



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

SUBJECT: Agenda for Board Meeting of the Authority July 12, 2012

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

Chief Executive Officer's Monthly Report to the Board

Bond Projects

Loans/Grants/Guarantees

Incentive Programs

Board Memorandums

Real Estate

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

June 12, 2012

Rutgers University, Newark, NJ

MINUTES OF THE MEETING

Members of the Authority present: Al Koeppe, Chairman; Matt McDermott representing the Executive Branch; Colleen Kokas representing the Commissioner of the Department of Environment Protection; Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Marjorie Perry, Charles Sarlo, Harold Imperatore, Elliot M. Kosoffsky, Second Alternate Public Member; and Brian Nelson, Third Alternate Public Member.

Members of the Authority via conference call: Steve Petrecca representing the State Treasurer; Fred Zavaglia representing the Department of Labor and Workforce Development; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Public Members: Kate Whitman, and Ray Burke, First Alternate Public Member.

Absent from the meeting: Richard Tolson, Public Member; and Rodney Sadler, Non-Voting Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; Nicole Crifo, Governor's Authorities' Unit and staff.

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

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

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

Chairman Koeppe opened the meeting by stating his pleasure to convene the EDA Board at his alma mater and to recognize the significant role Rutgers Newark has had in the City's redevelopment and quality of life. He then introduced Interim Chancellor Yeagle.

Philip L. Yeagle, Interim Chancellor of Rutgers University, addressed the EDA Board with a welcome speech and introduced the Dean of the Business School, Glen Shafer, and Professor dt ogilvie.

Chancellor Yeagle stated that Rutgers University has made great investments in the City of Newark, with over one hundred recent Rutgers graduates from Newark high schools.

Dean Shafer stated that Rutgers University has a very active business school on Washington Street in Newark, they have over 2000 students scattered on the various campuses, 1000 recent graduates and they have admitted 1000 new students for the upcoming class.

Tim Lizura, Senior Vice President, Finance & Development; and Margie Piliere, Director, Community Development gave a presentation highlighting some of the projects that the EDA Board Members have approved in the City of Newark.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the May 8, 2012 meeting minutes. A motion was made to approve the minutes by Mr. Kosoffsky, seconded by Mr. McDermott, and was approved by the 14 voting members present.

Vice Chairman Joseph McNamara entered the meeting at this time.

The next item of business was the approval of the June 1, 2012 special meeting minutes. A motion was made to approve the minutes by Mr. Kosoffsky, seconded by Mr. McDermott, and was approved by the 13 voting members present.

Vice Chairman Joseph McNamara had a correction to the June 1, 2012 special meeting minutes.

Chairman Koeppe recused himself because he was not present at the meeting, and had previously recused himself from the Prudential project.

Marjorie Perry recused herself because she was not present at the meeting, and had previously recused herself from the Prudential project.

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

BOND RESOLUTIONS

PROJECT: Schott NYC Corp. and RBM Realty Inc. **APPL. #37025**
LOCATION: Union Township/Union
PROCEEDS FOR: Building Acquisition, Renovation and New Equipment
FINANCING: \$3,150,000 (est.) Series A Tax-Exempt Bond and \$500,000 (est.) Series B Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McNamara AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PROJECT: Robertet, Inc. **APPL. #37148**
LOCATION: Mount Olive Township/Morris
PROCEEDS FOR: Building Acquisition, Renovation and New Equipment
FINANCING: Up to \$10,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

AMENDED BOND RESOLUTIONS

PROJECT: Continental Airlines, Inc. **APPL. #37452**
LOCATION: Newark City/Essex
PROCEEDS FOR: Refund Principal Bond
FINANCING: \$115,000,000 (est.) Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Young Men's Christian Association of Hunterdon County **APPL. #37558**
LOCATION: Multi City/Hunterdon
PROCEEDS FOR: Building Acquisition and Refinancing
FINANCING: \$4,400,000 (est.) Tax-Exempt Bond
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. Nelson **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

