 260 (N.J.S.A. 34:8-67 et seq.) for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, as determined by the Authority, and whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq., or an employee who is a resident of another State but whose income is not subject to the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq., or who is a partner of a business who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as determined by the Authority as full-time employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof is subject to the payment of estimated taxes, as provided in the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq. “Full-time employee” shall not include any person who works as an independent contractor or on a consulting basis for the business.

“Full-time employee at the qualified business facility” means a full-time employee whose primary office is at the site and who spends at least 80 percent of his or her time at the site, or who spends any other period of time generally accepted by custom or practice as full-time employment at the site, as determined by the Authority.

“Light rail station” [is] means a location where passengers board or alight River Line Light Rail, the Hudson-Bergen Light Rail, the Newark Light Rail services, or any other light rail service owned and/or operated by New Jersey Transit Corporation, Port Authority Transit Corporation or Port Authority Trans-Hudson Corporation in the State of New Jersey. Light rail is a transit mode with a lighter volume traffic capacity compared to commuter rail service and characterized by lighter vehicles operating in one or two-car trains on fixed rails, powered by electric or diesel, and not regulated by the Federal Railroad Administration unless covered by a waiver for shared-use operation of freight and light rail passenger service.

“Professional employer organization” means an employee leasing company registered with the Department of Labor and Workforce Development pursuant to P.L. 2001, c. 260 (N.J.S.A. 34:8-67 et seq.).

“Qualified residential project” means any building, complex of buildings or structural components of buildings, including a mixed use project, consisting predominantly of residential units, located in an urban transit hub within an eligible municipality.

“Rail station” [shall include] means a rail station, including light rail stations, of the New Jersey Transit Corporation, Port Authority Transit Corporation or Port Authority Trans-Hudson Corporation, but shall not include any rail station located at an international airport [or any light
“Residential developer” means a business that intends to make or acquire capital investments in a qualified residential project pursuant to section 34 and 35 of P.L. 2009, c. 90.

“Residential unit” means a residential dwelling unit such as a rental apartment, a condominium or cooperative unit, a hotel room, or a dormitory room.

... 

“Tenant” means a business that is a lessee or owner of a condominium in a qualified business facility and does not include a lessee or owner of a condominium in a qualified residential facility.

“Urban transit hub” means property located within a one-half mile radius surrounding the mid point of a New Jersey Transit Corporation, Port Authority Transit Corporation or Port Authority Trans-Hudson Corporation rail station platform area, including all light rail stations, and property located within a one mile radius of the mid point of the platform area of such a rail station if the property is in a qualified municipality under the Municipal Rehabilitation and Economic Recovery Act, P.L. 2002, c. 43 (N.J.S.A. 52:27B-BB-1 et seq.); property located within a 1/2 mile radius surrounding the mid point of one of up to two underground light rail stations’ platform areas that are most proximate to an interstate rail station; and property adjacent to, or connected by rail spur to, a freight rail line if, as part of its regular course of business, as determined by the Authority, the business utilizes that freight line for loading and unloading freight cars on trains delineated by the Authority pursuant to subsection e. of section 3 of P.L. 2007, c. 346 (N.J.S.A. 34:1B-3e). A property, which is partially included within the radius, shall only be considered part of the hub if over 50 percent of its land area falls within the radius. In the case of a rail station with multiple rail lines, a separate midpoint shall be determined for each such rail line. Once the hubs have been delineated, the Authority will post eligible rail stations and corresponding midpoints on the website at www.newjerseybusiness.gov. The posting will be updated if the eligible rail stations change and to reflect changes in station midpoints.

“Urban transit hub tax credit” or “tax credit” means the tax credit permitted under P.L. 2007, c. 346, as amended by P.L. 2009, c. 90 and this subchapter, which may be applied against the tax liability otherwise due for corporation business tax, insurance premiums tax or gross income tax pursuant to section 5 of P.L. 1945, c. 162 (N.J.S.A. 54:10A-5), pursuant to sections 2 and 3 of P.L. 1945, c. 132 (N.J.S.A. 54:18A-2 and 54:18A-3), pursuant to section 1 of P.L. 1950, c. 231 (N.J.S.A. 17:32-15), or pursuant to N.J.S.A. 17B:23-5[, or pursuant to the New Jersey Gross Income Tax Act, N.J.S.A. 54A:1-1 et seq].

19:31-9.3 Eligibility criteria

(a) In order to be eligible to be considered for an urban transit hub tax credit [To qualify for the tax credit, a business shall enter into a project agreement with the Authority to
undertake a project as follows):

1. For a business facility, if the business is other than a tenant, the business shall:

   i. Make or acquire capital investments in a qualified business, or in a mixed-use facility totaling not less than $75,000,000, but only to the extent necessary to meet the owner’s minimum capital investment of $50,000,000, provided that the owner so indicate in his application or certification and further provided that such tenant allowance or tenant improvements meet the definition of capital investment;

   ii. Employ not fewer than 250 full-time employees at the qualified business facility; and

   iii. Demonstrate to the Authority that the State’s financial support of the proposed capital investment will yield a net positive economic benefit to both the State and the eligible municipality for the period equal to 75 percent of the useful life of the investment or the term of the tenant’s lease, whichever is greater, not to exceed 20 years.

2. If the business is a tenant in a qualified business facility:

   i. The owner of the qualified business facility shall make or acquire capital investments, or in a mixed-use facility capital and residential capital investments in the facility totaling not less than $50,000,000, as calculated in accordance with (a) li above. [The capital investments of the owner may include any tenant allowance provided by the owner in the lease and any tenant improvements funded by a tenant(s) provided that the owner so indicate in his application or certification and further provided that such tenant allowance or tenant improvements meet the definition of capital investment];

   ii. The tenant shall occupy a leased area of the qualified business facility that represents at least $25,000,000 of the capital investment in the facility, as calculated pursuant to subsection (b) below;

   iii. The tenant business and up to two other tenants shall employ not fewer than 250 full-time employees in the aggregate at the qualified business facility; [and]

   iv. (No change.)

   v. Demonstrate to the Authority that the State’s financial support of the proposed capital investment will yield a net positive economic benefit to both the State and the eligible municipality for the period equal to 75 percent of the useful life of the investment or the term of the tenant’s lease, whichever is greater, not to exceed 20 years. For purposes of this evaluation, the tenant may include the benefit derived from the owner’s capital investment, but not from employees other than those referenced in subsection (iii) of this section.
3. For a residential project, the residential developer shall:

i. Make or acquire capital investments totaling not less than $50,000,000 in a qualified residential project;

ii. Demonstrate to the Authority that the qualified residential project is likely to be realized with the provision of tax credits at the level requested, but is not likely to be accomplished by private enterprise without the tax credits; and

iii. Not be required to meet the employment requirements required for a qualified business facility.

(b) In order to determine whether the tenant’s leasable area of the qualified business facility satisfies the capital investment eligibility threshold, the Authority shall multiply the owner’s capital investment by the fraction, the numerator of which is the leased net leasable area and the denominator of which is the total net leaseable area. **Capital investments made by a tenant and not allocated to meet the owner’s minimum capital investment threshold of $50,000,000 shall be added to the amount of capital investment represented by the tenant’s leased area in the qualified business facility.**

(c) (No change.)

[(d) A business that acquires a qualified business facility shall also be deemed to have acquired the capital investment made or acquired by the seller. Any right by the seller to the tax credits terminates upon sale of the qualified business facility and such tax credits may not be transferred to the buyer.]

[(e)](d) (No change in text.)

[(f)](e) A business shall be treated as owner of a qualified business facility or a qualified residential project if it holds title to the facility, whether it ground leases the land underlying the facility for at least 50 years or holds title to the land underlying the facility.

(f) A business that is investing in a qualified business facility may apply for tax credits valued at less than the total amount of the capital investments in its project.

19:31-9.4 Restrictions

(a) A business shall not be allowed urban transit hub tax credits if:

1. The business participates in a Business Employment Incentive Program grant pursuant to P.L. 1996, c. 26 (N.J.S.A. 34:1B-124 et seq.) relating to the same capital investment, employees, and site that qualify the business for urban transit hub tax credits; or

2. The business receives assistance from the Business Retention and Relocation Assistance
Grant Program pursuant to P.L. 1996, c. 25 (N.J.S.A. 34:1B-112 et seq.); or]

[3. The business is a casino as defined by licensee as pursuant to section 33 of P.L. 1977, c. 110 (N.J.S.A. 5:12-33).]

(b) (No change.)

(c) A business shall not qualify for a tax credit based upon capital investment and employment of full-time employees, if that capital investment or employment was the basis for which a grant was provided to the business pursuant to the InvestNJ Business Grant Program Act, P.L. 2008, c. 112 (N.J.S.A. 34:1B-237 et seq.).

[(c)](d) Capital investments in a qualified business facility must be incurred after the effective date of P.L. 2007, c. 346, which is January 13, 2008, but before the end of the eighth year after the effective date, and thus, before [the end of] January 13, 2016. This eighth year limit is expected to afford businesses applying toward the end of the five-year application period at least three years to complete the project. Capital investments in a qualified residential facility must be incurred after the effective date of P.L. 2009, c. 90, which is July 28, 2009, but before the end of the eighth year after the effective date, and thus, before July 28, 2017. This eight-year limit is expected to afford businesses applying toward the end of the five-year application period at least three years to complete the project.

[(d)](e) If a business participating in a Business Employment Incentive Program grant for the same capital investment, employees, and site or receiving assistance from the Business Retention and Relocation Assistance Grant Program, InvestNJ Business Grant Program, or incentives authorized by the Municipal Rehabilitation and Economic Recovery Act, seeks to qualify for urban transit hub tax credits, it shall first repay and terminate assistance pursuant to the rules or administrative procedures governing the Business Employment Incentive Program, [or] Business Retention and Relocation Assistance Grant Program, InvestNJ Business Grant Program or Municipal Rehabilitation and Economic Recovery Act, as applicable.

19:31-9.5 Application submission requirements

(a) Each application to the Authority made by an owner, [or a] tenant or residential developer shall include the following information in an application format prescribed by the Authority:

1. Business information, including information on all affiliates contributing either full-time employees or capital investment or both to the project, shall include the following:

   i. – xiii. (No change.)

   xiv. In the event that the business is a partnership and chooses to allocate the [amount of credits] revenue realized from the sale of the tax credits other than as a proportion of the owners’ distributive share of income or gain of the partnership, the business shall provide an agreement that sets forth the allocation among the owners which at minimum must conform with
N.J.A.C. 9.8(b)10. This agreement will be submitted to the Director of the Division of Taxation in the Department of Treasury by such time and with such information as the Director may require, and

xv. (No change.)

2. Project information shall include the following:

i. (No change.)

ii. A description of the capital investments planned by the business, if other than a tenant at the proposed qualified business facility, or, if the business is a tenant, represented by the leased area of the business, at the proposed qualified business facility; and if the business is a residential developer, a description of the capital investment planned to be made or acquired in a qualified residential project;

iii. (No change.)

iv. A certification from the owner, with supporting evidence, that the State’s financial support of the proposed capital investment in a qualified business facility will yield a net positive economic benefit to the State and the eligible municipality for the period equal to 75 percent of the useful life of the investment or the term of the tenant’s lease, whichever is greater, not to exceed 20 years, taking into account the criteria listed at 9.7(c). The applicant may be required to submit additional evidence requested by the Authority in its sole discretion;

v. If the capital investment is a qualified residential project, a pro forma analysis demonstrating that the project is likely to be realized with the provision of the tax credits at the level requested to be realized but is not likely to be accomplished by private enterprise without the credits;

vi. A description of how the green building standards to be set forth in the green building manual prepared by the Department of Community Affairs, pursuant to section 1 of P.L. 2007, c. 132 (N.J.S.A. 52:27D-130.6) are to be incorporated into the proposed project including use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction;

[v.]vii. Identification of the site of the proposed qualified business facility or qualified residential project, including the block and lot of the site as indicated upon the local tax map and evidence that the site is located wholly or partially (over 50 percent) within an urban transit hub in the form of a survey or other documentation acceptable to the Authority;

[v.]viii. A project schedule that identifies projected move dates for the proposed qualified business facility;
[vi.] If the capital investment is a qualified business facility, a schedule of short-term and long-term employment projections of the business in the State taking into account the proposed project;

Recodify existing vii., viii. and ix. as x., xi. and xii. (No change in text.)

3. Employee information shall include the following:

i. A written certification that the employees that are the subject of this application [are] will be full-time employees at the qualified business facility [as defined in this chapter] and are subject to withholding as provided in the New Jersey Gross Income Tax Act;

ii. The average annual wage and benefit rates of full-time employees and new full-time positions [that would occupy] at the qualified business facility;

iii. To the extent a tenant is meeting the employment requirement together with up to two other tenants in the qualified business facility, a submission from the other tenants relating to subsections i and ii above:

Recodify existing iii. and iv. as iv. and v. (No change in text.)

(b) – (c) (No change.)

19:31-9.6 Application and servicing fees

(a) A business applying for benefits under this program shall submit the following one-time non-refundable application fee, with payment in the form of a check, payable to the "New Jersey Economic Development Authority":

1. (No change.)

2. If a business is a tenant of the proposed qualified business facility, the application fee is [$2,500] $5,000; or

3. (No change.)

(b) In addition to the application fees in (a) 1, 2 and 3 above, for a qualified business facility, a business shall pay to the Authority a fee of $2,500 for the costs of the fiscal impact analysis pursuant to 9.3(a) or, the full amount of direct costs of an analysis by a third party retained by the Authority, if the Authority deems such retention to be necessary, whichever is greater.

[(b)](c) A business shall pay to the Authority an annual servicing fee, beginning the tax accounting or privilege period in which the Authority accepts the certification that the business has met the capital investment and employment qualifications, and for the duration of the eligibility period. The annual servicing fee shall be paid to the Authority by the business at the
time the business submits information to the Authority required for an annual review of full-time employment at the qualified business facility. The annual servicing fee shall be [.25] .35 percent of the amount of tax credit taken for each tax accounting or privilege period of the business. If the tenant or owner is a business engaged in financial services, life sciences and technology, communications, logistics, renewable energy and manufacturing, this fee shall not exceed $40,000 per year.

(d) A business applying for a tax credit transfer certificate pursuant to N.J.A.C. 19:31-9.10 shall pay to the Authority a fee of $2,500.

19:31-9.7 Review of application and certification of project completion

(a) A business seeking an approval of tax credits for a qualified business facility may apply for tax credits within five years after January 13, 2008, the effective date of the Act (that is, by January 13, 2013). A residential developer may apply for tax credits within five years after July 28, 2009, the effective date of P.L. 2009, c. 90 (that is by July 28, 2014). The application is a two-stage process, with the first being the determination of [application for] (i) the eligibility of a hub project, (ii) the maximum amount of tax credits to be granted and, (iii) in the case of a residential developer, the percentage amount of tax credits for investment in a qualified residential project, and the second being a certification by the business or residential developer within the timeframe of (d) below evidencing completion of the project and satisfaction of the conditions for award of the hub tax credits. A developer may apply to have a building approved as a qualified business facility within five years after January 13, 2008, the effective date of the Act (that is, by January 13, 2013). Any tenant seeking an approval of tax credits for a qualified business facility so approved may apply after this date provided its application and certification are received by the date set forth in subsection (d)3 hereof.

(b) (No change.)

1. – 3. (No change.)

(c) In determining whether the company meets the net benefits test, as certified by the owner pursuant to 9.5(a)2iv, the Authority’s consideration shall include, but not be limited to, the local and State taxes paid directly by and generated indirectly by the business, property taxes or payment in lieu of taxes and taxes paid directly or generated indirectly by new or retained employees, and peripheral economic growth caused by the business’s relocation to the urban transit hub.

(d) In developing a recommendation for allocating credits to qualified residential projects, the chief executive officer shall take into account, together with other factors deemed relevant by the executive director: an evaluation of the residential developer’s pro forma analysis submitted pursuant to 9.5(a)(2)(v), input from the municipality in which the project is located, whether the project furthers specific State or municipal planning and development objectives, or both, and whether the project furthers a public purpose, such as catalyzing urban development or maximizing the value of vacant, dilapidated, outmoded,
government-owned, or underutilized property or both.

[(c)(e) Upon completion of the review of an application pursuant to (b)-(d) above, and receipt of a recommendation from Authority staff on the application, the Board shall determine whether or not to approve the application, the maximum amount of tax credits to be granted and, in the case of a residential developer, the percentage amount of allowed tax credits for its capital investment in a qualified residential project, and promptly notify the applicant and the Director of the Division of Taxation of the determination.

1. – 2. (No change.)

(d) (No change.)

1. Subject to the amount of tax credits for which the business has applied, the maximum amount of tax credits approved and, in the case of a residential developer, the maximum percentage amount of allowed tax credits for its capital investment in a qualified residential project, if the certification with respect to the capital investment shall define the amount of the benefit and shall not be increased regardless of additional capital investment in the qualified business facility. If the certification indicates that the capital investment is less than the minimum eligibility requirement, the business shall no longer be eligible for tax credits.

2. (No change.)

3. For project applications approved in the fifth year that the Act is in effect, the certification shall be submitted no later than eight years after the effective date of the Act (that is, by January 13, 2016). For developer applications approved in the fifth year that the Act is in effect, any tenant's application and certification relating to a qualified business facility so approved shall be submitted no later than eight years after the effective date of the Act (that is, by January 13, 2016). For residential developers approved in the fifth year that P.L. 2009, c. 90 is in effect, any certification relating to a qualified residential project so approved shall be submitted no later than eight years after the effective date of the Act, (that is, by July 28, 2017).

4. (No change.)

(e) (No change.)

19:31-9.8 Project agreement

(a) Within one year following application approval by the Authority, all applicants shall execute a project agreement to establish the terms and conditions of the tax credits provided, however, that no project agreement shall be executed unless the business demonstrates site control of the qualified business facility or qualified residential project. Unless otherwise determined by the Authority in its sole discretion, the Authority’s approval of the tax credits shall expire if the project agreement is not executed within one year of application approval.
(b) The project agreement shall include, but not be limited to, the following terms and conditions as determined by the Authority:

1. – 2. (No change.)

3. Representations pertaining to the capital investment for the project and the maximum amount of allowable tax credits and, in the case of a residential developer, the percentage amount of allowed tax credits for its capital investment in a qualified residential project:

4. Except for qualified residential projects, [R]equirements for maintaining full-time employees and new full-time positions at the qualified business facility and maintaining full-time employees in the business's Statewide workforce;

5. – 9. (No change.)

[10. In the event that the business is a partnership and chooses to allocate the amount of credit other than as a proportion of the owners' distributive share of income or gain of the partnership, the business shall notify the Authority and the Division at least 30 days prior to the date of filing relating to each tax accounting or privilege period the proposed allocation of the tax credits. Such allocation may be adjusted as a result of future audits by the Internal Revenue Service or a state tax agency. Any such adjustment of the allocation will be reported by the business to the Division of Taxation and the Authority 30 days prior to filing an amended return or closing agreement or final determination;]

10. Representations and covenants regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction.

11. – 13. (No change.)

19:31-9.9 Tax credit amount; application and allocation of tax credit

(a) Subject to the amount of tax credits for which the business has applied, the maximum amount of tax credits approved and, in the case of a residential developer, the maximum percentage amount of allowed tax credits for its capital investment in a qualified residential project, [T]he amount of tax credit allowed shall be equal to the capital investment made by the business or the capital investment represented by the business' leased area, or area owned by the business as a condominium, subject to any reduction or disqualification provided in the Act, this subchapter, or the project agreement.

1. – 2. (No change.)

(b) (No change.)

(c) A business that is a partnership shall not be allowed a credit under this program directly, but the amount of credit of any owner of a business shall be determined by allocating to each
owner of the partnership that proportion of the credit of the business that is equal to the owner of
the partnership’s share, whether or not distributed, of the total distributive income or gain of the
partnership for its tax period ending within or with the owner’s tax period, or that proportion that
is allocated by an agreement, if any, among the owners of the partnership that has been provided
to the Director of the Division of Taxation in the Department of the Treasury pursuant to
N.J.A.C. 19:31-9.5(a)xiv.]

[(d)(c) The business may apply the credit against their corporation business tax[] or
insurance premiums tax [or gross income tax liabilities] otherwise due pursuant to section 5 of
P.L. 1945, c. 162 (N.J.S.A. 54:10A-5), pursuant to sections 2 and 3 of P.L. 1945, c. 132
15), or pursuant to N.J.S.A. 17B:23-5[, or pursuant to the New Jersey Gross Income Tax Act,
N.J.S.A. 54A:1-1 et seq]. The credit awarded to the business using one or more affiliates to
satisfy the employment and or capital investment requirements of the program shall be applied
on the basis of the allocation(s) submitted pursuant to the project agreement.

Recodify existing (e) – (h) as (d) – (g) (No change in text.)

19:31-9.10 Application for tax credit transfer certificate

(a) A business may apply to the Director of the Division of Taxation in the Department
of Treasury and the Authority for a tax credit transfer certificate covering one or more
years, in lieu of the business being allowed any amount of the credit against the tax liability
of the business. Such application shall identify the specific tax credits to be sold. Once
approved by the Authority and the Director of the Division of Taxation, a tax certificate
shall be issued. The tax credit certificate, upon receipt thereof by the business from the
Director and the Authority, may be sold or assigned, in full or in part, to any other person
that may have a tax liability pursuant to section 5 of P.L. 1945, c. 162 (N.J.S.A. 54:10A-5),
pursuant to sections 2 and 3 of P.L. 1945, c. 132 (N.J.S.A. 54:18A-2 and 54:18A-3),
pursuant to section 1 of P.L. 1950, c. 231 (N.J.S.A. 17:32-15), or pursuant to N.J.S. 17B:23-
5. The certificate provided to the business shall include a statement waiving the business’s
right to claim that amount of the credit against the taxes that the business has elected to sell
or assign. Any amount of a tax credit transfer certificate used by a purchaser or assignee
against a tax liability shall be subject to the same limitations and conditions that apply to
the use of the credit by the business that originally applied for and was allowed the credit.

(b) The sale or assignment of any amount of a tax credit transfer certificate allowed
under this section shall not be exchanged for consideration received by the business of less
than 75 percent of the transferred credit amount. In order to evidence this requirement,
the business shall submit to the Authority an executed form of standard selling agreement
which states that the consideration received by the business is not less than 75 percent of
the transferred credit amount.

(c) In the event that the business is a partnership and chooses to allocate the revenue
realized from the sale of the tax credits other than as a proportion of the owners’
distributive share of income or gain of the partnership, the selling agreement shall set forth
the allocation among the owners which has previously been submitted to the Director of the Division of Taxation in the Department of Treasury pursuant to 9.5(a).

19:31-9.11 Cap on total credits

(a) The value of all credits approved by the Authority shall not exceed $1,500,000,000 of which the Authority may approve up to $150,000,000 in credits in the aggregate for residential developers making capital investments in qualified residential projects, provided that for each qualified residential facility, the residential developer shall be allowed tax credits of no more than 20 percent of its capital investment. If, based on application and allocation activity and if sufficient credits are available, the Authority may direct that the $150,000,000 cap be exceeded for allocation to qualified residential projects, as is deemed reasonable, justified and appropriate.

19:31-9.[10][12] Reduction and forfeiture of tax credits

(a) Unless excepted pursuant to (a)2 below, the amount of the annual credit otherwise determined pursuant to final calculation of the award of tax credits shall be reduced by 20 percent for that tax period if:

1. Fewer than 200 full-time employees [of the business] at the qualified business facility are employed in new full-time positions in any tax period.
   i. – ii. (No change.)

2. For businesses applying before January 1, 2010, there shall be no reduction if a business relocates to an urban transit hub from another location or locations in the same municipality.

(b) If, in any tax period, the business reduces the total number of full-time employees in its Statewide workforce by more than [10] 20 percent from the number of full-time employees in its Statewide workforce in the last tax accounting or privilege period prior to the credit amount approval under this section, then the business shall forfeit its credit amount for that tax period and each subsequent tax period until the first tax period for which documentation demonstrating the restoration of the business's Statewide workforce to the threshold levels required by this subsection has been reviewed and approved by the Authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed. For purposes of this section, “business” shall include any affiliate that has contributed to the capital investment, received the tax credit or contributed to the 250 full-time employees at the qualified business facility.

(c) (No change.)

(d) If in any year the qualified residential facility no longer meets the definition thereof, the residential developer or his assignee shall forfeit its annual credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation
demonstrating that the qualified residential facility meets such definition has been reviewed and approved by the Authority, for which tax period and each subsequent tax period the full amount of the annual credit shall be allowed.

[(d) The tax credit amount shall be forfeited in the event of sale of the qualified business facility or sublease of the business's tenancy as follows:

1. If the qualified business facility is sold in whole or in part during the 10-year eligibility period, the new owner shall not acquire the capital investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods, except that any credits of tenants shall remain unaffected. The new owner may not apply for tax credits based upon the seller's capital investment. If the business merges with or consolidates with another entity, and the surviving, resulting or transferee entity assumes in writing the obligations of the business under the project agreement, the surviving, resulting or transferee entity shall not be considered the new owner.

2. If a tenant subleases its tenancy in whole or in part during the 10-year eligibility period, the sublessee shall not acquire the credit of the sublessor, and the sublessor tenant shall forfeit all credits for the tax period of its sublease and all subsequent tax periods, except that if the sublessor tenant retains sufficient capital investment and employment to remain eligible for the program, the forfeiture shall affect only the credits attributable to the subleased portion of the facility. For the purposes of calculating the total annual lease payments of the business, the lease payments of the sublessee shall be subtracted.]

19:31-9.13 Effect of sale or lease of qualified facilities

(a) The tax credit amount shall be forfeited in the event of sale of the qualified business facility or sublease of the business's tenancy as follows:

1. If the qualified business facility is sold in whole or in part during the 10-year eligibility period, the new owner shall not acquire the capital investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods, except that any credits of tenants shall remain unaffected. The new owner may not apply for tax credits based upon the seller's capital investment. If the business merges with or consolidates with another entity, and the surviving, resulting or transferee entity assumes in writing the obligations of the business under the project agreement, the surviving, resulting or transferee entity shall not be considered the new owner.

2. If a tenant subleases its tenancy in whole or in part during the 10-year eligibility period, the sublessee shall not acquire the credit of the sublessor, and the sublessor tenant shall forfeit all credits for the tax period of its sublease and all subsequent tax periods, except that if the sublessor tenant retains sufficient capital investment and employment to remain eligible for the program, the forfeiture shall affect only the credits attributable to the subleased portion of the facility. For the purposes of calculating the total annual lease payments of the business, the lease payments of the sublessee shall be subtracted.
(b) In the event of sale of the qualified residential facility in whole or in part, the seller may either retain the tax credit amount or assign to the new owner a tax credit amount equal to the amount of the capital investment that is sold, provided that the capital investment sold represents at least $17.5 million of the capital investment in the facility. In order to determine the amount of capital investment sold, the Authority shall multiply the owner’s capital investment by the fraction, the numerator of which is the square footage of the portion of the qualified residential facility that is sold and the denominator of which is the total square footage of the qualified residential facility.

(c) Tenants in a qualified residential project are not eligible to apply for tax credits and an owner may not assign tax credits to a tenant.

Recodify existing N.J.A.C. 19:31-9.11 through 9.15 as 19:31-9.14 through 9.18 (No change in text.)
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT:  ADJ Realty NJ, LLC & E & T Plastic Manufacturing Co. Inc.  P28139
PROJECT USER(S):  E & T Plastic Manufacturing Co. Inc. *  * - indicates relation to applicant
PROJECT LOCATION: 200 Green Street Teterboro Borough (N) Bergen

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

APPLICANT BACKGROUND:
ADJ Realty NJ, LLC (ADJ), is a real estate holding company created to acquire a new facility in Teterboro, for use by E & T Plastic Manufacturing Co., Inc. (E&T). E&T, formed in 1946, is considered one of the leading plastics distributors and component manufacturers in the United States, with 110 employees covering 7 offices around the country. The applicant offers custom cutting services and stocks a full line of sheet, rod and tube along with mill shapes in a wide variety of materials. E&T provides “value added service” such as CNC routing, laser cutting, vacuum forming or traditional fabrication, in its state of the art plastic processing plant.

APPROVAL REQUEST:
Authority assistance will enable the applicant to relocate its current manufacturing operations in Long Island City to a to be acquired 71,500 s.f. facility, situated on 2.38 acres in Teterboro Borough, along with new production equipment. The applicant is investing $2.4 million equity in the project, with $3,250,000 to come from this tax-exempt bond financing, and the balance to come from an EDA Direct Loan and conventional financing.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT:  N/A

PROJECT COSTS:

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<td>Renovation of existing building</td>
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JOBS:  At Application  0  Within 2 years  55  Maintained  0  Construction  15

PUBLIC HEARING:

BOND COUNSEL:  Wolff & Samson

DEVELOPMENT OFFICER:  M. Abraham

APPROVAL OFFICER:  M. Krug
PUBLIC HEARING ONLY
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM

APPLICANT: Greater Brunswick Regional Charter School or related entity  P26660

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

PROJECT LOCATION: 429 Joyce Kilmer Avenue  New Brunswick City (T/UA)  Middlesex

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

APPLICANT BACKGROUND:
The Greater Brunswick Regional Charter School ("Greater Brunswick") is a 501(c)(3) located in New Brunswick, New Jersey. Among the first charter schools in the state, Greater Brunswick is an independent school developed by area parents and educators in 1998 in accordance with New Jersey's charter school law. The school hosts students from over twelve districts in Middlesex, Somerset, and Union counties. With a full-time staff of 55 employees, Greater Brunswick currently serves 275 children in kindergarten through eighth grade and boasts a waiting list of nearly 100 potential students.

The school is currently situated in a large building that it owns in downtown New Brunswick. At this time, it occupies only 50% of the structure while the remaining 21,000 sq ft is vacant and in need of renovations in order to secure a certificate of occupancy. Due to the large number of students on the waiting list, the school has decided to take advantage of the additional space and expand.

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 renovate an additional 21,000 sq ft of its building so that it can expand its staff by 11 employees and open its doors to more children. Additionally, the proceeds would enable Greater Brunswick to refinance approximately $2,400,000 in debt held by Community Reinvestment Fund. In addition to the tax exempt bond, the company is seeking a direct loan from the NJEDA in the amount of $1,000,000 that was approved at the August 2009 Board meeting. The remainder of the project costs will be financed through the applicant's equity.

This project was approved by the Board at the August 11, 2009 meeting and is being presented at the September 8, 2009 meeting for public hearing only.

FINANCING SUMMARY:

BOND PURCHASER: Sun National Bank (Direct Purchase)

AMOUNT OF BOND: $6,050,000 Tax-Exempt Bond

TERMS OF BOND: 26 years; Variable interest rate equal to the tax-exempt equivalent of Wall Street Journal Prime Rate + 2.00% with a 6.00% interest rate floor for 12 months with one 3-month option to extend; fixed interest rate for the next 10 years with 5 year rate resets thereafter. The fixed rates rate will be equal to the tax exempt equivalent of the greater of (i) the 5-year Federal Home Loan Bank New York rate plus 300 basis points or (ii) 6.75%. The indicative rate as of 7/1/2009 is 4.3875%.
ENHANCEMENT:  N/A

PROJECT COSTS:

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<tr>
<th>Description</th>
<th>Cost</th>
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JOBS:  At Application  55  Within 2 years  11  Maintained  0  Construction  92

PUBLIC HEARING: 09/08/09 (Published 08/25/09)  BOND COUNSEL: Wolff & Samson
DEVELOPMENT OFFICER: D. Johnson  APPROVAL OFFICER: K. McCullough
FAST START DIRECT LOAN PROGRAM
APPLICANT: Crown Veterinary Specialists, LLC

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 23 Blossom Hill Rd Lebanon Borough (N) Hunterdon

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

APPLICANT BACKGROUND:
Crown Veterinary Specialists, LLC is a mobile surgical service offering Orthopedic, Soft Tissue, and Neurological Veterinary Surgery Services to small animal veterinarian practices in Northern and Western New Jersey. Formed in 2002, principals Dr. Wendy Ross, DVM, DACVS and Dr. Anjilla J. Cooley DVM, MS are veterinary surgeons with over 32 years of combined experience.

CV is seeking financing from the EDA for equipment to outfit the new facility. This equipment ranges from digital radiography machinery, surgical tables and ultrasound equipment to cages, monitors, and scales.

APPROVAL REQUEST:
Based on sufficient projected cash flow, adequate collateral coverage, and public purpose rating of “high”, approval is requested for a $300,000 direct loan under the Fast Start program.

FINANCING SUMMARY:
LENDER: NJEDA

AMOUNT OF LOAN: $300,000

TERMS OF LOAN: 5 year loan with full payout. Borrower will have the option of a fixed rate at the 5-year Treasury with a floor of 3% or a floating rate at Prime minus 400 basis points with a floor of 2%. (Indicative rates as of 8/25/09 are 3% and 2% respectively.)

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of new building or addition</td>
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<tr>
<td>Engineering &amp; architectural fees</td>
<td>$380,000</td>
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<td>Purchase of equipment &amp; machinery</td>
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<td>Land</td>
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<td>Interest during construction</td>
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<td>Finance Fees</td>
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</tbody>
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JOBS: At Application 6 Within 2 years 30 Maintained 0 Construction 67

DEVELOPMENT OFFICER: M. Piliere
APPROVAL OFFICER: K. Tolly
MAIN STREET ASSISTANCE PROGRAM
APPLICANT: Grinnell Recycling, Inc.

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 482 Houses Corner Road Sparta Township (N) Sussex

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

APPLICANT BACKGROUND:
Grinnell Recycling, Inc. ("Grinnell" or the "Company") was founded in 1994 by Peter Cofrancesco Jr. Currently the Company is equally owned by his four children: Jarrod, Jason, Peter and Daria. Jason (President) and Jarrod (VP and General Counsel) are the only two children actively involved in the day to day operations. Grinnell received the necessary licensing and permits to open its Class B recycling facility in October 2008. The Company recycles construction and demolition waste. In addition to construction waste, Grinnell also recycle wood, stone and cement.

APPROVAL REQUEST:
Approval of a $1.3 million Authority guarantee of a $2.6 million TD Bank term loan.

FINANCING SUMMARY:
LENDER: TD Bank

AMOUNT OF LOAN: $2.6 million term loan with a 50%, 5-year authority guarantee not to exceed $1.3 million

TERMS OF LOAN: 5-Year Term/7-Year Amortization
Fixed rate of 7%

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<td>Refinancing</td>
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JOBS:  At Application 53 Within 2 years 10 Maintained 53 Construction 0

DEVELOPMENT OFFICER: D. Johnson
APPROVAL OFFICER: J. Wentzel
CAMDEN ECONOMIC RECOVERY BOARD
TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

RE: Camden Area Health Education Center
Recoverable Predevelopment Grant
P 202341

Request

The Members of the Authority are asked to approve funding authorization for a $26,630 Recoverable Predevelopment Grant to Camden Area Health Education Center ("Camden AHEC") to help fund predevelopment activities ("Project") for the renovation and restoration of their facility in Camden. The funds will be provided from the Demolition and Redevelopment Financing Fund established through the Municipal Rehabilitation and Economic Recovery Act ("ACT").

Background

AHEC, is a nation-wide network of nonprofit agencies covering 42 states, having over 170 community-based organizations like Camden AHEC as part of the National AHEC Organization. They are federally funded through the US Department of Health and Human Services (Health Resources and Services Administration – HRSA).

The New Jersey Area Health Education Centers (AHEC) were established in 1978, in partnership with the University of Medicine and Dentistry of New Jersey, as part of a national initiative to strengthen the health of communities through educational partnerships. NJ AHEC's goal is to enhance the quality and accessibility of health and human services and promote optimal health, especially for the underserved population.
Camden AHEC, serving Camden and Burlington Counties, is one of the three AHECs to serve Southern New Jersey, the others being Garden AHEC, serving Cumberland, Gloucester and Salem Counties and Shore AHEC serving Atlantic, Cape May and Ocean Counties.