LOANS/GRANTS/GUARANTEES

PROJECT: Millville Rescue Squad **APPL. #37450**
LOCATION: Multi City/Cumberland
PROCEEDS FOR: Refinancing
FINANCING: \$2,500,000 bank loan with a 20%, \$500,000 Authority participation,
Main Street Business Assistance program
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Ms. Perry **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Millville Rescue Squad **APPL. #37451**
LOCATION: Multi City/Cumberland
PROCEEDS FOR: Refinancing
FINANCING: \$1,000,000 bank line of credit with a 9-month, 50% guaranty of principal
outstanding (not to exceed \$358,275), Main Street Business Assistance
program
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. McDermott **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

ITEM: Petroleum Underground Storage Tank Program Legal Review
County Oil Corporation (P33651)

REQUEST: Discussion and action on staff's recommendation not to disqualify applicant
after the review of legal matters.

MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Downes AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: County Oil Corp **APPL. #33651**

LOCATION: Mahwah Township/Bergen

PROCEEDS FOR: Upgrade, Closure, Remediation

FINANCING: \$335,435 Petroleum UST Remediation, Upgrade and Closure Fund grant

MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Kosoffsky SECOND: Ms. Perry AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Town of Boonton (Former Jersey Plating Company) **APPL. #37390**

LOCATION: Boonton Town/Morris

PROCEEDS FOR: Remedial Investigation

FINANCING: \$167,694 Hazardous Discharge Site Remediation Fund grant

PROJECT: Camden Redevelopment Agency **APPL. #37528**
(BDA-Harrison Ave. Landfill)

LOCATION: Camden City/Camden

PROCEEDS FOR: Remedial Action

FINANCING: \$2,021,394 Hazardous Discharge Site Remediation Fund grant

PROJECT: Jersey City Redevelopment Agency (Berry Lane Park) **APPL. #37391**

LOCATION: Jersey City/Hudson

PROCEEDS FOR: Remedial Investigation

FINANCING: \$334,141 Hazardous Discharge Site Remediation Fund grant

PROJECT: Borough of Northvale (Deluxe Dry Cleaners) **APPL. #37389**

LOCATION: Northvale Borough/Bergen

PROCEEDS FOR: Remedial Investigation

FINANCING: \$380,705 Hazardous Discharge Site Remediation Fund grant

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM, BUSINESS RETENTION & RELOCATION ASSISTANCE GRANT PROGRAM

PROJECT: BK Specialty Foods, Inc. **APPL. #37439**
LOCATION: East Greenwich/Gloucester **BUSINESS:** Transportation
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McDermott **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Deloitte LLP & Its Subsidiaries **APPL. #37523**
LOCATION: Jersey City/Hudson **BUSINESS:** Professional Services
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. McDermott **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Mr. Downes recused himself because Deloitte is his employer's auditing firm.

PROJECT: EisnerAmper LLP & affiliates **APPL.#37534**
LOCATION: Woodbridge Township/Middlesex **BUSINESS:** Financial Services
GRANT AWARD: 80% Business Employment Incentive grant, 10 years.
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Downes **AYES:**15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: EisnerAmper LLP & affiliates **APPL.#37535**
LOCATION: Woodbridge Township/Middlesex **BUSINESS:** Financial Services
GRANT AWARD: \$1,147,500 (est.), Business Retention and Relocation Assistance grant, 2 year
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. McDermott **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Pennock Company **APPL.#37486**
LOCATION: Pennsauken Township/Camden **BUSINESS:** Transportation
GRANT AWARD: 75% Business Employment Incentive grant, 10 years **MOTION TO APPROVE:** Ms. Perry **SECOND:** Mr. McDermott **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

ECONOMIC REDEVELOPMENT AND GROWTH PROGRAM

PROJECT: Catellus Teterboro Urban Renewal LLC
LOCATION: Teterboro Borough/Bergen
REIMBURSEMENT GRANT: Up to \$18,771,345
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. McDermott **AYES:**15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

URBAN TRANSIT HUB TAX CREDIT PROGRAM

ITEM: Urban Transit Hub Tax Credit Program- Report on Activity and Program Recommendations

REQUEST: To approve the advancement of either Grow NJ projects to the Board in excess of the initial \$200 million allocation or commercial Urban Transit Hub Tax Credit program projects in the order they are deemed complete and recommended for Board review by staff.