Camden AHEC has been serving Camden and Burlington Counties for 30 years. The agency provides education, training and internships for healthcare professionals, support staff and students in order that they might provide the services needed by the underserved populations in a culturally competent environment. In addition, Camden AHEC provides community-based health education and services to local residents and provides access to preventive and primary healthcare services to improve the general health of the community.

Camden AHEC is located at 514 Cooper Street in Camden City, (known as the "Read House") for the past 13 years. Camden AHEC is the recipient of numerous community and professional awards and recently celebrated its 30th anniversary as a provider of health education services in Camden City. In that period of time, AHEC has undergone tremendous growth in the utilization of its existing programs, including senior services, HIV/AIDS testing and counseling, medical rotations for public health and medical students, and coordination with numerous community service organizations. In addition, AHEC has instituted new services which have expanded in recent years, such as Farmers Markets, environmental health advocacy, a Community Health Workers Institute, needle exchange, and Youth Life Skills. Because the Read House is easily accessible to the public, hundreds of youth, adults and families enter the facility each year for various services, meetings and trainings.

Camden AHEC’s Emergency Food, Shelter and Clothing Program (EFSCP) serves some 15,000 clients annually in Camden and Burlington Counties. Needy clients will be identified through various AHEC programs, including Senior Wellness, Community Farmers Market, HIV Prevention, Youth Life Skills, Youth Making a Difference, and the Community Mobile Health Van.

**Project Development Team**

Carol Wolff is the Executive Director of Camden AHEC. She has been in this position since 1982 and has been a strong leader in the AHEC network, having been the President of the national organization.

Watson & Henry Associates of Bridgeton, are the proposed consultants to perform the architectural, engineering and historic preservation services in order to produce the preservation Plan and the construction Documents for this project. Watson & Henry Associates, provides comprehensive architectural, engineering, and project management services for historic preservation and museum projects

Barbara A. Coscarello, of GAP Management in Camden, will be AHEC’s project manager during the term of this project. GAP management provides professional services to non-profit organizations when they experience temporary staffing gaps in their organization’s operations.
Project Summary

The Read House, located at 514 Cooper Street, is a "key contributing building" in the Cooper Street Historic District and is in need of historic preservation construction, capital improvements and maintenance work. The Read House was built in 1903 and is considered a superb example of Colonial Revival architecture by a Philadelphia firm, Bailey & Truscott, who also executed other commissions on Cooper Street.

In May, 2008, a structural investigation was performed on the Read House by a professional engineering firm. The final report found "the building is in a condition which is consistent with its age and previous uses and no catastrophic or unsafe conditions were observed". However, the reports also noted that “future repairs should be expected”. Theses repairs include: floors severely out of level and sunken due to previous modifications; brick pointing; painting and repair of exposed wood; windows and shutters replacement and repair/replacement of metal entrance fence.

AHEC is seeking $26,630 from the ERB towards a total project budget of $86,130. Camden AHEC will contribute $9,500 and $50,000 is under consideration for funding by NJ Historic Trust. The awarding of this grant will not be known until early 2010. AHEC will use these monies for Pre-Development expenses including hiring an architectural consultant to develop a preservation plan, construction drawings for the exterior of the building and a maintenance plan. Other project expenses include a part-time project manager and the development of public information documents, as required by NJ Historic Trust. NJ Historic Trust requires that all grantees for planning grants produce some public information documents on the building's historic significance, work performed, history of the building, etc. Most grantees do that with brochures and historic plaques, which is budgeted for in the grant application.

The proposed Preservation Plan will allow Camden AHEC to upgrade its building and provide for safer, more attractive and more accommodating facility for constituents. In 2007, Camden AHEC made the conscious decision to remain at its present facility. While Camden AHEC has been a conscientious steward of the building, it desires at this time in its history to emphasize the historic contribution which the Read House has made to the city of Camden and to restore the building in conformance with historic guidelines.

A representative from the NJ Historic Trust has completed a site visit of the Read House and found it to be a good candidate for the grant and was impressed by the level of commitment AHEC has to the property and the community it serves.

A review of Camden AHEC’s audited financial statements find the organization has been able to maintain a consistent level of funding from a varied group of funding sources with the State of New Jersey Department of Health and Senior Services as its major funder, representing 63% of the total grant and contract support for 2008 and 2009. Other funders include UMDNJ, New Jersey AIDS Partnership, Ford Foundation and Robert Wood Johnson Foundation. Grant/contract funding for 2008 was $1,285,850 and $1,309,017 for 2009.

3
The Board of Directors, under the leadership of Carol Wolff, is also working on a sustainability plan, recognizing that the current economy can affect grant funding, and taking a proactive method to address the possibility.

**Budget**

**Sources of Funds**

<table>
<thead>
<tr>
<th>Source</th>
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<td>NJ Historic Trust</td>
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<td>Camden AHEC</td>
<td>$9,500</td>
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<tr>
<td>ERB</td>
<td>$26,630</td>
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**Total** $86,130

**Uses of Funds**

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<tr>
<th>Use</th>
<th>Amount</th>
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</thead>
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<td>Architect</td>
<td>66,930</td>
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<td>Project Management</td>
<td>13,000</td>
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<td>Public Information Documents</td>
<td>2,700</td>
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</tbody>
</table>

**Total** $86,130

**Security and Repayment**

The recoverable grant funding will be secured by a second mortgage on 514 Cooper Street Camden, behind a first mortgage balance of $37,132.47. The property has an appraised value as of March, 2005 of $792,000. The repayment of this $26,630 recoverable predevelopment grant is anticipated from the future permanent financing of the project.

**Disbursement of Funds**

The disbursement of funds will be subject to receipt of the $50,000 commitment for funding from the NJ Historic Trust as well as receipt and satisfactory review of invoices and contracts for service, fee schedule and reports detailing the scope of work and related time schedule.

**Project Eligibility and Benefits**

The project is located within an Employment Opportunity Area. The purpose of the Project would advance the goal of the Strategic Revitalization Plan and meet the requirements of a revitalization project. The project is eligible for funding under the ERB’s general criteria for project financing (#1 a, b, c, d), priority objectives (#2 a, d, e). Pursuant to the ERB Guide to Program Funds, Project Assistance Guideline Number 8, recoverable grants for up to $100,000 may be made for feasibility studies and other predevelopment costs.
Recommendation

Staff has reviewed the application for consistency with the Act and the Strategic Revitalization Plan adopted by the Board at its June 20, 2003 meeting. The project meets the eligibility and statutory requirements and will enhance the overall revitalization of Camden. The restoration will help Camden AHEC to continue to fulfill its mission of improving the quality of life in the community and ensure a safer, more modern and accommodating building for the public.

The Members of the ERB approved this project at its meeting on August 18, 2009. Accordingly, the Members of the Authority are asked to approve the funding authorization of the Recoverable Predevelopment Grant in the amount of $26,630.

Prepared By: Vivian Pepe, Business Development Officer
TO: Members of the Authority

FROM: Caren Franzini
Chief Executive Officer

DATE: September 8, 2009

SUBJECT: Camden Redevelopment Agency
Campbell Soup Expansion - Utility Relocation Project
P18198

The Members of the Authority are asked to approve the funding authorization for a modification to the $2,300,000 non-recoverable infrastructure grant to the Camden Redevelopment Agency (“CRA”) to amend the scope of work to include additional infrastructure improvements necessary to support the development of a modern office and research complex surrounding the Campbell Soup Company (“CSC”) world headquarters with funds provided from the Demolition and Redevelopment Financing Fund established through the “Municipal Rehabilitation and Recovery Act” (“Act”).

Background

On April 24, 2007, the ERB approved a $2,300,000 non-recoverable infrastructure grant to the CRA to make critical infrastructure improvements to support the development of a modern office park surrounding CSC’s world headquarters facilities in the City of Camden in accordance with the Project Development Agreement (“PDA”). The centerpiece of CSC’s expansion plan is the development of a new 80,000 sf building that will serve as the entranceway to its headquarters campus. The infrastructure improvements were to take place in a portion of the Gateway area bounded by Pine Street, Rt. 676, Federal Street, Rt. 30 and the Cooper River.
Specifically, $2 million of the grant was to be used for the Utility Relocation Project which consisted of 1) the relocation of two existing sewers and one existing water line from the bed of Memorial Avenue between 10th Street and Line Street; 2) the necessary inspections and repairs to restore the existing sewer and water infrastructure into a good working and sound condition sufficient to serve CSC as well as the proposed adjacent office park; 3) the installation of additional new sewer lines to support reasonably anticipated future redevelopment needs in the Gateway area per the PDA, 4) the installation of new additional water lines for potable water and fire protection to support current and anticipated future redevelopment in the area.

In addition, up to $300,000 in ERB funds was to be used to fund due diligence and predevelopment activities required to be undertaken for the successful implementation of the CSC expansion project. Due diligence activities included 1) assisting with and/or coordinating all site and building due diligence including environmental site assessments, boundary surveys, easements, geo-technical evaluations, plating, permitting etc; 2) assisting with project planning, acquisition and finance strategies; 3) assisting with and/or coordinating architects and engineers in preliminary design process; 4) guiding the design team and legal team through the public approval process to efficiently submit and pursue all necessary permits for the development of secured land sites; 5) analyzing project feasibility, 6) attending jurisdictional meetings as necessary and communicate regularly with other internal divisions to ensure accuracy in directing the real estate development activities of the project. Predevelopment activities include 1) feasibility study; 2) marketing study; 3) environmental assessment and soil testing; 4) preliminary architectural and engineering fees, zoning/rezoning approval fees; 5) historic review; and 6) a boundary survey.

Per the PDA, ERB funds to support the sewer infrastructure improvements were to be utilized first followed by funds from EIT with the County funds to be expended last.

**Project Update:**

In July 2008, the CRA entered into a Utility Relocation and Betterment Funding Agreement with the New Jersey Department of Transportation to manage the construction, relocation and upgrades of certain water and sewer facilities in conjunction with the road work being performed by the Department. At the same time, the CRA also entered into an agreement with the Camden County Municipal Utilities Authority (“CCMUA”) regarding the County’s involvement on the sewer relocations and slip lining components.

The project was split into three phases. Phase I included the sewer relocation on Memorial Avenue and Line Street at a budget of $3,000,000 which was funded by the EIT loan to the City of Camden. This phase was completed by CCMUA in October 2008.

Phase II consists of road, water and sewer improvements. Since the majority of work to be performed in this phase included road work, it was agreed that the NJDOT would be the lead agency with the CCMUA managing the water and sewer component. In September 2008, $2,000,000 of the ERB grant was remitted to the CRA and NJDOT for the project.
Following the public bid process for Phase II, the contract for the work to be funded by the ERB grant totaled $1,154,000 yielding an initial savings of $846,000. This phase is approximately 75% complete and so far, only one change order in the amount of $70,000 was required. During this phase, it was discovered there was a PSE&G gas line on Newton Street that impeded the repair of the sewers. It was agreed by all parties, this work will be deleted from Phase II and added to Phase III which will result in a credit of approximately $50,000 for Phase II leaving a surplus of approximately $825,000. Setting aside approximately 15% for contingencies for the balance of work to be performed, the surplus funding will be approximately $700,000.

Phase III consists of slip lining sewer lines within the Central Gateway project area. The estimated budget for this phase is $2.7 million. On behalf of the County’s contribution to the project, the City has secured a $2 million grant from the USEDA and has applied to the DRPA for $700,000 to fund the balance.

Once NJDOT completes its work and a surplus amount is confirmed, the CRA is requesting the $700,000+ in savings be re-allocated to other infrastructure projects. This modification will assist CRA in fulfilling it obligations under the Master Development Agreement for the Gateway Office Park (“GOP”)/Campbell Soup Expansion project. Specifically, the CRA is requesting funds to demolish several large industrial buildings marked for acquisition in the Gateway Redevelopment Plan. In addition, the CRA is seeking to reimburse CSC for the relocation of an existing warehouse loading dock to provide access to a combined sewer outfall trash and debris collection system as part of the citywide sewer upgrade project. Further, the CRA would like to resurface Magnolia Street from Park Boulevard to Pine Street as this is serving as a main entry into CSC’s headquarters while the roads are being realigned. The resurface will not only serve the current traffic but will ensure proper aesthetic for the entry point into the future GOP. Finally, the CRA is requesting a management fee for the significant amount of staff time devoted to coordinating activities needed to bring the project to fruition.

**Original Uses of Funds:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of Roads, Utilities, Etc.</td>
<td>$6,400,000</td>
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<tr>
<td>Engineering &amp; Architectural Fees</td>
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<td>Legal Fees</td>
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<td>Appraisal</td>
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<td><strong>Total Uses of Funds</strong></td>
<td>$10,300,000</td>
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**Original Sources of Funds:**

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<tr>
<th>Description</th>
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<td>Environmental Infrastructure Trust</td>
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<td>Camden County Grant</td>
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<td><strong>Total Sources of Funds</strong></td>
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Revised Uses of Funds:

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<th>Description</th>
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<tbody>
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<td>Loading Dock Relocation</td>
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<td>CRA Management Fee</td>
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Original & Revised Sources of Funds:

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<td>DRPA</td>
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<td><strong>Total Sources of Funds</strong></td>
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Disbursements

The disbursement of ERB funds for due diligence will be based on a cost reimbursement basis with receipt of invoices for the work performed. To date, $215,000 has been disbursed. Disbursement of the surplus funds will be contingent upon receipt and confirmation of the $700,000 funding commitment from the DRPA.

Project Eligibility and Benefits

The project is located within the Employment Opportunity Area per the Strategic Revitalization Plan adopted by the ERB. The project is consistent with the City’s Master Plan and Gateway Redevelopment Plan.

The CSC expansion project will improve the Gateway Redevelopment area, which is a key entrance to the City. CSC has commenced construction of its new 80,000 sf building, which will create construction jobs, generate additional property taxes and, most importantly, retain CSC’s 1,200+ jobs in the City of Camden. CSC’s investment in the project will exceed $72 million and is expected to be completed by the first quarter 2010.
The project is eligible for funding under the ERB’s general criteria for project financing (#1 a, b, c, d) and priority objectives (#2 a, c, d, e). There are sufficient funds available for this $2,300,000 non-recoverable infrastructure grant request through the Demolition and Redevelopment Financing Fund established by the Act. Further, the project is eligible for assistance under the ERB Guide to Program Funds project assistance guideline #4, which provides grants for infrastructure projects (for installation of utilities, sewers, roads, streetscape, sidewalks and related improvements) which may be funded up to 100% of total project costs not to exceed $5 million per request.

**Recommendation**

Staff has reviewed the modifications for consistency with the Act and the Strategic Revitalization Plan adopted by the Board at its June 20, 2003 meeting. The project meets the eligibility and statutory requirements and will enhance the overall revitalization of Camden.

The Members of the ERB approved this modification at its meeting on August 18, 2009. Accordingly, The Members of the Authority are asked to approve the funding authorization for the modification to the $2,300,000 non-recoverable infrastructure grant to the Camden Redevelopment Agency (“CRA”).

Prepared By: Laura Wallick, Regional Director
TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

RE: Heart of Camden - P16954
Environmental Mitigation and Landscape Master Plan - Phase I

Request

The Members of the Authority are asked to approve a modification to extend the grant term to December 31, 2009 for the $1,150,000 non-recoverable infrastructure grant to the Heart of Camden (“HOC”) to fund Phase I of the Environmental Mitigation and Landscape Master Plan (“EMLMP”) for the Waterfront South neighborhood of Camden.

Background

On February 28, 2006, the Members approved the $1,150,000 non-recoverable infrastructure grant to HOC to fund Phase I of the EMLMP and on December 16, 2008, the Members approved a modification to extend the grant term to May 31, 2009.

The Camden Waterfront South Restoration Project (“Project”) is a multi-year effort to restore the historic Waterfront South neighborhood (“neighborhood”) while addressing the issues that have caused its decline. Several non-profits, the City of Camden (“City”) and State are working with the citizens of Waterfront South to improve the quality of life for residents while mitigating the effects of Waterfront South’s industrial neighborhoods.

The project implements Phase I of a comprehensive three-phase EMLMP that will total over $3.5 million. The EMLMP will help revitalize the South Camden community. The EMLMP involved identifying specific sources of a particulate matter in the neighborhood and using best practices in landscape design to mitigate the effects. The effort was comprised of three main areas of focus: 1) creating buffers between residential and industrial users; 2) vegetating vacant lots; and 3) increasing planting cover on walls and roofs, and creating sinks to absorb swirling particulate matter from poorly maintained roadways.
Originally, HOC planned to work with the City and the Camden Redevelopment Agency (“CRA”) to identify the ownership status of land parcels to be landscaped and to coordinate a streamlined process for implementation. However, HOC has been administering these activities independently. HOC will continue to oversee the administrative duties and project management of the implementation of Phase I of EMLMP.

HOC hired LGA Engineering, Inc. to perform the architectural and engineering services for the EMLMP. LGA is subsidiary of Birdsall Services Group, which assisted Vita Nuova LLC and Hudson & Pacific on the initial concept and development of the EMLMP. LGA was responsible for architectural and engineering services including design and development of comprehensive plans and specifications for the EMLMP. More specifically, these services include construction administration, construction documents, schematics, maintenance plan, design development, permitting, site/utility surveys, and other general environmental services.

**Project Summary and Update**

The EMLMP is a comprehensive pilot plan consisting of linear buffers between the neighborhood and industry, streetscaping along key routes throughout the community, as well as landscaping of open space within the core residential neighborhood. The project is bounded by Atlantic Avenue to the north, I-676 to the east, Ferry and Jefferson Streets to the south and west to the Delaware River.

Phase I of III Phases of the EMLMP provides a basis for long-term improvement to the restoration of this area. Phase I includes 1) 100% linear tree buffers between the neighborhood and industry to the west and consists of using trees and shrubs to maximize the effectiveness of visual screen and air purification capability of sloped areas and also the maintenance for a period of 2 years; 2) streetscape construction on Ferry Avenue between Broadway and 4th Streets which involves concrete and curb removal, installing new curbs and sidewalks, mulching, installing shrubs and lighting; and 3) 20% of the open space construction planned for the Delaware-Atlantic Greenway Millenium Trail, which includes planting various trees and shrubs, removing existing trees and vegetation, seeding, earth work, fencing, lighting, installing benches and trellises and paving.

To date, all architectural and engineering plans, property permissions and agreements, landscaping and streetscaping have been complete. The final component is the greencaping of the open space, which was expected to be completed by May 31, 2009. HOC was unable to complete this final portion of Phase I due to the timing in securing orders and installations of lighting fixtures from PSE&G. In trying to ensure that every part of each open space project would be completed concurrently, including lighting, commencement was delayed. The fixtures have been ordered and the installation is pending scheduling with PSE&G. In spite of this setback, HOC continues to follow a rigorous work schedule to ensure timely and comprehensive environmental restoration, construction and planting continue to be executed in a timely manner with respect to start time and project management will continue until the lighting fixtures are
installed. The total project cost remains at $1,350,000. HOC is requesting that the grant agreement be extended to December 31, 2009 to allow for the completion of Phase I of the EMLMP.

**Uses of Funds**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
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<tbody>
<tr>
<td>$619,616</td>
<td>Linear Buffer Construction</td>
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<tr>
<td>239,120</td>
<td>Streetscape Construction</td>
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<tr>
<td>196,512</td>
<td>Open Space Construction</td>
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<tr>
<td>188,751</td>
<td>Project Management Fees</td>
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<tr>
<td>106,001</td>
<td>Architectural Fees</td>
</tr>
<tr>
<td>$1,350,000</td>
<td>Total Uses of Funds</td>
</tr>
</tbody>
</table>

**Sources of Funds**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,150,000</td>
<td>Camden ERB non-recoverable infrastructure grant</td>
</tr>
<tr>
<td>100,000</td>
<td>Camden County Municipal Utilities Authority</td>
</tr>
<tr>
<td>75,000</td>
<td>Sacred Hearth Cathedral</td>
</tr>
<tr>
<td>25,000</td>
<td>South Jersey Port Corporation</td>
</tr>
<tr>
<td>$1,350,000</td>
<td>Total Sources of Funds</td>
</tr>
</tbody>
</table>

**Security and Repayment**

The NJEDA will not require security or repayment of the ERB funds because the funding is a non-recoverable grant. As previously required, the NJEDA has received the Letter of Credit and Performance/Maintenance Bond from Newfield National Bank for Bud Concrete, the tree vendor, for two years.

**Disbursement of Funds**

The ERB funding has been disbursed in tranches. The initial tranche was used to implement the linear buffering throughout the industrial areas. The second tranche has been disbursed for the residential streetscaping. The third tranche of funding will be disbursed for vegetating lots and planting wall coverings. ERB funds have been disbursed based on submission of invoices submitted by HOC, of which 10% is withheld for each tranche, until receipt of satisfactory inspection and sign-off by the architect. Each component of Phase I had to be completed prior to disbursement for the next component. To date, the ERB has disbursement a total of $922,741.

**Recommendation:**

Staff has reviewed the modification for consistency with the Act, the Master Plan and the Strategic Revitalization Plan adopted by the Board at its June 20, 2003 meeting. The project meets the eligibility and statutory requirements and will enhance the overall revitalization of the City of Camden.
The Members of the ERB approved this modification at its meeting on August 18, 2009. Accordingly, the Members of the Authority are asked to approve the extension of the grant term to December 31, 2009 for the $1,150,000 infrastructure grant to the Heart of Camden (“HOC”) to fund Phase I of the Environmental Mitigation and Landscape Master Plan (“EMLMP”) for the Waterfront South neighborhood of Camden.

Prepared By: Vivian Pepe, Business Development Officer
TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

RE: Oasis Housing, LLC
Oasis I - Sycamore Street Housing Project - P20890

The Members of the Authority are asked to approve a modification to the scope of the project and to extend the term of the $360,000 soft loan commitment to Oasis Housing, LLC ("Oasis Housing") until October 31, 2010. The ERB soft loan will be used for permanent financing of the six market rate units of the Sycamore Street Housing Project in the Gateway Neighborhood.

Background

On March 25, 2008 the Members of the Economic Recovery Board approved a $360,000 soft loan to Oasis Housing and on April 8, 2008, the NJEDA Board approved the funding authorization. At the time of approval, the project, Oasis Housing, LLC’s Oasis I - Sycamore Street Housing Project ("Oasis I") consisted of eight units including six market rate townhomes two units of affordable housing. The 8 units were to be three-story townhomes with 3 bedrooms, 2.5 bathrooms with a first floor garage and an additional off-street parking space in the driveway. The construction was to be stick built frames, backyards and exteriors with a combination brick and siding. The project was to be built on ten lots of which nine were owned by the Camden Redevelopment Agency ("CRA") while the remaining lot was owned by A Better Camden Corporation ("ABC"), a non-profit subsidiary of the New Jersey Housing and Mortgage Finance Agency. The purpose of the ERB loan was to subsidize the six market rate units.

All structures were demolished and environmental remediation was initiated due to discarded drums at the site. Completion of the site remediation was targeted for Spring 2008, after which the issuance of a No Further Action ("NFA") letter was anticipated with construction to commence by Summer 2008 and completed by late Spring 2009. By the end of Summer, 2009, all units were expected to be sold.
Project Update

The scope of the project changed and will now include the acquisition of twenty properties instead of the original ten and the development of ten units versus the original eight. Eight units will be two-story townhouses with each having 1,700 square feet of living area, 3 bedrooms, 2.5 bathroom, 1 car garage and 2 off-street parking spaces in the rear. Two of the eight units will be priced at 72% of area median income and six units will be Emerging Market Units. The remaining two units will be side-by-side duplexes with each having 1,400 square feet of living area, 3 bedrooms, 1.5 bathrooms, and 2 off-street parking spaces in the rear. One unit will be priced at 45% of area median income and the other at 55% of area median income.

The proposed sales prices range from $74,000 to $90,000. Supported by the neighborhood’s recent comparables, sales prices for 3 bedroom units with 1 to 1.5 bathrooms range from $75,000 to $100,000.

Once completed, the units will be sold to eligible applicants through the Saint Joseph’s Carpenter Society home ownership program. All homeowners will be required to attend one-on-one counseling sessions with mortgage counselors and attend the Campbell Soup Homeowner Academy. The owners of these homes would be eligible for the City’s tax abatement programs. New Jersey Housing and Mortgage Finance Agency (HMFA) requires that all units funded by them have deed restrictions up to 15 years.

Environmental remediation is on-going and nearing completion. All testing has been completed and the lab results represent that all contaminated materials have been excavated. Some material is still stockpiled on the site and will be removed. Compaction is on-going and all remedial activities are scheduled to be completed within the next few weeks. At that point, the contractor and consultant will be seeking a No Further Action letter from NJDEP. Closing on the construction financing is anticipated in August 2009 and construction is expected to begin in September, 2009. The timing of these events are dependent on the letter from DEP.

Security and Repayment

The ERB will file a third mortgage on the ERB funded properties behind the home buyer’s first purchase money mortgage with a lender and the second mortgage with HMFA. For units sold within the first year of the purchase, ERB will receive 100% of the net sales proceeds. This amount declines annually by 10% for units sold after the first year through the end of Year Ten. After Year Eleven, ERB will not receive any of the net sale proceeds. The ERB will not be utilizing the same formula as HMFA because theirs is on a 15-year schedule. ERB's mortgage will be subordinate to the first purchase money mortgage and the HMFA mortgage, all of which will or may be executed contemporaneously.
Disbursement of Funds

The ERB funds will be disbursed to Oasis Housing, LLC after the completion of the construction of the project and upon issuance of all of the permanent Certificates of Occupancies.

Recommendation

Staff has reviewed the modification for consistency with the Act and the Strategic Revitalization Plan adopted by the Board at its June 20, 2003 meeting. The project meets the eligibility and statutory requirements and will enhance the overall revitalization of Camden.

The Members of the ERB approved this project at its meeting on August 18, 2009. Accordingly, the Members of the Authority are asked to approve the modification to the scope of the project and to extend the term of the $360,000 soft loan commitment to Oasis Housing, LLC (“Oasis Housing”) until October 31, 2010.

Prepared By: Vivian Pepe, Business Development Officer
TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

RE: Puerto Rican Unity for Progress (PRUP)
Public Purpose Grant
P018785

Request
The Members of the Authority are asked to approve the funding authorization of PRUP’s request for the $705,000 balance of their $1,000,000 Public Purpose Grant to fund the permanent financing on their new facility once the project is completed. The Members are also requested to approve the extension the Public Purpose Grant until June 30, 2010 to reflect the anticipated final certificate of occupancy. Funds will be provided from the Demolition and Redevelopment Financing Fund established through the “Municipal Rehabilitation and Recovery Act” (“Act”).

Background
On July 24, 2007, the members approved a $297,000 non-recoverable infrastructure grant to PRUP to fund environmental activities and infrastructure improvements on 9 parcels of vacant land owned by the City of Camden for the development of an 8,940 s.f. state of the art facility to be used by the organization to operate its social service programs. PRUP is currently located at 427 Broadway and will be relocated as a result of the expansion of Cooper University Hospital (“Cooper”) and the construction of a school of medicine by Cooper and Rowan University. At the time of approval, it was anticipated that if the project advanced, PRUP would return to the ERB to request additional funds up to $1 million under a public purpose grant to fund a portion of the permanent financing on the project.

On January 22, 2008, the Members approved a modification to convert the $297,000 non recoverable infrastructure grant to a $295,000 public purpose grant for PRUP to fund pre-development activities including environmental work, land acquisition, as well as for architectural and engineering services and legal fees associated with the project.

On May 27, 2008, the Members approved an extension to the grant agreement to June 30, 2009.
Project Applicant

PRUP is a 501 (c) (3) nonprofit entity incorporated in 1976. PRUP provides case management services to residents of Camden by offering access to goods and services through the direct provision of information, referral, advocacy, transportation, interpretation and translation services. PRUP also offers a Youth Service and Resource center which provides computer training for youth, work readiness for 14 – 15 year olds, arts and crafts and violence prevention programs to 9 – 18 year olds. It assists over 8,000 individuals annually.

Carmen Perez, the Executive Director, has almost 30 years of providing social services to the Latino community in Camden. Under her leadership, PRUP rapidly rose to become one of the premiere social service agencies across the State. PRUP is the only multi-service agency servicing residents of all ages and ethnicities with special emphasis on the Hispanic community.

PRUP receives most of its funding through government grants used to provide the multitude of services referenced above. Audited financial statements indicate PRUP’s funding sources remained at the same levels for 2007 and 2008, $459,540 and $389,448 respectively. The disparity in the two years is attributed to the timing of the grant approvals and receipt of funds. Funding levels for 2009 are $494,541. In 2009, there was a 10% reduction in funding from DCA, but all other source levels remained level. This was an across the board reduction for all agencies receiving grant funding from DCA.

Under the leadership of Ms. Perez, PRUP continues to seek further funding sources and succeeded in acquiring two new sources totaling an additional $73,000. She also plans to revive two former programs on a fee basis, English as a Second Language (ESL) and an adult computer literacy class to help assist the residents in the community. The new location will provide 3 classrooms that can be used for education programs. PRUP will also be looking to initiate an afterschool program.

Project Update

PRUP has completed the pre-development work, including environmental activities, infrastructure improvements, architectural and legal fees, at the project site and as expected is now requesting the remaining $705,000 balance of the $1,000,000 Public Purpose grant to fund a portion of the permanent financing of the completed project.

PRUP recently sold its headquarters located at 425-427 Broadway where it occupied two adjacent two story 3,600 sq. ft. buildings totaling 7,200 sq. ft. The project site is located between Broadway and Ramona Gonzales (Division) Streets. PRUP has purchased 11 parcels of vacant land from the City of Camden. Originally, the plan was to purchase 9 parcels, but to better accommodate the building, the decision was made to add the additional parcels. The new facility will consist of an 8,940 sq. ft., two story brick building, with 13 rooms providing office, training and community meeting space. The construction budget is $3,125,000.

PRUP hired Cooper’s Ferry Development Association (CFDA) in the early stages of the project, which resulted in a contract with The Archi-Tecto Studio, LLC, from Blackwood, in April, 2008, to design the building and establish the construction budget. Soon after, PRUP hired Armand Corporation, a Cherry Hill company to replace CFDA and manage the project.
## Proposed Budget

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Land Acquisition</td>
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<td>Preliminary Assessment</td>
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<td>Site Investigation</td>
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<td>Construction Financing Fees</td>
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<td>Title Searches and Recording</td>
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<td>Title Construction Drawdowns</td>
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<td>Legal</td>
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<td>Insurance</td>
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<td>Architect &amp; Engineer</td>
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<td>Permits</td>
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<td>Pre-Construction Services</td>
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<td><strong>Total Preliminary Design and Engineering</strong></td>
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<td><strong>TOTAL PREDEVELOPMENT PHASE COST</strong></td>
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<td>Engineer</td>
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<td>Removal of Foundations and Footings</td>
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<td>Soil Removal and Back-Fill</td>
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<td>Building Construction and Site Improvements</td>
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<td>Permits</td>
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<td>Utility Connection Fees</td>
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<td><strong>Soft Cost during Construction</strong></td>
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<td>Contingency</td>
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<td>Planning Board Escrow Fees</td>
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<td><strong>TOTAL CONSTRUCTION PHASE COST</strong></td>
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<td><strong>TOTAL DEVELOPMENT COST</strong></td>
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Permanent Sources of Funds

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<tr>
<th>Source</th>
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<tr>
<td>ERB</td>
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<tr>
<td>PRUP Equity</td>
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<tr>
<td>DRPA</td>
<td>$1,125,000</td>
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<tr>
<td>UEZ</td>
<td>$200,000</td>
</tr>
<tr>
<td>TOTAL SOURCES OF FUNDING</td>
<td>$3,125,000</td>
</tr>
</tbody>
</table>

The EDA has received confirmation of the DRPA and UEZ grant funding in support of the project and bank statements evidencing PRUP’s equity contribution. CRA is working with DRPA to use the committed funds during the construction phase. PRUP is also negotiating with TD bank for construction financing to bridge the gap until this Public Purpose Grant can be disbursed after the completion of construction and the issuance of a Certificate of Occupancy.

Contingencies

Closing of ERB financing will be contingent upon:
1. Confirmation that DRPA funds are available during the construction phase of the Project.
2. Confirmation of funding source to cover the $705,000 gap in construction budget.
3. Receipt of a permanent certificate of occupancy.
4. PRUP paying property taxes on the properties for a minimum of ten (10) years, commencing on the date of closing on ERB’s financing or entering into an Annual Service Charge Agreement with the City of Camden.

Security and Repayment

The ERB grant will be secured by a performance mortgage, of which 10% will be forgiven each year over a ten-year period, provided PRUP operates the facility as stated.

Project Eligibility and Benefits

The project advances the goal of the Strategic Revitalization Plan, is consistent with the City’s Master Plan, and meets the requirements of a revitalization project.

The project will create a state of the art community and training center. The new facility will expand the availability of office space on Broadway, secure a resident friendly accessible location and expand the quality of service. This project will renew the Broadway area and allow for the expansion of Cooper Hospital and the establishment of the new medical school campus for Rowan University.

PRUP expects to hire 5 additional employees to its current workforce of 12. Two youth instructors, two assistant youth instructors and 1 van driver will be need at the new facility.

This project is eligible for funding under the ERB’s general criteria for project financing (#1a, b, c and d) and priority objectives (2b, c, d and e). There are sufficient funds available for this Public Purpose Grant request through the Demolition and Redevelopment Financing Fund established by the Act.

Pursuant to the ERB Guide to Program Funds guideline #9, public purpose projects may be
funded up to 50% of total project costs not to exceed $1 million per request. A public purpose project shall be a project that addresses a documented public need with a likelihood of timely and demonstrable benefits for residents, a neighborhood or other area or for the municipality in general. The project may be privately or publicly sponsored. The project scored 35 points of the possible 45 for the public purpose grant.

**Recommendation:**
Staff has reviewed the application for consistency with the Act and the Strategic Revitalization Plan. It meets all eligibility and statutory requirements and will be an important element in the revitalization of the City of Camden.

The Members of the ERB approved this project at its meeting on August 18, 2009. Accordingly, the Members of the Authority are asked to approve the funding authorization of PRUP’s request for the $705,000 balance of their $1,000,000 Public Purpose Grant to fund the permanent financing on their new facility once the project is completed. The Members of the Authority are also requested to approve the extension the Public Purpose Grant until June 30, 2010 to reflect the anticipated final certificate of occupancy. Funds will be provided from the Demolition and Redevelopment Financing Fund established through the “Municipal Rehabilitation and Recovery Act” (“Act”).

Prepared By: Vivian Pepe, Business Development Officer
PETROLEUM UNDERGROUND STORAGE TANK PROGRAM
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini  
Chief Executive Officer

DATE: September 8, 2009

SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

Private Grants:
Prevost Enterprises, LTD. .......................................................... $102,440

Total UST funding for September 2009. ........................................... $102,440

Prepared by: Lisa Petrizzi
APPLICANT: Prevost Enterprises, LTD

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 512 Roseville Ave. Newark City (T/UA) Essex

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

APPLICANT BACKGROUND:
Prevost Enterprises, LTD, owned by David Prevost, is the owner of the project site which is a former service station. The applicant received a grant in October 1999 in the amount of $142,274 under P11212 and a grant in December 2001 in the amount of $107,726 under P11212s to upgrade, close and remediate two 10,000 gallon underground storage tanks (USTs). The tanks were decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible, to perform additional soil investigation and initiate a groundwater investigation.

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

APPROVAL REQUEST:
The applicant is requesting grant funding in the amount of $102,440 to perform the approved scope of work at the project site, for a total funding to date of $352,440.