MOTION TO APPROVE: Mr. Nelson SECOND: Mr. Downes AYES:15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: CSC TKR, LLC Tax Credit Program

REQUEST: Discussion and action on staff's recommendation not to disqualify CSC TKR, LLC after the review of legal matters.

MOTION TO APPROVE: Mr. Downes SECOND: Ms. Perry AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: CSC TKR, LLC

REQUEST: to approve the at risk jobs finding.

MOTION TO APPROVE: Ms. Kokas SECOND: Mr. Kosoffsky AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: CSC TKR, LLC

REQUEST: To approve the Urban Transit Hub Tax Credit program application for CSC TKR, LLC under P.L. 2007, c.346, P.L. 2008, as amended on July 26, 2011, for the amount of up to \$37,451,378 or \$3,745,138 annually for 10 years (which equates to the cumulative net benefits nominal value).

MOTION TO APPROVE: Mr. Nelson SECOND: Mr. McNamara AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Mr. Sarlo left and reentered the room at this time.

Mr. Nelson left and reentered the room at this time.

GROW NEW JERSEY ASSISTANCE PROGRAM

Mr. McDermott left the room at this time.

PROJECT: 151 Foods, LLC

LOCATION: Bellmawr Borough/Camden

REQUEST: To approve the at risk jobs finding.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Kosoffsky AYES: 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

Mr. McDermott reentered the room at this time.

PROJECT: 151 Foods, LLC
REQUEST: To approve the \$20,700,000 Grow New Jersey award
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: Burlington Coat Factory Warehouse Corporation
LOCATION: Florence Township/Burlington
REQUEST: To approve the at risk jobs
MOTION TO APPROVE: Mr. McDermott **SECOND:** Ms. Perry **AYES:**15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Burlington Coat Factory Warehouse Corporation
LOCATION: Florence Township/Burlington
REQUEST: To approve the \$40,000,000 Grow New Jersey award
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: Burlington Coat Factory Warehouse Corporation
LOCATION: Florence Township/Burlington
GRANT AWARD: \$1,206,473, **Sales Tax Exemption Program**, 10 years
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. McNamara **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: Conair Corporation
LOCATION: East Windsor Township/Mercer
REQUEST: To approve the \$26,760,000 Grow New Jersey award
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McDermott **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

Mr. Kosoffsky recused because his firm has an ongoing business relationship with the applicant.

BOARD MEMORANDUMS

FOR INFORMATION ONLY: The next item is a summary of the projects approved under Delegated Authority in May 2012:

New Jersey Business Growth Fund: By Barak LLC or Nominee, Himmelein Associates LLC

New Jersey Main Street Program: Brookfield Schools, Inc.

Premier Lender Program: Pennington Leasing LLC

ITEM: Barclays Global investors N.A.

\$811,650 Business Employment Incentive Program Grant

REQUEST: Consent to the acquisition of Barclays Global Investors N.A. by BlackRock, Inc. and the subsequent name change to Black Rock Institutional Trust Company NA.

MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. McNamara AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

AUTHORITY MATTERS

ITEM: Casino Reinvestment Authority MOU for Southwest Inlet Financing

REQUEST: To approve a Memorandum of Understanding between the Authority and the Casino Reinvestment Development Authority (CRDA) to authorize the EDA to borrow a maximum of \$50 million for a special obligation, non-recourse loan and advance the loan proceeds to CRDA to financing projects in the Southwest Inlet. The loan structure will be brought to the Board for final approval after the conclusion of a Request for Proposal.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 15

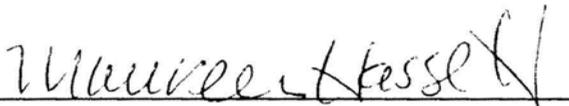
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion Ms. Perry, and seconded by Mr. Nelson, the meeting was adjourned at 11:50 pm.

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



Maureen Hassett, Assistant Secretary



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

RE: Chief Executive Officer's Report to the Board

SEVERAL EDA PROJECTS RECEIVE NEW GOOD NEIGHBOR AWARDS FROM NEW JERSEY BUSINESS & INDUSTRY ASSOCIATION (NJBIA)

On June 1, NJBIA held its annual New Good Neighbor Awards Luncheon which honors firms that significantly contribute to the economic value of their communities by constructing new buildings or investing in noteworthy improvement projects. Among the award recipients were two projects assisted by EDA – Saker ShopRite of Somerville and Marina Thermal Facility in Atlantic City.

Saker ShopRite, which was assisted through the Economic Redevelopment and Growth (ERG) Program, involved the rehabilitation of a 1970s-era supermarket into a 70,000-square-foot world-class ShopRite supermarket in a community that had been without a supermarket since 2007. The project was a key component that helped jumpstart a larger 13-acre development project in Somerville Borough's Main Street retail area, which had been slow to develop due to difficult economic conditions.

Marina Thermal Facility, which was assisted through the ARRA CHP Program, is a state-of-the-art 7.5 megawatt cogeneration plant that provides thermal energy in the form of hot water, chilled water, and electricity to the Marina Thermal facility in Atlantic City, which, in turn, provides heating, cooling and electric power to the Borgata and Water Club hotels/casinos in the resort city.

FY2013 STATE BUDGET UPDATE

Governor Christie has enacted a balanced Fiscal Year 2013 Budget which, among other state priorities, provides \$347 million in business tax relief along with the second year of job-creating business tax cuts and tax policy intended to increase the state's competitiveness, improve the business climate and create Jersey Jobs.

In addition, the FY 2013 Budget appropriates stable funding for a number of EDA-administered programs, including ERG Program – \$3.6 million, BEIP – \$175 million, Brownfields

Reimbursement Program – \$21.4 million, UST Program – \$15.4 million and HDSRF – \$12.6 million, as well as \$263,000 for the Fort Monmouth Economic Revitalization Authority (FMERA).

FMERA UPDATE

On June 25, 2012 the Economic Development Conveyance (EDC) Agreement was finalized between the U.S. Army and FMERA. The EDC Agreement is the overarching agreement between the U.S. Army and FMERA that will guide the Phase 1 property transfer of the former Army Post. With this significant milestone achieved, the redevelopment of the former Fort Monmouth can begin in earnest.

FMERA reached another notable milestone in June. On June 27, 2012 the U.S. Army conveyed Parcel E, a 55 acre tract in the Tinton Falls section of the former Fort Monmouth property, to FMERA. It is expected that a purchase-sale agreement with CommVault Systems Inc. (CommVault) will be executed in the upcoming days and that Parcel E will be sold to the company in the fall. CommVault, a leading data management software company, intends to build a new corporate headquarters on Parcel E. The project is anticipated to be completed in three phases over 20 years, and consist of up to 650,000 square feet of new high-tech office/research space in one or more buildings on the 55 acre property. In February 2012, the EDA Board approved CommVault for a \$7.2 million Business Employment Incentive Program (BEIP) grant and a \$1.35 million Business Retention and Relocation Assistance Grant (BRRAG) related to this project, which will result in the creation of 250 new jobs, as well as the retention of 300 jobs in New Jersey.

FINANCING ACTIVITY

Through June 2012, EDA has closed financing and incentives totaling just over \$154 million for 70 projects that are expected to support the creation of over 1,250 new jobs, the retention of nearly 6,300 existing jobs at risk of leaving New Jersey, and involve total public/private investment of over \$487 million in New Jersey's economy. Businesses assisted through EDA financing in June include:

QualCare Alliance Networks, Inc., which executed a \$230,500 Business Employment Incentive Program (BEIP) grant and a \$245,250 Business Retention and Relocation Assistance Grant (BRRAG) to support the retention of 109 jobs and the creation of 40 new jobs in Egg Harbor. QualCare Alliance Networks, Inc. is the largest full service managed healthcare organization in NJ that offers self funded plans, third party administration services, provider network access, utilization management services, and a workers' compensation product. This assistance, which will enable the company to relocate to a new facility in Egg Harbor, will leverage \$1.5 million in capital investment.