The NJDEP oversight fee of $10,244 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:
GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $102,440

TERMS OF GRANT: No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
<td>NJDEP oversight cost</td>
<td>$10,244</td>
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<tr>
<td>EDA administrative cost</td>
<td>$500</td>
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<td><strong>TOTAL COSTS</strong></td>
<td><strong>$113,184</strong></td>
</tr>
</tbody>
</table>

APPROVAL OFFICER: L. Petrizzi
TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 08, 2009

SUBJECT: Petroleum Underground Storage Tank Program - Delegated Authority Approvals
(For Informational Purposes Only)

Pursuant to the Boards approval on May 9, 2006, the Chief Executive Officer ("CEO") and Sr. Vice-President ("SVP") of Operations 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 Program Services for the period August 01, 2009 to August 31, 2009.

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Description</th>
<th>Grant Amount</th>
<th>Awarded to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbate, Christian and Dana (P27514)</td>
<td>Initial grant for upgrade, closure and remediation</td>
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<td>Brown, Rodney and Allison (P27295)</td>
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<td>Codling, Charles (P26983)</td>
<td>Initial grant for site remediation</td>
<td>$40,110</td>
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<td>Connel, Shirley A. (P27638)</td>
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<tr>
<td>Applicant</td>
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<tr>
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<tr>
<td>Coto, Nancy (P26745)</td>
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50 Grants

Total Delegated Authority funding for Leaking applications. $1,102,573

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<td>$2,600</td>
</tr>
<tr>
<td>Lawlor, James and Jeannie (P27914)</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>Lee, Richard A. and Suzanne (P28009)</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>Lefaucheur, Marcel and Lori (P27759)</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>Leiderman, Norman and Barbara (P27595)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Lions, Robert D. (P27585)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Liuzzi, Richard T. and Roberta (P27779)</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>Loschiavo, Michael and Marisol P. (P27689)</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>Lutz, Bretton and Donna J. (P27708)</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>MacDonald, Fred and Wendy (P27575)</td>
<td>50% grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Marin, Mery Y. and Antury, Freddy (P27900)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,502</td>
<td>$2,502</td>
</tr>
<tr>
<td>Marrero, Ralph and Susan (P27842)</td>
<td>50% grant to remove an underground storage tank</td>
<td>$600</td>
<td>$600</td>
</tr>
<tr>
<td>Martins, Joao M. and Sharon E. (P27911)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,678</td>
<td>$2,678</td>
</tr>
<tr>
<td>Martone, Mafalda (P27127)</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>McGauley, Michael (P27475)</td>
<td>50% grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$1,017</td>
<td>$1,017</td>
</tr>
<tr>
<td>McKay, George (P28080)</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>
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<tr>
<td>McKinnon, Christine (P27711)</td>
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<td>$2,100</td>
<td>$2,100</td>
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<tr>
<td>McTigue, Robert and Ann (P28023)</td>
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<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Medici, Francis J. and Janice R. (P27920)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
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<tr>
<td>Monarque, Kenneth M. and Julia A. (P27642)</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>Moore, William and Karin (P27726)</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>Applicant</td>
<td>Description</td>
<td>Grant Amount</td>
<td>Awarded to Date</td>
</tr>
<tr>
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<td>-----------------</td>
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<tr>
<td>Natale, Paul and Sandra (P27571)</td>
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<td>$3,000</td>
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<td>Nayman, Aaron and Shaindy (P27801)</td>
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<tr>
<td>Neidorff, Mark and Merri (P27622)</td>
<td>Grant to remove an underground storage tank</td>
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<td>$1,200</td>
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<td>Newman, Virginia M. (P27521)</td>
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<td>$2,800</td>
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<tr>
<td>O'Brien, Gerald and Jeanette (P27846)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
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<td>$3,000</td>
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<td>Otroshina, Joseph and Ann K. (P27473)</td>
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<td>$2,474</td>
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<td>Palsgrove, Scott (P27581)</td>
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<td>$3,000</td>
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<tr>
<td>Pantone, Thomas J. and Linda M. (P27923)</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>Parciaspe, Al and Frances (P27746)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Parrillo, Frank and Catherine (P27848)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,889</td>
<td>$2,889</td>
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<tr>
<td>Passerini, John and Jennifer (P27901)</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>Percy, William A. and Elizabeth (P27879)</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>
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<tr>
<td>Petren, Charles P. and Mary E. Barbes (P28014)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,988</td>
<td>$2,988</td>
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<tr>
<td>Petzinger, Kenneth F. and Mary Alice (P27723)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,993</td>
<td>$2,993</td>
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<tr>
<td>Pfeil, Paul and Jaymi (P27735)</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>Platt, Donald J. (P27976)</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>Poleschuk, Boris and Nellie</td>
<td>Grant to remove an underground storage tank</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Applicant</td>
<td>Description</td>
<td>Grant Amount</td>
<td>Awarded to Date</td>
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<tr>
<td>------------------------------------------</td>
<td>------------------------------------------------------------------</td>
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<tr>
<td>(P27857)</td>
<td>storage tank and install an above ground storage tank</td>
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<td></td>
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<tr>
<td>Pomykola, Kathleen (P27057)</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>Rambo, Joyce (P27843)</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>Reed, John and Robin (P28061)</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>Restuccia, Anthony P. and Jane (P27739)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Riley, Ann I. (P27840)</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>Roberts, Christine and Douglas (P28008)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,400</td>
<td>$2,400</td>
</tr>
<tr>
<td>Rumain, Vincent and Navarro (P27878)</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Schiedlo, Jonathan G. and Christine E. (P27772)</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>Schimpf, Audrey B. (P27909)</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>Schoen, Pauline (P27903)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,729</td>
<td>$2,729</td>
</tr>
<tr>
<td>Schuckman, Marsha (P27527)</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>Schwartz, Mel and Lorraine (P28086)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,809</td>
<td>$2,809</td>
</tr>
<tr>
<td>Scotto, Gloria and Thomas (P27930)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,200</td>
<td>$2,200</td>
</tr>
<tr>
<td>Shephard, Sallie (P27489)</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>Sincavage, Stephanie and Joe (P27635)</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>Sink, Karen and Brad (P27912)</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>
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<td>-----------------</td>
</tr>
<tr>
<td>Sinnott, Jennifer and Raymond (P27969)</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>Sloat, Gary (P27747)</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>Smith, Timothy Crane and Blake Frizzell (P27716)</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>Smith, Viola (P27617)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,787</td>
<td>$2,787</td>
</tr>
<tr>
<td>Spack, Sherry (P28065)</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>Struble, Meg M. (P27652)</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>Sweet, Susan and David (P27720)</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>Tatesure, Vincent J. and Marie G. (P27769)</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>Toscano, Richard and Lenore (P27777)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,709</td>
<td>$2,709</td>
</tr>
<tr>
<td>Touhill, Margaret V. (P27968)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,950</td>
<td>$2,950</td>
</tr>
<tr>
<td>Toye, Zoe A. (P27832)</td>
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<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Verbisky, James and Diane (P27770)</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>Vignone, Ronald and Ellen (P26610)</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,247</td>
<td>$2,247</td>
</tr>
<tr>
<td>Vlossak, Mark and JoAllyn (P27978)</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>Ward, Christopher (P27355)</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>Webb, Barry R. and Nancy A. (P27765)</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>Wianecki, David R. and</td>
<td>Grant to remove an underground storage tank and install an above ground storage tank</td>
<td>$2,809</td>
<td>$2,809</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>Yolanda E. (P28019)</td>
<td>storage tank and install an above ground storage tank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wisniewski, Richard G. and</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>Ann Marie (P27443)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Wrobel, Joseph and Rosemary</td>
<td>Grant to remove an underground storage tank</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>(P27831)</td>
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<td></td>
</tr>
</tbody>
</table>

140 Grants

| Total Delegated Authority       | $341,849                                                                 |
| funding for Non-Leaking         | applications.                                                            |
| applications.                   |                                                                        |

*This amount includes grants approved previously by the Board and this award does not exceed the supplemental aggregate limit.

Prepared by: Lisa Petrizzi, Finance Officer
HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

SUBJECT: Hazardous Discharge Site Remediation Fund Program

The following municipal and private projects have been approved by the Department of Environmental Protection for a grant to perform remedial investigation and remedial action activities. The scope of work is described on the attached project summaries.

**Municipal Grant:**
City of Gloucester City (Gloucester Titanium Site) ................................................................. $434,025
Borough of Somerville (Somerville Landfill) ................................................................. $2,138,292

**Private Loan:**
Frank Graafisma ................................................................................................................. $88,555

Total HDSRF funding for September 2009 .................................................................. $2,226,847

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

APPLICANT: City of Gloucester City (Gloucester Titanium Site)  P26358
PROJECT USER(S): Same as applicant  *
PROJECT LOCATION: Water Street Gloucester Township (T/UA) Camden

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

APPLICANT BACKGROUND:
The project site, identified as Blocks 110 and 120; Lots 1,10-13,18 & 19; and Lot 1 is a former processing facility of titanium dioxide ore which has potential environmental areas of concern (AOC's). The City of Gloucester has received a Brownfields Development Area (BDA) designation from the NJDEP. The City intends to acquire the project site and has satisfied Proof of Site Control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed-use.

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

APPROVAL REQUEST:
The City of Gloucester is requesting grant funding to perform RI in the amount of $434,025 at the former Gloucester Titanium Site.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT $434,025
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Remedial investigation</td>
<td>$434,025</td>
</tr>
<tr>
<td>NJDEP oversight cost</td>
<td>$43,403</td>
</tr>
<tr>
<td>EDA administrative cost</td>
<td>$500</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$477,928</strong></td>
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</tbody>
</table>

APPROVAL OFFICER: L. Petrizzi
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Borough of Somerville (Somerville Landfill) P28140

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

PROJECT LOCATION: Route 206 Somerville Borough (T) Somerset

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

APPLICANT BACKGROUND:
Borough of Somerville received a grant in the amount of $297,045 in November 2006 under P17401 and a grant in the amount of $209,843 in July 2007 under P17977 to perform Remedial Investigation (RI) activities at the project site. The project site, identified as Block 124, Lots 1 & 21 is a former sanitary landfill which has potential environmental areas of concern (AOC's). The Borough of Somerville currently owns the project site and has satisfied Proof of Site Control. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for commercial re-use as outlined in the Borough's site specific redevelopment plan.

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

APPROVAL REQUEST:
The Borough of Somerville is requesting supplemental grant funding to perform RI in the amount of $2,138,292 at the Somerville Landfill project site, for a total funding to date of $2,645,180.

FINANCING SUMMARY:
GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $2,138,292

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remedial investigation</td>
<td>$2,138,292</td>
</tr>
<tr>
<td>NJDEP oversight cost</td>
<td>$213,830</td>
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<tr>
<td>EDA administrative cost</td>
<td>$500</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td><strong>$2,352,622</strong></td>
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</tbody>
</table>

APPROVAL OFFICER: L. Petrizzi
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIATION PROGRAM

APPLICANT: Frank Graafsma

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 90 5th Avenue

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

APPLICANT BACKGROUND:
Frank Graafsma formerly owned and operated Frank's 5th Avenue Auto Repair, a gas service station located at 90 5th Avenue in Hawthorne. The company has been dissolved and the property has been vacated. Mr. Graafsma is seeking to sell the real estate; however, it is in need of remedial investigation and action. DEP has reviewed the project and determined that Mr. Graafsma is technically eligible for a $88,555 HDSRF loan.

APPROVAL REQUEST:
Approval is recommended for a $88,555 HDSRF loan as proposed.

FINANCING SUMMARY:
LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: $88,555

TERMS OF LOAN: 3 years with no payments required. Interest to be accrued and capitalized with payment in full due upon maturity or sale of the property.

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remedial Action</td>
<td>$88,555</td>
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<tr>
<td>NJDEP oversight cost</td>
<td>$8,855</td>
</tr>
<tr>
<td>EDA administrative cost</td>
<td>$1,500</td>
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</table>

TOTAL COSTS: $98,910

APPROVAL OFFICER: S. Brady
TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

SUBJECT: Hazardous Discharge Site Remediation Fund - Delegated Authority Approvals
(For Informational Purposes Only)

Pursuant to the Board’s approval on May 9, 2006, the Chief Executive Officer (“CEO”) and Sr. Vice-President of Operations (“SVP”) have been given the authority to approve initial grants under the Hazardous Discharge Site Remediation Fund and Petroleum Underground Storage Tank programs up to $100,000 and supplemental grants up to an aggregate of $100,000.

Below is a summary of the Delegated Authority approval processed by the Division of Program Services for the month of August 2009.

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Description</th>
<th>Grant</th>
<th>Awarded to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better Way Development Co., LLC P27312</td>
<td>25% matching grant to perform remediation action to achieve an unrestricted/limited restricted re-use classification</td>
<td>$2,569</td>
<td>$2,569</td>
</tr>
<tr>
<td>Highland Park Borough (Environmental Center) P26735</td>
<td>Initial grant to perform remedial investigation to redevelop as an environmental center</td>
<td>$44,721</td>
<td>$44,721</td>
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<tr>
<td>City of Linden (United Lacquer) P27310</td>
<td>Supplemental grant to perform remedial investigation to redevelop for industrial use</td>
<td>$29,095</td>
<td>$376,535</td>
</tr>
<tr>
<td>Carol Walerski P27324</td>
<td>25% matching grant to perform remediation action to achieve an unrestricted/limited restricted re-use classification</td>
<td>$6,592</td>
<td>$6,592</td>
</tr>
<tr>
<td><strong>4 Grants</strong></td>
<td><strong>Total Grant Funding for August 2009</strong></td>
<td><strong>$82,977</strong></td>
<td></td>
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</tbody>
</table>

Prepared by: Lisa Petrizzi, Sr. Finance Officer
APPLICANT: The Talk Market, Inc.

PROJECT USER(S): Same as applicant

PROJECT LOCATION: One Gateway Center Newark City (T/UA) Essex

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

APPLICANT BACKGROUND:
The Talk Market was formed in August 2007 by Matt Singer and Amanda Eilian to help businesses of all sizes utilize video as a selling tool for online sales. Video is viewed as a very powerful tool that increases the likelihood of converting leads into sales or an aid to increase engagement with others. Through the development of its VideoSKU software, the Company can offer the product two different ways: 1) Terminal based or 2) Server based. The Terminal based version was developed for use by large corporations who are looking to utilize video to accentuate their Web site, but creating high volumes of short videos. The Server based version is meant for small businesses and individuals who want to make a professional video for a low cost. The software is able to create automated produced videos of professional quality based on algorithms.

The Talk Market closed a $250,000 loan (P23555) in December 2008. The loan has performed as required.

APPROVAL REQUEST:
Approval of a $750,000 term loan under the Edison Innovation Commercialization Fund.

FINANCING SUMMARY:
LENDER: NJEDA
AMOUNT OF LOAN: $750,000
TERMS OF LOAN: Fixed Rate of 5%
Moratorium of principal and interest for initial nine months
Interest Only for three months
Principal and Interest for 48 months

PROJECT COSTS:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td>Growth Capital</td>
<td>$750,000</td>
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<tr>
<td>Finance fees</td>
<td>$1,875</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td>$751,875</td>
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</table>

JOBS: At Application 3 Within 3 years 20 Maintained 0 Construction 0

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

APPLICANT: ACE American Insurance Company and affiliates

PROJECT LOCATION: To be determined

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
ACE American Insurance Company, Westchester Fire Insurance Company and INAMAR Insurance Underwriting Agency, Inc., ("ACE Affiliates") are wholly owned indirect subsidiaries of ACE Limited ("ACE"), which is now headquartered in Zurich, Switzerland, and together with its direct and indirect subsidiaries are a global insurance and reinsurance organization, with operating subsidiaries in more than 50 countries serving the needs of commercial and individual customers in more than 140 countries with approx. 15,000 employees. ACE serves the property and casualty (P&C) insurance needs of businesses of all sizes in a broad range of industries. ACE also provides specialized insurance products – such as personal accident, supplemental health and life insurance to individuals in select countries. Its reinsurance operations include both P&C and life companies. The Company is economically viable.

MATERIAL FACTOR:
The ACE Affiliates are seeking a BEIP grant to support creating 336 jobs due to the relocation of jobs from the Applicants New York City offices and additional growth. The leases in existing NYC facilities are scheduled to expire in 2010 prompting ACE to explore alternate location options to achieve greater operational efficiencies and cost reductions. Options include properties in New York and New Jersey. Management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the Applicant's decision to relocate to NJ.

APPROVAL REQUEST:
PERCENTAGE: 45%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage ACE American Insurance Company 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: $ 9,706,284
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 131

ELIGIBLE BEIP JOBS: Year 1 336 Year 2 0 Base Years Total = 336

ANTICIPATED AVERAGE WAGES: $139,000

ESTIMATED PROJECT COSTS: $15,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $21,569,520

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $22,647,996

PROJECT IS: ( ) Expansion (X) Relocation NY

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: ( ) Domestic (X) Foreign Switzerland

DEVELOPMENT OFFICER: P. Ceppi
APPROVAL OFFICER: T. Wells
Applicant: ACE American Insurance Company and affiliates

**FORMULA EVALUATION**

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<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
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<td>3. Job at Risk: 0</td>
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<td>4. Industry: finance, insurance &amp; real estate</td>
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<tr>
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<td>5. Leverage: 3 to 1 and up</td>
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<td>6. Capital Investment: $15,000,000</td>
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<td>7. Average Wage: $139,000</td>
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<tr>
<td><strong>TOTAL:</strong></td>
<td>12</td>
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**Bonus Increases (up to 80%):**

- Located in Planning Area I or 2 of the State's Development and Redevelopment Plan: 20%
- Located in Planning Area I 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:** 12 = 40%
- **Construction/Renovation:** 5%
- **Bonus Increases:** 0%
- **Total Score (not to exceed 80%):** 45%
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Asurion Insurance Services, Inc.