Robertet, Inc., which closed on \$8,000,000 in tax-exempt bond financing, and executed a \$225,000 BRRAG. Robertet, Inc. is a family owned fragrance and flavor company that specializes in natural ingredients. This assistance will enable the company to acquire, renovate, and equip a 115,000 sq ft building in Mount Olive to be used as a manufacturing facility as well

as serve as the company's corporate headquarters. This assistance will result in the retention of 100 jobs as well as the creation of an estimated 10 new jobs.

Superior Powder Coating, Inc., which closed on over \$827,000 in tax-exempt bond financing as well as a \$750,000 Premier Lender loan. Superior Powder Coating is a provider of high volume and electro powder coating services for a variety of industries including automotive, architectural, agricultural, military and maritime applications. As a result of this assistance, which will enable the company to purchase equipment and refinance existing debt, the company expects to create 10 new jobs within two years.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 32 events in June. These events included the New Jersey Future 2012 Smart Growth Awards in Newark, the Alliance for Action Public-Private Partnership Conference in Trenton, the Greater Newark Enterprises Corporation Annual Opportunities and Awards Breakfast in Newark, and the ribbon cutting of the new Fidelity Investment Office in Jersey City – a project in which EDA provided assistance.



BOND RESOLUTIONS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Nandan Company, L.L.C.

P37291

PROJECT USER(S): Deep Foods Inc. *

* - indicates relation to applicant

PROJECT LOCATION: 1075 & 1079 Garden State Rd, Union Township (T)

Union

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

APPLICANT BACKGROUND:

Nandan Company, L.L.C. is a real estate investment company formed to acquire, equip and lease a food manufacturing facility to benefit its operating company, Deep Foods Inc., a family-owned food manufacturer and marketer. Established in 1977 and based in Union, New Jersey, Deep Foods Inc. specializes in the manufacture and marketing of Indian, Thai and Chinese ethnic snack foods, ice cream, frozen entrees and desserts, sauces, and chutneys.

Deep Foods has grown significantly in the last 10 years, and they have experienced capacity limitations. In order to accommodate the anticipated additional growth, last December, they purchased two adjacent buildings, totaling 41,400 sf, behind their current three-building, 72,000 sf complex located at 1090 Springfield Road. To double the capacity, the business needs additional food manufacturing equipment, which will be used at their new space and/or in the existing facility.

The Applicant has closed four prior bond issues through the EDA from 1983 to 2001, all of which, with the exception of the 2000 issue of \$4,300,000, have been paid in full (or refunded). There is an approximately \$1.4 million balance on that outstanding bond (P12735; 2000), which is in compliance.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to acquire food manufacturing machinery and equipment plus pay the costs of issuance.

FINANCING SUMMARY:

BOND PURCHASER: Sovereign Bank (Direct Purchaser)

AMOUNT OF BOND: \$8,600,000 Tax-Exempt Bond

TERMS OF BOND: 10 year term with a 15 year amortization; interest only for up to 1 year; variable rate at 65% of one-month LIBOR plus 162.5 bps; as of June 18, 2012, the indicative t/e rate is 1.22%.

ENHANCEMENT: N/A

PROJECT COSTS:

Purchase of equipment & machinery	\$8,170,000
Other/Contingency	\$258,000
Legal fees	\$86,000
Finance fees	\$86,000
TOTAL COSTS	\$8,600,000

JOBS: At Application 175 Within 2 years 50 Maintained 0 Construction 0

PUBLIC HEARING: 07/12/12 (Published 06/25/12) **BOND COUNSEL:** McManimon & Scotland
DEVELOPMENT OFFICER: K. Durand **APPROVAL OFFICER:** D. Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: UMM Energy Partners, LLC

P36870

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Normal Ave.

Montclair Township (T/UA) Essex County

GOVERNOR'S INITIATIVES:

(X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

UMM Energy Partners, LLC is a special purpose entity recently formed to design, develop, construct, own, operate and maintain the Montclair State University Energy Project (the "Energy Project"). The Energy Project on the campus of Montclair State University will include the total replacement of the existing combined heat and power facility with a new facility that will include electric production to serve the campus, chilled water to provide air conditioning and steam for heat. UMM Energy Partners is wholly owned by Energenic, which is equally owned by DCO Energy, LLC and Marina Energy, LLC. Energenic is an independent energy development company specializing in the development, engineering, construction, operation, maintenance and management of central energy centers, renewable energy projects, and combined heat, chilling and power production facilities.