PROJECT LOCATION: To Be Determined

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Asurion Insurance Services, Inc. (Asurion), founded in 1994, is the global leader for cell phone and other high technology equipment replacement insurance. The applicant has 10,000 associates worldwide. Asurion’s risk management-equipment replacement insurance programs, customer care, repair & logistics capabilities enable the applicant to replace lost, stolen and damaged wireless handsets, malfunctioning computers or HDTVs the next-day to any address in their country of origin. Asurion provides insurance protection at an affordable price to more than 200 million consumers worldwide. The applicant’s customer base comes from their focus on telecommunication carriers retail distribution channels, partnering with North America’s top 5 nationwide wireless carriers, many regional providers as well as other worldwide wireless companies. In addition, Asurion provides technical and software support needed to keep their electronic devices running smoothly. The applicant is economically viable.

MATERIAL FACTOR:
Asurion is seeking a BEIP grant to support creating an Eastern Regional office with 50 new jobs. Also under consideration is creating the new regional office in Pennsylvania or at the corporate headquarters in Nashville, Tennessee. Management is estimating the capital costs related to setting up the office will exceed $1.5 million. Senior management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant’s decision to expand in NJ.

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 Asurion Insurance Services, 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: $ 642,000
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 6

ELIGIBLE BEIP JOBS: Year 1 50 Year 2 0 Base Years Total = 50

ANTICIPATED AVERAGE WAGES: $90,000

ESTIMATED PROJECT COSTS: $1,525,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $1,605,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $1,765,500

PROJECT IS: (X) Expansion (X) Relocation Nashville, Tn

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: Tennessee

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: P. Ceppi
APPROVAL OFFICER: M. Krug
Applicant: Asurion Insurance Services, Inc.

FORMULA EVALUATION

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<tr>
<th>Criteria</th>
<th>Score</th>
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<td>3. Job at Risk: 6</td>
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<td>4. Industry: Financial services</td>
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<td>Designated: X Non-Designated: ___</td>
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<tr>
<td>5. Leverage: 3 to 1 and up</td>
<td>2</td>
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<tr>
<td>6. Capital Investment: $1,525,000</td>
<td>1</td>
</tr>
<tr>
<td>7. Average Wage: $ 90,000</td>
<td>4</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%
- 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: 10 = 35%
- Construction/Renovation: 5%
- Bonus Increases: 0%
- Total Score (not to exceed 80%): 40%
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Aurobindo Pharma U.S.A., Inc.

PROJECT LOCATION: TBD

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Founded in 1986 and publicly traded in India, Aurobindo Pharma Limited is a manufacturer of bulk active pharmaceutical ingredients and generic pharmaceutical drugs. The company's manufacturing facilities are approved by several leading regulatory agencies such as US FDA, UK MHRA, WHO, Health Canada, MCC South Africa, ANVISA Brazil, and TGA Australia. The company's robust product portfolio is spread over 6 major therapeutic/product areas encompassing antibiotics, anti-retrovirals, CVS (cardio vascular sector), CNS (central nervous system), gastroenterologicals, and anti-allergics, supported by an outstanding R&D initiative. The company is marketing these products globally, in over 100 countries.

Aurobindo Pharma U.S.A., Inc. is considering setting up a second plant in the Northeast U.S. in order to gain FDA approvals for new and additional generic formulations and drugs. The company is economically viable.

MATERIAL FACTOR:
The applicant is seeking a BEIP grant to support creating 50 new positions in New Jersey. 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 locate to New Jersey and therefore to pick New Jersey over Pennsylvania. 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 Aurobindo Pharma U.S.A., 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: $356,481
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 110

ELIGIBLE BEIP JOBS:
- Year 1: 25
- Year 2: 25
- Base Years Total: 50

ANTICIPATED AVERAGE WAGES: $64,316

ESTIMATED PROJECT COSTS: $15,820,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10: $891,202
ESTIMATED NET NEW STATE INCOME TAX - DURING 15: $980,322

PROJECT IS: (X) Expansion ( ) Relocation

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN:

APPLICANT OWNERSHIP: ( ) Domestic (X) Foreign India

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: D. Sucsuz
### FORMULA EVALUATION

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<thead>
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<th>Criteria</th>
<th>Score</th>
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<td>1. Location: Locations Unknown</td>
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<td>2. Job Creation: 50 Targeted</td>
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<td>3. Job at Risk: 110</td>
<td>1</td>
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<td>4. Industry: Pharmaceuticals</td>
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<td>5. Leverage: 3 to 1 and up</td>
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<td>6. Capital Investment: $15,820,000</td>
<td>2</td>
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<tr>
<td>7. Average Wage: $ 64,316</td>
<td>3</td>
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</tbody>
</table>

#### 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:** 11 = 35%
- **Construction/Renovation:** 5%
- **Bonus Increases:** 0%
- **Total Score (not to exceed 80 %):** 40%
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Logical Logistics LLC  
PROJECT LOCATION: To be determined  Locations Unknown (N)  Unknown County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Logical Logistics LLC formed in 1994, is a third party logistics company that offers shippers a wide range of customized transportation and logistics solutions. Logical Logistics provides warehousing services including, storage, distribution, cross docking, labeling, container unloading, repackaging and sorting as well as courier and trucking services. The Company currently operates out of Clifton New Jersey and services all of New Jersey/NYC area and the United States. The Company is economically viable.

MATERIAL FACTOR:
Logical Logistics LLC is seeing a BEIP grant to offset the costs of expanding its operation into a larger warehouse facility due to a new substantial long term contract with an existing customer. The Company is seeking an approximately 240,000 sq. ft. facility in New Jersey or Pennsylvania for the new location. The Company has indicated the BEIP grant is a material factor to expand in NJ.

APPROVAL REQUEST:
PERCENTAGE: 30%  
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Logical Logistics LLC 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: $95,088
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 9
ELIGIBLE BEIP JOBS: Year 1 20  Year 2 12  Base Years Total = 32
ANTICIPATED AVERAGE WAGES: $46,000
ESTIMATED PROJECT COSTS: $958,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $316,960
ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $380,352

PROJECT IS: (X) Expansion  ( ) Relocation

CONSTRUCTION: (X) Yes  ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP:(X) Domestic  ( ) Foreign

DEVELOPMENT OFFICER: P. Ceppi  APPROVAL OFFICER: T. Wells
# FORMULA EVALUATION

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<th>Criteria</th>
<th>Score</th>
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<td>3. Job at Risk: 9</td>
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<td>4. Industry: Transportation &amp; logistics</td>
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<td>6. Capital Investment: $958,000</td>
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<td>7. Average Wage: $46,000</td>
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<tr>
<td>TOTAL:</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: 7 = 25%
- Construction/Renovation: 5 %
- Bonus Increases: 0 %
- Total Score (not to exceed 80 %): 30 %
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Maplewood Beverage Packers, LLC

PROJECT LOCATION: 30 Clearview Road, Edison Township (N), Middlesex County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Maplewood Beverage Packers, LLC ("Maplewood") has been manufacturing canned soft drinks from its Maplewood, New Jersey facility since 2000. It is the largest manufacturer of Arizona Iced Tea products in the United States. The company's current facility no longer meets its needs as management seeks to grow the business. Maplewood is currently in the process of selecting a site at which to relocate and expand the company's operations. The company is economically viable.

MATERIAL FACTOR:
The company's lease is set to expire and Maplewood is searching for a new location to house its operations. Under consideration are facilities in Edison Township, New Jersey; Bethpage, New York; and Lehigh Valley, Pennsylvania. The company is in the market for a space with at least 450,000 square feet in order to accommodate its needs. Maplewood will hire an additional 60 employees as part of the expansion. The company has simultaneously applied for a BRRAG to encourage retention of its 158 existing employees in New Jersey. Management has indicated that a favorable decision by the Authority to award a BEIP grant is a material factor in its decision to expand in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 55%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Maplewood Beverage Packers, LLC 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: $258,316
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 158

ELIGIBLE BEIP JOBS:
Year 1 30
Year 2 30
Base Years Total = 60

ANTICIPATED AVERAGE WAGES: $40,871

ESTIMATED PROJECT COSTS: $66,790,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $469,665

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $446,182

PROJECT IS: (X) Expansion ( ) Relocation Maplewood NJ

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: K. McCullough
FORMULA EVALUATION

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</tr>
<tr>
<td>4. Industry: food products</td>
<td>0</td>
</tr>
<tr>
<td>Designated: _______ Non-Designated:</td>
<td>X</td>
</tr>
<tr>
<td>5. Leverage: 3 to 1 and up</td>
<td>2</td>
</tr>
<tr>
<td>6. Capital Investment: $66,790,000</td>
<td>3</td>
</tr>
<tr>
<td>7. Average Wage: $ 40,871</td>
<td>2</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>9</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% ______
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: 20%

Total Score:
Total Score per formula: 9 = 30 %
Construction/Renovation: 5 %
Bonus Increases: 20 %
Total Score (not to exceed 80 %): 55 %
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Princeton Information Ltd. P28094

PROJECT LOCATION: TBD Locations Unknown (N) Unknown County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Founded in 1985, Princeton Information Ltd. is one of the nation’s largest privately-held IT consulting firms. Continuously operated by the same founder and chairman since inception and committed to the excellent design and timely implementation of innovative IT applications and solutions, Princeton Information Ltd. provides a clientele of primarily Fortune 500 companies with a full range of on-, near- and off-shore staffing, services and solutions.

Princeton Information Ltd. operates across the US with 12 regional offices, including one in Edison, New Jersey. They also have an offshore outsourcing office in Hyderabad, India, which is operated jointly with Magna Infotech Private Limited. They offer a wide range of IT expertise, including application development, maintenance, outsourcing and decommissioning, software quality assurance and testing, database administration, business analysis, network engineering and performance tuning, and network support for moves and changes. They also offer help desk services, desktop and application rollout, and enterprise support services.

Most of their temporary IT consultant placements serve pharmaceuticals, telecommunications, finance and insurance industries. None of these short or long term consulting jobs are included in the BEIP related employment numbers as this application is for their front and back office personnel at their corporate headquarters/New York Regional Branch. The company is economically viable and is looking for new corporate headquarters/New York Regional Branch space.

MATERIAL FACTOR:
The applicant is seeking a BEIP grant to support creating 30 new positions in New Jersey. 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 relocate to New Jersey and therefore to pick New Jersey over New York. 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 Princeton Information Ltd. 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: $656,166  
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 30

ELIGIBLE BEIP JOBS: Year 1 25 Year 2 5 Base Years Total = 30

ANTICIPATED AVERAGE WAGES: $136,400

ESTIMATED PROJECT COSTS: $500,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $1,874,760

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $2,155,974

PROJECT IS: ( ) Expansion  (X) Relocation New York, NY

CONSTRUCTION: (X) Yes  ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic  ( ) Foreign

DEVELOPMENT OFFICER: D. Johnson

APPROVAL OFFICER: D. Sucszuk
## FORMULA EVALUATION

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Location:</strong> Locations Unknown</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>2. Job Creation:</strong> 30</td>
<td>1</td>
</tr>
<tr>
<td>Targeted: _____ Non-Targeted: X</td>
<td></td>
</tr>
<tr>
<td><strong>3. Job at Risk:</strong> 0</td>
<td>0</td>
</tr>
<tr>
<td><strong>4. Industry:</strong> professional services</td>
<td>0</td>
</tr>
<tr>
<td>Designated: _____ Non-Designated: X</td>
<td></td>
</tr>
<tr>
<td><strong>5. Leverage:</strong> 3 to 1 and up</td>
<td>2</td>
</tr>
<tr>
<td><strong>6. Capital Investment:</strong> $500,000</td>
<td>1</td>
</tr>
<tr>
<td><strong>7. Average Wage:</strong> $136,400</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>8</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%
- 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>
<thead>
<tr>
<th>Total Score per formula:</th>
<th>8 = 30 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction/Renovation:</td>
<td>5 %</td>
</tr>
<tr>
<td>Bonus Increases:</td>
<td>0 %</td>
</tr>
<tr>
<td>Total Score (not to exceed 80 %):</td>
<td>35 %</td>
</tr>
</tbody>
</table>
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM

APPLICANT: Proximo Spirits, Inc. & Jose Cuervo International, Inc. P28046

PROJECT LOCATION: 333 Washington Street Jersey City (T/UA) Hudson County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Proximo Spirits, Inc. (Proximo), formed in 2007, and its sister company, Jose Cuervo International, Inc. (Cuervo) are leading producers, importers and marketers of prized spirits in the United States. The two companies are family-owned, and based in New York City and Manhasset, NY. Proximo is one of the fastest growing spirits distributors in the US. Its brands include Three Olives Vodka, 1800® Tequila, Gran Centenario Tequila®, Maestro® Dobel Diamond™, Reposado Tequila®, Matusalem® Rum and the newly launched Kraken® Rum. As an indication of the applicants high visibility, they recently signed a multi-million dollar TV advertising agreement with the Los Angeles Lakers. The applicants are economically viable.

MATERIAL FACTOR:
Proximo and Cuervo are seeking a BEIP grant to support consolidating their corporate offices and relocating 46 jobs to NJ. Also under consideration is consolidating the offices in the NY metro area. Management is estimating the capital costs related to setting up the new corporate office will exceed $400,000. Senior management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to expand in NJ.

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 Proximo Spirits, Inc. & Jose Cuervo International, 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: $2,300,000
(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 46 Year 2 0 Base Years Total = 46

ANTICIPATED AVERAGE WAGES: $146,804
ESTIMATED PROJECT COSTS: $426,893

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $3,188,105
ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $2,482,157

PROJECT IS: ( ) Expansion (X) Relocation NY

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: M. Abraham
APPROVAL OFFICER: M. Krug
# FORMULA EVALUATION

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
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</thead>
<tbody>
<tr>
<td>1. Location: Jersey City</td>
<td>N/A</td>
</tr>
<tr>
<td>2. Job Creation: 46</td>
<td>1</td>
</tr>
<tr>
<td>Targeted: _______ Non-Targeted: X</td>
<td></td>
</tr>
<tr>
<td>3. Job at Risk: 0</td>
<td>0</td>
</tr>
<tr>
<td>4. Industry: wholesale</td>
<td>0</td>
</tr>
<tr>
<td>Designated: _______ Non-Designated: X</td>
<td></td>
</tr>
<tr>
<td>5. Leverage: 3 to 1 and up</td>
<td>2</td>
</tr>
<tr>
<td>6. Capital Investment: $426,893</td>
<td>0</td>
</tr>
<tr>
<td>7. Average Wage: $146,804</td>
<td>4</td>
</tr>
</tbody>
</table>

**TOTAL:** 7

**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% 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:** 7 = 25%
- **Construction/Renovation:** 5%
- **Bonus Increases:** 55%
- **Total Score (not to exceed 80%):** 80%
APPLICANT: SCS Commodities Corp. and SCS OTC Corp.

PROJECT LOCATION: TBD
Locations Unknown (N) Unknown County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
SCS Commodities Corp. and SCS OTC Corp. ("Applicants") are wholly-owned subsidiaries of Revelation Holdings, Inc., a leading independent brokerage house across multiple energy trading venues.

Founded in 1991, SCS Commodities Corp., along with SCS OTC Corp., has expanded their exchange floor based energy (oil and natural gas) brokerage business at NYMEX to cover futures and options across CME Globex, ICE, and the DME (Dubai Mercantile Exchange). The group of companies is now the largest independent floor and OTC energy broker executing millions of dollars worth of energy commodity contracts each day.

SCS Commodities Corp. and SCS OTC Corp. serve a diverse group of customers including physical energy producers, banks, and various funds. As commodity derivatives have evolved from open outcry to electronic markets, Revelation Holdings, Inc. companies have remained at the forefront of independent brokerages. They are committed to using innovative technology to service their customers with timely order execution and trade management. This group of companies is economically viable.

The Applicants are seeking new office space with room for expansion.

MATERIAL FACTOR:
The Applicants are seeking a BEIP grant to support creating 110 new positions in New Jersey. The companies have represented that a favorable decision by the Authority to award the BEIP grant is a material factor in the applicants' decision to relocate to New Jersey and therefore to pick New Jersey over New York. 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 SCS Commodities Corp. and SCS OTC Corp. 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: $2,723,710
(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 85 Year 2 25 Base Years Total = 110

ANTICIPATED AVERAGE WAGES: $135,500

ESTIMATED PROJECT COSTS: $500,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $6,809,275

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $7,490,203

PROJECT IS: (X) Expansion  (X) Relocation  New York, NY

CONSTRUCTION: (X) Yes  ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic  ( ) Foreign

DEVELOPMENT OFFICER: J. Colon  APPROVAL OFFICER: D. Sucszu
## FORMULA EVALUATION

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Location: Locations Unknown</td>
<td>N/A</td>
</tr>
<tr>
<td>2. Job Creation 110</td>
<td>2</td>
</tr>
<tr>
<td>Targeted: _______ Non-Targeted: X</td>
<td></td>
</tr>
<tr>
<td>3. Job at Risk: 0</td>
<td>0</td>
</tr>
<tr>
<td>4. Industry: Financial services</td>
<td>2</td>
</tr>
<tr>
<td>Designated: X Non-Designated: _____</td>
<td></td>
</tr>
<tr>
<td>5. Leverage: 3 to 1 and up</td>
<td>2</td>
</tr>
<tr>
<td>6. Capital Investment: $500,000</td>
<td>1</td>
</tr>
<tr>
<td>7. Average Wage: $135,500</td>
<td>4</td>
</tr>
</tbody>
</table>

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

- Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan: 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: 11 = 35%  
- Construction/Renovation: 5%  
- Bonus Increases: 0%  
- Total Score (not to exceed 80%): 40%
BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Aerco International, Inc.

COMPANY ADDRESS: 159 Paris Ave Northvale Borough Bergen County

PROJECT LOCATION: 725 Darlington Ave Mahwah Township Bergen County

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

APPLICANT BACKGROUND:
Aerco International, Inc. ("Aerco") is a leading supplier of boilers and water heating products located in Northvale, New Jersey. The company, which was incorporated in 1975, introduced a revolutionary design for an indirect-fired water heater that heated water on demand without storage at a controlled temperature. This innovation has become today’s standard for commercial water heaters. Aerco’s technology helps lower its customer’s fuel costs and carbon emissions. The company’s products focus on commercial markets including government buildings, schools, and healthcare facilities.