The Board Members also approved the proposed Energy Project by Montclair State University under the Higher Education Private Public Partnership Program at the December 11, 2011 Board meeting, subject to certain conditions, including securing the bond financing by UMM Energy Partners, LLC.

There are two related prior bond financings: 1) In June 2010, Authority assistance enabled Provident Group - Montclair Properties L.L.C. via a tax-exempt and taxable bond financing totalling \$234,990,000, to construct a 2,000 bed student housing project on the campus. The housing project was one of the first public-private partnership projects on a public university property in the State under the NJ Economic Stimulus Act of 2009 and was completed on schedule and is open for the 2011-2012 academic year.

2) ACR Energy Partners, also owned by Marina Energy and DCO Energy, closed on a \$118,600,000 tax exempt and taxable bond financing in 2010 to finance a portion of the construction costs of the Atlantic City Inlet District Energy Center, providing energy to the Revel Entertainment Complex and other nearby properties.

This project qualifies for tax-exempt bond financing as an Exempt Public Facility - Local District Heating or Cooling Facility - under Section 142(a)(9) of the 1986 Internal Revenue Code as amended.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to finance a portion of the construction costs of the Montclair State University Energy Project consisting of a new cogeneration facility of combined heat, chilling and power facility as well as the purchase machinery and equipment. The land where the new facility will be located will be leased by the applicant and developer, UMM Energy Partners, from the University. In addition, bond proceeds will be used for the payment of capitalized interest on the Bonds during construction of the Energy Project, funding separate debt service reserve accounts for each series of Bonds and the payment of the costs of issuing the Bonds. The Bonds are expected to be rated by Moody's with an investment grade rating (Baa).

This project was approved by the Authority in May 2012, but due to various delays has not yet closed. It is being presented at the July 12, 2012 Board Meeting to reallocate 2009 and 2010 Carryforward allocation to provide additional time for the parties to close the bond financing.

FINANCING SUMMARY:

BOND PURCHASER: Raymond James & Associates, Inc. (Underwriter)

AMOUNT OF BOND: \$60,000,000 (estimated) Series A Tax-exempt Bonds; utilizing 2009 and 2010 carryforward.	\$30,000,000 (estimated) Series B Taxable Bonds 17 years (max.); Fixed rate bonds not to exceed 8%, estimated rate as of 4/23/12 is 5.93%.
TERMS OF BOND: 30 years (max.) Fixed rate bonds not to exceed 8%, estimated rate as of 4/23/12 is 6.09%.	

ENHANCEMENT: N/A

PROJECT COSTS:

Construction of new building or addition	\$44,908,020
Purchase of equipment & machinery	\$15,730,000
Debt service reserve fund	\$7,247,038
Project Management	\$7,000,000
Renovation of existing building	\$6,816,781
Interest during construction	\$5,792,508
Engineering & architectural fees	\$2,860,000
Finance fees	\$1,320,522
Legal fees	\$610,000
 TOTAL COSTS	 <u><u>\$92,284,869</u></u>

JOBS: At Application 0 Within 2 years 8 Maintained 0 Construction 450

PUBLIC HEARING: 05/08/12 (Published 04/23/12) **BOND COUNSEL** McManimon & Scotland
DEVELOPMENT OFFICER: P. Ceppi **APPROVAL OFFICER:** T. Wells

AMENDED BOND RESOLUTIONS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Railway Avenue Properties, LLC

P37613

PROJECT USER(S): Paterson Charter School For Science &

* - indicates relation to applicant

PROJECT LOCATION: 196 W. Railway Ave.

Paterson City (T/UA)

Passaic

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

APPLICANT BACKGROUND:

Railway Avenue Properties, LLC, is a limited liability organization recently formed to undertake two school facility projects for the benefit of Paterson Charter School for Science and Technology, a K-6 public elementary charter school currently located at 276 Wabash Avenue, Paterson; and Grades 7-12 at 764 11th Avenue, Paterson. The School serves approx. 800 students. Paterson Charter School has successfully operated a public charter school since 2003 and has been approved to continue its charter to 2017.