MATERIAL FACTOR:
Aerco has seen significant growth in recent years with America’s renewed interest in greener technologies and lower fuel costs. As a result, Aerco has outgrown its facilities in Northvale. Aerco is seeking to move to a larger facility in order to accommodate its expansion and to consolidate its operations from three buildings to one. Under consideration is a 168,000 sq ft building in Mahwah Township, New Jersey as well as several locations in Rockland County, New York. The company has indicated that a favorable decision by the authority to award a BRRAG is a material factor in the company’s decision to retain and relocate its 141 employees within New Jersey.

APPROVAL REQUEST:
The Members of the Authority are asked to approve the proposed BRRAG grant to Aerco International, Inc. to encourage the company to relocate within New Jersey. The recommended grant is based on the Project Evaluation Factors set forth on the attached BRRAG Scoresheet and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award amount. If the criteria met by the company differs from that shown on the Scoresheet, the award amount will be raised or lowered to reflect the award amount that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $183,300
GRANT AMOUNT PER RETAINED EMPLOYEE (see attached scoresheet): $1,300
NEW JERSEY EMPLOYMENT AT APPLICATION: 141
ELIGIBLE BRRAG JOBS: 141
ANTICIPATED AVERAGE WAGES: $55,000
ESTIMATED PROJECT COST: $2,877,000
ESTIMATED TOTAL GROSS PAYROLL: $7,755,000
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 1YR: $193,523
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 5YR: $967,613
PROJECT IS: ( ) Expansion (X) Relocation
CONSTRUCTION: (X) Yes ( ) No
APPROVAL OFFICER: K. McCullough
DEVELOPMENT OFFICER: Mathew Abraham
This scoring system is used to determine the award amount for BRRAG projects retaining 50 to 499 jobs. The award amount determined under the project evaluation factors is an initial determination and is subject to adjustment under the Act, the regulations thereunder, and the terms and conditions of the Project Agreement. Project Evaluation Factors (NJAC 12A:2-1.8)


1. Full-time jobs retained – maximum points = 5

<table>
<thead>
<tr>
<th>Range</th>
<th>Eligible Jobs Retained</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 = 410 – 499</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 = 320 – 409</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = 230 – 319</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = 140 – 229</td>
<td>141</td>
<td>2</td>
</tr>
<tr>
<td>1 = 50 – 139</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Quality of the retained jobs (based on average salary of retained jobs) – maximum points = 4

<table>
<thead>
<tr>
<th>Range</th>
<th>Avg. Salary</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 = $75,001 +</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = $50,001 - $75,000</td>
<td>$55,000</td>
<td>3</td>
</tr>
<tr>
<td>2 = $30,001 - $50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = $19,001 - $30,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = up to $19,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Capital investment by the applicant in project – maximum points = 5

<table>
<thead>
<tr>
<th>Range</th>
<th>Capital Investment</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 = $3,500,000 to $19,000,000+</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 = $2,900,000 to $3,499,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = $2,200,000 to $2,899,000</td>
<td>$2,877,000</td>
<td>3</td>
</tr>
<tr>
<td>2 = $1,500,000 to 2,199,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = $700,000 to $1,499,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = $0 to $699,000</td>
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4. Designated industry type – maximum points = 3

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<thead>
<tr>
<th>Range</th>
<th>Industry</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 = manufacturing</td>
<td>Manufacturing</td>
<td>3</td>
</tr>
<tr>
<td>2 = targeted = (life science/biotech)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = non-targeted</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. Job creation/attraction component (impact on the state if the project moved to another state) - maximum points = 5

<table>
<thead>
<tr>
<th>Range</th>
<th>New Jobs</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 = 100 or more new jobs</td>
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<td></td>
</tr>
<tr>
<td>4 = 80-99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = 70-79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = 60-69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = 50-59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = &lt;50</td>
<td>16</td>
<td>0</td>
</tr>
</tbody>
</table>

6. Smart Growth Targeted Areas – maximum points = 4

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 = located in an area targeted for growth pursuant to the State Development</td>
<td>Planning Area 1</td>
<td>4</td>
</tr>
<tr>
<td>and Redevelopment Plan, the Pinelands Comprehensive Management Plan, the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highlands Commission Management Plan, and the Meadowlands Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commission Plan. This includes brownfield sites.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = non-growth area</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Retained jobs average at least 1.5 times the hourly minimum wage – maximum points = 2

<table>
<thead>
<tr>
<th>Type</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

8. Commitment to the State of New Jersey

a. Duration of operations - maximum points = 3

<table>
<thead>
<tr>
<th>Range of Years</th>
<th>Year Started in NJ</th>
<th>Score</th>
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<td></td>
<td></td>
</tr>
<tr>
<td>1 = 10-14 years</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8 b. Total employees in New Jersey – maximum points = 3

<table>
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<tr>
<th>Range</th>
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</tr>
</thead>
<tbody>
<tr>
<td>3 = 350 or greater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = 200-349</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = 50-199</td>
<td>141</td>
<td>1</td>
</tr>
</tbody>
</table>

9. Urban Enterprise Zone – maximum points = 3

<table>
<thead>
<tr>
<th>Score</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>3= if relocating from non-UEZ site to a site within an UEZ</td>
<td></td>
</tr>
<tr>
<td>0 = no</td>
<td>No</td>
</tr>
</tbody>
</table>

Totals – Value Per Retained Job and Score

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<tr>
<th>Range</th>
<th>Value Per Retained Job</th>
<th>Score</th>
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<td></td>
<td></td>
</tr>
<tr>
<td>19-24 = $1,300</td>
<td>$1,300</td>
<td>21</td>
</tr>
<tr>
<td>13-18 = $1,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7-12 = $1,100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-6 = $1,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Maplewood Beverage Packers, LLC

COMPANY ADDRESS: 45 Camptown Road Maplewood Township Essex County

PROJECT LOCATION: 30 Clearview Road Edison Township Middlesex County

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

APPLICANT BACKGROUND:
Maplewood Beverage Packers, LLC (“Maplewood”) has been manufacturing canned soft drinks from its Maplewood, New Jersey facility since 2000 and its predecessor organization, Hornell Brewing, dates back to 1996. It is the largest manufacturer of Arizona Iced Tea products in the United States. The company’s current facility no longer meets its needs as management seeks to grow the business. Maplewood is currently in the process of selecting a site at which to relocate and expand the company’s operations.

MATERIAL FACTOR:
The company's lease is set to expire and Maplewood is searching for a new location to house its operations. Under consideration are facilities in Edison Township, New Jersey; Bethpage, New York; and Lehigh Valley, Pennsylvania. Maplewood is in the market for a space with at least 450,000 square feet in order to accommodate its needs. The company has simultaneously applied for a BEIP to encourage the addition of 60 new employees in New Jersey. Management has indicated that a favorable decision by the Authority to award a BRRAG is a material factor in its decision to expand in New Jersey.

APPROVAL REQUEST: TERM: 5 years
The Members of the Authority are asked to approve the proposed BRRAG grant to Maplewood Beverage Packers to encourage the company to relocate within New Jersey. The recommended grant is based on the Project Evaluation Factors set forth on the attached BRRAG Scoresheet and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award amount. If the criteria met by the company differs from that shown on the Scoresheet, the award amount will be raised or lowered to reflect the award amount that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $ 205,400
GRANT AMOUNT PER RETAINED EMPLOYEE (see attached scoresheet): $ 1,300
NEW JERSEY EMPLOYMENT AT APPLICATION: 158
ELIGIBLE BRRAG JOBS: 158
ANTICIPATED AVERAGE WAGES: $ 40,871
ESTIMATED PROJECT COST: $ 66,790,000
ESTIMATED TOTAL GROSS PAYROLL: $ 6,457,618
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 1YR: $ 123,679
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 5YRS: $ 618,393
PROJECT IS: ( ) Expansion (X) Relocation
CONSTRUCTION: (X) Yes ( ) No
APPROVAL OFFICER: K. McCullough DEVELOPMENT OFFICER: P. Ceppi
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
Business Retention and Relocation Assistance Grant of Tax Credits  
SCORESHEET – Project Evaluation Factors (NJAC 12A:2-1.8)

This scoring system is used to determine the award amount for BRRAG projects retaining 50 to 499 jobs. The award amount determined under the project evaluation factors is an initial determination and is subject to adjustment under the Act, the regulations thereunder, and the terms and conditions of the Project Agreement. Project Evaluation Factors (NJAC 12A:2-1.8)

Company: Maplewood Beverage Packers, LLC                     Date Scored: 09/08/2009

1. Full-time jobs retained – maximum points = 5

<table>
<thead>
<tr>
<th>Range</th>
<th>Eligible Jobs Retained</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 = 410 – 499</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 = 320 – 409</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = 230 – 319</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = 140 – 229</td>
<td>158</td>
<td>2</td>
</tr>
<tr>
<td>1 = 50 – 139</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Quality of the retained jobs (based on average salary of retained jobs) – maximum points = 4

<table>
<thead>
<tr>
<th>Range</th>
<th>Avg. Salary</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 = $75,001 +</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = $50,001 - $75,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = $30,001 - $50,000</td>
<td>$40,871</td>
<td>2</td>
</tr>
<tr>
<td>1 = $19,001 - $30,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = up to $19,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Capital investment by the applicant in project – maximum points = 5

<table>
<thead>
<tr>
<th>Range</th>
<th>Capital Investment</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 = $3,500,000 to $19,000,000+</td>
<td>$66,790,000</td>
<td>5</td>
</tr>
<tr>
<td>4 = $2,900,000 to $3,499,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = $2,200,000 to $2,899,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = $1,500,000 to $2,199,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 = $700,000 to $1,499,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = $0 to $699,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Designated industry type – maximum points = 3

<table>
<thead>
<tr>
<th>Range</th>
<th>Industry</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 = manufacturing</td>
<td>Manufacturing</td>
<td>3</td>
</tr>
<tr>
<td>2 = targeted = (life science/biotech)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 = non-targeted</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. **Job creation/atraction component** (impact on the state if the project moved to another state) - maximum points = 5

<table>
<thead>
<tr>
<th>Range</th>
<th>New Jobs</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 =100 or more new jobs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 = 80-99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 = 70-79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 = 60-69</td>
<td>60</td>
<td>2</td>
</tr>
<tr>
<td>1 = 50-59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0= &lt;50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. **Smart Growth Targeted Areas** – maximum points = 4

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 = located in an area targeted for growth pursuant to the State Development and Redevelopment Plan, the Pinelands Comprehensive Management Plan, Highlands Commission Management Plan, and the Meadowlands Development Commission Plan. This includes brownfield sites.</td>
<td>Planning Area 1</td>
<td>4</td>
</tr>
<tr>
<td>0 = non- growth area</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. **Retained jobs average at least 1.5 times the hourly minimum wage** – maximum points = 2

<table>
<thead>
<tr>
<th>Range</th>
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</tr>
</thead>
<tbody>
<tr>
<td>2 = yes</td>
<td>Yes</td>
</tr>
<tr>
<td>0 = no</td>
<td></td>
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</table>

8. **Commitment to the State of New Jersey**

   a. **Duration of operations** - maximum points = 3

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<th>Range of Years</th>
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8 b. Total employees in New Jersey – maximum points = 3

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MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

SUBJECT: Reldata, Inc.
Parsippany, NJ
$1,032,346 Edison Innovation Fund Loan with preferred warrants

Request:
Consent to a second 6-month principal moratorium through Feb 28, 2010 which will allow the company to receive an additional equity investment from lead investor Grazia Equity.

Background:
Incorporated in May 2005, RELDATA Inc. (“REL”) was formed by the principals of Reliable Data Technologies, Inc., a German company, to commercialize intellectual property related to data storage management appliances.

On March 3, 2008, the EDA Board approved a $1,000,000 Edison Investment to REL supporting commercialization and working capital. The loan was fully disbursed against milestones. Principal and interest payments were to commence March 2009. At the borrower’s request, staff approved an initial 6 month principal payment moratorium under delegated authority.

In July, a new management team led was installed which reinvigorated the product’s marketing and Grazia committed to make an additional equity investment to be funded against milestones. Rel has requested an additional 6 month principal moratorium which is a condition of the next funding tranche from Grazia.

Recommendation:
Staff recommends a six month principal moratorium through February 28, 2010 to provide debt service relief while the new management team implements a revised business strategy. Approval will support a NJ based technology company obtain additional equity and increase the likelihood of the repayment of the EDA loan.

Prepared by: Glenn C. Anderson
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

SUBJECT: Tris Pharma, Inc.
South Brunswick, NJ
$878,881 (20.41%) guarantee of a $4,306,133 bond
$738,934 (50%) guarantee of a $1,477,869 bond
Aggregate EDA Exposure: $1,617,815

Request:
Consent to a $2 million line of credit from Provident Bank and approve the subordination of Authority’s lien on business assets (primarily Accounts Receivable and Inventory) to support anticipated sales growth.

Background:
Tris Pharma, Inc. (“Tris”), established in August 2000 develops pharmaceutical tablets, capsules and liquids with improved absorption qualities that can be used in a wide variety of existing drugs as well as new pharmaceutical products.

In December 2003, the Authority provided a 50% guarantee of a $2,900,000 tax-exempt bond purchased by Commerce Bank to acquire manufacturing equipment and make leasehold improvements to their facility in South Brunswick. In October 2007, Provident Bank purchased the bond from Commerce bank, as part of the transfer of Tris’s banking relationship. EDA concurrently extended the term of our guarantee for three years to December 2011.

Concurrently, the Authority also provided a 20.41% guarantee of a $4.9 million tax-exempt bond, purchased directly by Provident Bank to acquire new machinery and equipment needed for expansion. The bonds are primarily secured by first liens on equipment financed with a lien on business assets taken as an abundance of caution. All facilities have been paid as agreed.

Tris expects FDA approval of new products in summer/fall 2009 that will result in an increased working capital need. Provident Bank has agreed to provide a $2 million line of credit (LOC) secured by a first lien on business assets. Accordingly, Tris has requested Authority to subordinate its lien on business assets. The bonds will continue to be secured by a first lien on the purchase money equipment and other collateral originally pledged to the Bonds, including the personal guarantees of the principals secured by a (state lien position) on residential property.
Recommendation:
Consent to the proposed $2 million in line of credit and subordination of EDA’s lien on business assets. Approval will support the growth of this New Jersey company, which currently employs 70 and expects to add 15 additional jobs over the next year.

Prepared by: Mansi Naik

[Signature]
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: September 15, 2009

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

The following projects were approved under Delegated Authority in August 2009:

New Jersey Business Growth Fund:

1) Deli on the Go Realty, LLC and Deli on the Go, Inc. (P28054) is located in Cherry Hill Township, Camden County. Deli On the Go Realty, LLC is a newly formed real estate holding company affiliated with the operating company, Deli On the Go, Inc., a distributor of kosher foods to long term care facilities and other institutional users of kosher foods. PNC Bank approved a $550,000 loan with a five-year, 25% guarantee, not to exceed $137,500. Loan proceeds will be used to purchase the project property. Currently the company has six employees and plans to create an additional five new jobs over the next two years.

2) Four Star Reproductions, Inc. (P27890), located in Fairfield Borough, Essex County, was formed in 1963 as a commercial lithographic printing operation. PNC Bank approved a $670,000 loan with a five-year 50% guarantee, not to exceed $335,000. Loan proceeds will be used to refinance equipment. Currently, the company has 22 employees and plans to create an additional five new jobs within the next two years.

3) Lippincott Communications Inc. or Nominee (P28053), located in Westville Borough, Gloucester County, was established in 1998 as a provider of broadband connectivity, networking, and infrastructure wiring. They are also a full service video, voice and data installation contractor. PNC Bank approved a $275,000 loan with a five-year, 25% guarantee, not to exceed $68,750. Loan proceeds will be used to purchase property. The company currently has 89 employees and plans to create an additional ten new positions over the next two years.

4) S Russomanno & P Welding PTRS and Technitool, Inc. (P27919) is located in Berlin Township, Camden County. The operating company, Technitool, Inc. was formed in 1975 as a manufacturer of trim and press tools. S Russomanno & P Welding PTRS is a related real estate holding company that owns the project property. PNC Bank approved a $610,000 loan with a five-year, 25% guarantee, not to exceed $152,000. Loan proceeds will be used to refinance an existing mortgage to improve cash flow. The company currently has 25 employees and plans to create an additional five new positions over the next two years.
5) Trost, Joseph A. & Pedano, Thomas J. or Nominee & Aures and Galey HVAC (P27884), is located in Berlin Township, Camden County. The operating company, Aures and Galey HVAC was formed in 2000 as a heating and cooling services provider to West Berlin NJ area residents and businesses. Joseph A. Trost and Thomas J. Pedano is a real estate holding company that will be formed to own the property being acquired. PNC Bank approved a $212,000 loan with a five-year, 25% guarantee, not to exceed $53,000. Loan proceeds will be used to purchase the project property. Currently, the company has six employees and plans to create an additional three new jobs over the next two years.

Fast Start Direct Loan Program:

1) Petrol Pump, LLC (P27865), located in Gloucester City, Camden County, is a newly formed entity that will purchase the project property in Blackwood, NJ. TD Bank approved a $245,000 loan contingent upon a five-year, 50% Authority guarantee, not to exceed $122,500. Currently, the company has four employees and plans to create two new positions within the next two years.

NJ Main Street Program:

1) 2 South Main, LLC (P27250) located in Pleasantville City, Atlantic County, was founded in 2004 as a real estate holding company that owns the project property. Sun National Bank approved a $828,168 participation of a $1,119,168 loan. Loan proceeds will be used to refinance existing debt. Currently the company has 125 employees.

2) Absolutely Energized Solar Electric, Inc. (P28025), located in Millstone Township, Monmouth County, was established in 2002 to sell and install solar panels for residential and commercial use. The Bank approved an $800,000 line of credit with a 31.25% Authority guarantee, not to exceed $250,000. Loan proceeds will be used for working capital. The company currently has eighteen employees and plans to create an additional seven new positions within the next two years.

3) Preferred Children’s Services, Inc. (P10880) (“PCS”) was formed in 1987 as a community shelter for incorrigible youths providing short term custodial care and a day care center. PCS has contracts with the Department of Human Services for school based programs. PCS has a sister agency called Preferred Behavioral Health of New Jersey, Inc. (“PBH”) which is a non-profit organization that was formed in 1978 that provides mental health services to the residents of Ocean and Monmouth County. EDA extended a $105M maturing participation loan for 5 years under the Main Street Program. TD Bank will extend its loan for 5 years based on a 10 year amortization at a rate of 5.625%. As a condition of EDA’s continued participation, the maturing Authority guarantee of the loan will not be extended.
Preferred Lender Program:

1) Destination ImagiNation, Inc. (P27877), located in Cherry Hill Township, Camden County, was established in 1999 as a not-for-profit organization that provides educational services to students with an emphasis on creative problem solving skills. The Bank approved a $990,000 loan contingent upon a five-year, $495,000, 50% Authority participation. Loan proceeds will be used to purchase the project property to facilitate expansion. Currently, the company has seventeen employees and plans to create an additional eleven new positions within the next two years.

2) Prestige Hospitality Services, LLC and Prestige First Avenue Cleaning Corp. and 81 Saxon Avenue Corporation, is located in Paterson, Passaic County. Prestige Hospitality Services, LLC is a hospitality laundry services company formed to develop a premier linen laundry processing facility in Paterson. Sun National Bank approved a $750,000 loan contingent upon a $375,000 Authority participation. The company currently has 80 employees and plans to create 50 new jobs over the next two years.

Community Economic Development Program:

1) The Newark Museum Association (P20349), located in Newark City, Essex County, was established in 1909 as a not-for-profit museum of art, science and education in Newark. The company was approved for a Community Economic Development Program loan in the amount of $50,000. Loan proceeds will be used for to conduct a feasibility study of a self-funding storage and shipping facility.

Prepared by: S. Mania
SM/gvr
REAL ESTATE
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: September 8, 2009

RE: Demolition Services Contract and Demolition Budget
Riverfront State Prison (Camden)

Summary
I am asking the Members to approve the award of a demolition and related services contract to
Brandenburg Industrial Service Company of Bethlehem, Pennsylvania and to establish a
demolition budget for the for Riverfront State Prison Demolition Project.

Background
Pursuant to our May 2009 Memorandum of Understanding with the New Jersey Department of
the Treasury, the Authority retained Langan Engineering Associates to prepare demolition plans
and specification for Riverfront Prison. The Real Estate Division publicly advertised and
received bids for demolition and related services, which were publicly opened on September 1,
2009. Twenty-three (23) bid proposals were received and reviewed by staff, as listed on the
attached chart.

Based on the evaluation criteria outlined in the bid documents, the Authority’s Selection
Committee is recommending that the Members approve Brandenburg Industrial Service
Company, of Bethlehem, Pennsylvania to provide these services, as the lowest responsible
bidder, for a lump sum bid amount of $1,254,000. Final approval of the selection of Brandenburg
will be subject to receipt and approval of its campaign contribution compliance documentation.
In the alternative, if Brandenburg is found to be non-compliant, we are seeking approval to enter
into a contract with the next lowest responsible bidder, subject to receipt and approval of
campaign contribution compliance documentation, as listed on the attached chart.

The Authority will incur costs in connection with the demolition of Riverfront State Prison
beyond those associated with the demolition and site improvement contract, including
professional services, environmental, property management and administrative costs. Attached is
a Project Budget in the amount of $2,000,000 which includes demolition along with the
additional associated project expenses. We anticipate that funding for these costs will be
obtained from the Delaware River Port Authority under an agreement I will present to the
Members under a separate memorandum; no Authority funds will be used to fund the demolition. Subject to DRPA’s commitment to fund the demolition work, and upon Treasury’s approval of compliance documents, we will enter into the Authority’s standard form contract for demolition services with the lowest responsible bidder.

**Recommendation**

In summary, I ask for the Members’ consent to award a demolition and related services contract for Riverfront State Prison to Brandenburg Industrial Service Company for a lump sum contract amount of $1,254,000 and to approve a budget for the Riverfront State Prison Demolition Project of $2,000,000 subject to approval of the Chief Executive Officer and the Attorney General’s Office.

[Signature]

Caren S. Franzini
Chief Executive Officer

Attachments

Prepared by: Thomas P. Catapano
# Riverfront Prison
## Demolition Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Demolition contract</td>
<td>$1,254,000</td>
</tr>
<tr>
<td>Environmental allowance</td>
<td>150,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,404,000</td>
</tr>
<tr>
<td>Contingency</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>280,800</td>
</tr>
<tr>
<td></td>
<td>1,684,800</td>
</tr>
<tr>
<td>Misc Consulting &amp; Property Management</td>
<td>$125,400</td>
</tr>
<tr>
<td>Contingency</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>25,080</td>
</tr>
<tr>
<td></td>
<td>150,480</td>
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<tr>
<td>Administration</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>110,117</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,945,397</strong></td>
</tr>
<tr>
<td><strong>Rounded</strong></td>
<td><strong>$2,000,000</strong></td>
</tr>
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**Assumptions:**
1. No unknown asbestos or lead remediation required
2. No impacts to soil or groundwater from any USTs and no remedial actions required
3. Excludes pile and pile cap removal
4. Concrete is clean and suitable for on-site recycling and re-use as backfill
5. No significant delays due to dewatering during utility demolition activities

9/3/2009
MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: License Agreement
Technology Centre of New Jersey, North Brunswick, New Jersey

DATE: September 8, 2009

Summary
I am requesting the Members’ approval to enter into a License Agreement with Cablevision Systems, Corporation, a service provider to tenants at the Tech IV Building (“Tech IV”) that is owned and operated by the Authority at the Technology Centre of New Jersey (“Tech Centre”).

Background
A Tenant at Tech IV has requested that Cablevision Systems, Corporation (“Cablevision”), be permitted to provide broadband communication services to the tenants at Tech Centre. Cablevision has requested the Authority enter into a License Agreement related to Cablevision’s installation, operation, maintenance, repair, inspection, augmentation and removal of wire, cables, underground conduit, aerial supports, aerial cabling, building entrance facilities, above ground enclosures, markers and concrete pads and other appurtenant fixtures and equipment for said broadband communication system, as more fully described in the attached License Agreement.

Cablevision will be responsible for installing and maintaining the broadband communication system and will indemnify the Authority for any liability, costs and expenses related to any claim involving the broadband communication system. Cablevision will also provide insurance coverage naming the Authority as an additional insured.

The attached form of License Agreement is in substantially final form. The final document will be subject to revision, although basic terms and conditions will remain consistent with those in the attachment. Additionally, the document requires the consent of the AFL-CIO Building Investment Trust (“BIT”). The NJEDA will not execute the License Agreement until we have BIT consent. Final terms of the License Agreement 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 to enter into a License Agreement with Cablevision Systems, Corporation for the installation, operation, maintenance and removal of a broadband communication system at the Technology Centre of New Jersey, on terms acceptable to the Chief Executive Officer and the Attorney General’s Office.

![Signature]

Caren S. Franzini

Attachment

Prepared by: Cathleen Schweppenheiser
LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the “Agreement”) is made as of this ____ day of __________, 2009, between New Jersey Economic Development Authority (“Owner”), an instrumentality of the State of New Jersey, the Technology Centre of New Jersey, L.L.C., a limited liability company of the State of New Jersey (“LLC”) and Cablevision Systems Corporation, a [insert type of legal entity] of the State of ________________ (“Cablevision”).

WHEREAS, Owner is the owner of that certain building know as the Tech IV at the Technology Centre of New Jersey having a street address of 685 U.S. Route 1, North Brunswick, New Jersey (“Tech IV”);

WHEREAS, LLC holds operating control over the property know as the Technology Centre of New Jersey (the “Property”) and designated as Block 194, Lots 20, 28, 29 and 30 in the Township of North Brunswick, County of Middlesex and State of New Jersey, technology park where Tech IV is situated;

WHEREAS, Cablevision desires to provide various broadband communications services (the “Services”) to tenants (the “Tenants”) of Tech IV; and

WHEREAS, Owner is willing to permit Comcast to construct, replace, maintain, repair, operate, inspect, augment and remove its broadband communications system through, over and to Tech IV, under the conditions described herein below;

WHEREAS, LLC is willing to permit Cablevision to construct, replace, maintain, repair, operate, inspect, augment and remove its broadband communications system through, over and under the Property under the conditions described herein below;

NOW, THEREFORE, for good and valuable consideration, Owner, LLC and Cablevision hereby agree as follows:

1. **Grant**

   (a) Owner and LLC hereby grant to Cablevision a non-exclusive license, at Cablevision’s sole option and expense, to construct, replace, maintain, repair, operate, inspect, augment, and remove, under, across, and along the Property and Tech IV, Cablevision’s wires, cables, underground conduit, aerial supports, aerial cabling, building entrance facilities, above-ground enclosures, markers and concrete pads and other appurtenant fixtures and equipment (together, the “Facilities”) necessary or useful for distributing the Services to Tenants.

   (b) Without limiting the foregoing, Owner shall give Cablevision reasonable access to vertical and horizontal shafts and the common areas within Tech IV to enable Cablevision, where necessary and at its expense, to install cabling and wiring associated with providing Services to Tenants ordering such services.

   (c) Nothing contained herein shall be construed as granting to Cablevision any ownership rights in Tech IV or the Property or to create a partnership or joint venture between Owner or LLC and Cablevision.
2. **Use.** Cablevision may use the Facilities installed on the Property and at Tech IV solely to provide the Services to the Tenants.

3. **Construction.** Prior to the commencement of any work at the Property or Tech IV, Cablevision shall, at its cost and expense, prepare and deliver to Owner drawings, plans, and specifications (the “Plans”), reasonably detailing the location and size of the Facilities, and any space required at the Property or in Tech IV outside of the vertical and horizontal shaft necessary to house the Facilities. Owner shall review the Plans and provide its response thereto within five (5) business days. No work shall commence until Owner has approved the Plans, which approval will not be unreasonably withheld or conditioned. Upon Owner’s approval of the Plans, Cablevision may begin to install its Facilities at Cablevision’s sole cost and expense. Cablevision shall:

   (a) perform such construction in a safe manner consistent with generally accepted construction standards;

   (b) perform such construction and work in such a way as to reasonably minimize interference with the operation of the Property or Tech IV; and

   (c) obtain, prior to the commencement of any construction and work, necessary federal, state and municipal permits, licenses and approvals.

4. **Cablevision’s Obligations.** Cablevision shall:

   (a) keep the Facilities in good order, repair and condition, and promptly and adequately repair all damage to the Property or Tech IV caused by Cablevision, other than ordinary wear and tear; and

   (b) comply with federal, state, and municipal laws, orders, rules and regulations applicable to the Facilities.

   Nothing in this Agreement shall be construed to require Cablevision to construct, install, or operate the Facilities at Tech IV, to deliver the Services to Tech IV, and/or to deliver the Services to a particular Tenant or Tenants.

5. **Facilities.** The Facilities shall belong to Cablevision and shall be there at the sole risk of Cablevision. Owner and LLC shall not be liable for any damage to the Facilities or theft, misappropriation or loss thereof, except in the event of the gross negligence or willful misconduct of Owner, LLC or their employees, or contractors. At the expiration of this Agreement, Cablevision shall, upon notice by the Owner given prior to such expiration, at Cablevision’s sole cost and expense, remove the Facilities and Cablevision’s other personal property from the Property and Tech IV, and repair all damage caused by such removal. Any property not so removed within sixty (60) days after the expiration of this Agreement shall be deemed the property of LLC or Owner, as appropriate, without further liability to Cablevision.

6. **Access.** Subject to the rights of tenants under signed lease agreements, Owner and LLC shall provide Cablevision, its employees, and authorized agents access to the Property and Tech IV at all times (with reasonable notice), so that Cablevision may perform its installation, operation, maintenance, replacement and repair functions.
7. **Term.** Commencing on the date first written above, this Agreement shall have an initial term of ten (10) years (the "Initial Term"). This Agreement shall automatically renew for two (2) successive periods of five (5) years each (the "Renewal Terms"), unless Cablevision shall provide the Owner with a minimum one hundred twenty (120) days notice of its intention not to renew at the end of the then current term (the "Initial Term" and the "Renewal Terms" are collectively referred to as the "Term"). The license granted hereby may not be revoked during the Term, except as provided in Section 11.

8. **Liens.** Cablevision shall be responsible for the satisfaction or payment of any liens for any provider of work, labor, material or services claiming by, through or under Cablevision. Cablevision shall also indemnify, hold harmless and defend Owner and LLC against any such liens, including the reasonable fees of Owner's or LLC's attorneys. Such liens shall be discharged by Cablevision within sixty (60) days after notice by Owner or LLC of filing thereof by bonding, payment or otherwise, provided that Cablevision may contest, in good faith and by appropriate proceedings any such liens.

9. **Performance of Work.** Cablevision may contract or subcontract any portion of work at the Property or Tech IV contemplated by this Agreement to any person or entity competent to perform such work. In no event shall such subcontract relieve Cablevision of any of its obligations under this Agreement.

10. **Limitation of Liability.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY LOST PROFITS, SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO FRUSTRATION OF ECONOMIC OR BUSINESS EXPECTATIONS, LOSS OF PROFITS, LOSS OF CAPITAL, COST OF SUBSTITUTE PRODUCT(S), FACILITIES OR SERVICES, OR DOWN TIME COST, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

11. **Termination.** Should either party default in the performance of material provision of this Agreement and fail to correct same within thirty (30) days after having received notice specifying nature of such default, unless such default is of a nature that it cannot be completely cured within thirty (30) days, if a cure is not commenced within such time and thereafter diligently pursued to completion, then the non-defaulting party may terminate this Agreement and may pursue all other remedies available to it at law and/or equity.

12. **Indemnification.** Cablevision shall indemnify, hold harmless and defend Owner and LLC, their employees, agents, contractors, invitees, officers, directors, affiliates and subsidiaries from and against any and all claims, actions, damages, liabilities and expenses, including attorneys’ and other professional fees, arising from or out of the installation, operation, maintenance or removal by Cablevision of the Facilities and the Services provided by Cablevision, except to the extent that any such claims, actions, damages, liabilities, expenses or damage are caused by Owner or LLC, or their employees, agents, contractors, invitees, officers, directors, affiliates or subsidiaries.

13. **Insurance.** Cablevision shall maintain insurance coverage insuring against claims, demands or actions for personal injuries or death resulting from the use or operation of the Facilities with limits of not less than One Million Dollars ($1,000,000) any one occurrence, in an aggregate amount of Five Million Dollars ($5,000,000) and for damage to property in an amount of not less than Five Hundred Thousand Dollars ($500,000). Upon Owner’s request, Cablevision shall provide a certificate of insurance to Owner, naming Owner and LLC as an additional insured.
14. **Assignment.** Cablevision shall not assign or transfer this Agreement without the written consent of the Owner, which consent will not be unreasonably withheld or conditioned or unduly delayed; except that, upon written notice to the Owner, Cablevision may, without obtaining Owner’s prior consent, make such assignment to:

(a) any parent, affiliate, or subsidiary of Cablevision; or

(b) any entity which succeeds to all or substantially all of Cablevision’s assets or ownership interests, or the cable system operated by Cablevision which serves the municipality in which the Property is located, whether by merger, sale or otherwise, provided that such successor also succeeds to the cable television franchise agreement held by Cablevision for the municipality in which the Property is located.

15. **Sale of Property or Tech IV.** In the event of any sale, assignment, or transfer of LLC’s interest in the Property or the Owner’s interest in Tech IV, the obligations of Owner under this Agreement shall thereafter be binding upon the grantee, assignee or other transferee of such interest.

16. **Force Majeure.** Cablevision shall not be liable for failure to perform its obligations hereunder due to acts of God, the failure of equipment or facilities not belonging to Cablevision (including, but not limited to, utility facilities or service), denial of access to facilities or rights-of-way essential to serving the Property or Tech IV, government order or regulation or any other circumstances beyond the reasonable control of the Cablevision.

17. **Notice.** All notices, demands, requests or other communications given under this Agreement shall be in writing and be given certified mail, return receipt requested, or nationally recognized overnight courier service to the address set forth below or as may subsequently in writing be requested.

If to Owner or LLC:

New Jersey Economic Development Authority  
Attention: Director Real Estate Division  
Post Office Box 990  
Trenton, New Jersey 08625

With a copy to:

New Jersey Division of Law  
Treasury Section  
Hughes Justice Complex  
P. O. Box 106  
Trenton, NJ 08625-0106  
Attn: Edward Pillsbury, DAG

If to Cablevision:

Cablevision Systems Corporation  
1111 Stewart Avenue  
Bethpage, NY 11714-3581  
Attn:  


18. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of New Jersey. Any and all claims made or to be made against Owner or LLC based in tort law for damages shall be governed by and subject to the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq. TENANT agrees that any and all claims made or to be made against Owner or LLC based in contract law for damages shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

19. **Miscellaneous.** This Agreement shall bind and benefit the parties and their respective successors and assigns. This Agreement is the entire understanding between the parties and supersedes any prior agreements or understandings whether oral or written. This Agreement may not be amended except by a written instrument executed by both parties. If any provision of this Agreement is found to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement will not be affected or impaired. Each party represents to the other that the person signing on its behalf has the legal right and authority to execute, enter into and bind such party to the commitments and obligations set forth herein.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement as of the date first written above.

New Jersey Economic Development Authority

By: __________________________
Print: _________________________
Title: _________________________

Cablevision Systems Corporation

By: __________________________
Print: _________________________
Title: _________________________

Technology Centre of New Jersey, L.L.C.,

by its Managing Member, the New Jersey Economic Development Authority

By: __________________________
Print: _________________________
Title: _________________________