The sole member of Railway Avenue Properties, LLC is Apple Educational Services, Inc. ("AES"), a 501(c)(3) organization, which collaborates with charter schools and other educational institutions to enhance educational opportunities and improve the quality of education for youth and adults in the U.S. AES has provided supplemental education services to about 30 schools in 9 states in different capacities. Kemal Aydin is the President.

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

APPROVAL REQUEST:

Authority assistance will enable the applicant to 1) purchase the existing building at 276 Wabash Avenue, Paterson that houses the elementary school; 2) purchase approx. 1.4 acres of land and an 88,500 sq. ft. facility at 196 W. Railway Avenue, Paterson, and renovate the building into a modern middle school and high school facility to replace the 11th Avenue School (which it currently leases), with over 50 classrooms, 6-10 computer/science labs, a library resource room, gymnasium, cafeteria, administrative offices and a parking lot; and 3) pay costs of issuance including a debt service reserve fund and interest during construction.

At the February 14, 2012 Board meeting, the Members approved an amended bond resolution to (i) issue the 2012 Bonds in two tranches with two separate tax-exempt series and one or more federally taxable series of bonds; and (ii) increase the bond amount to \$28,500,000.

The applicant closed April 12, 2012 on the first tranche with the issuance of \$11,590,000 Series A Tax-exempt Bonds and \$355,000 Series B Taxable Bonds (total Series A and B Bonds of \$11,945,000 reported on Appl. P#36938). The Series A and B Bonds provided financing for (i) the purchase of the Wabash Avenue property in the amount of \$10,525,000, (ii) a debt service reserve fund in the amount of \$883,430 and (iii) costs of issuance in the amount of \$536,570. The 2012 Series A and B Bonds received a BBB- rating from Standard & Poor's.

The applicant is now preparing to close on the second tranche, at the amounts and terms listed below (total Series C and D Bonds in the amount of \$18,055,000), for the acquisition of the Railway Avenue property and requests an Amended Bond Resolution at the July 12, 2012 Board meeting, to increase the amount of the total tax-exempt and taxable bond financing to \$30,000,000, due to increase in the renovation costs of the Railway Avenue property.

FINANCING SUMMARY:

BOND PURCHASER: RBC Capital Markets, LLC (Underwriter)

AMOUNT OF BOND: \$17,760,000 (est.) Series C Tax-exempt Bond & \$295,000 (est.) Series D Taxable Bond

Part of a total tax-exempt and taxable bond financing in the amount not to exceed \$30,000,000 with P36938.

TERMS OF BOND: 33 years; Fixed interest rate not to exceed 8.5% (tax-exempt) or 9.5% (taxable); estimated rates as of 6/20/2012 are 5% to 6.10% tax-exempt and 6.875% taxable

ENHANCEMENT: N/A

PROJECT COSTS:

Renovation of existing building	\$11,455,000
Acquisition of existing building	\$3,500,000
Debt service reserve fund	\$1,400,000
Interest during construction	\$1,100,000
Closing Fees	\$600,000
TOTAL COSTS	\$18,055,000

JOBS: At Application 65 Within 2 years 85 Maintained 0 Construction 102

PUBLIC HEARING: 07/12/12 (Published 06/28/12) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: D. Johnson **APPROVAL OFFICER:** T. Wells

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM**

APPLICANT: Reformed Church Ministries to the Aging, The Particular Synod of P37585

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 1990 Route 18 North Old Bridge Township (T/UA) Middlesex

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

APPLICANT BACKGROUND:

Reformed Church Ministries to the Aging, The Particular Synod of the Mid-Atlantics, Inc., a 501(c)(3) not-for-profit entity, was organized to aid and assist the Mid-Atlantics Synod (The Particular Synod of New Jersey of the Reformed Church in America, Inc.), an ecclesiastical assembly and judicatory of the Reformed Church in America, in its care for the aged and to establish and operate homes and programs for seniors. The Applicant is independent from the Church and the Synod. Katherine Shepard is serving as Executive Director.

The Applicant owns and operates the Reformed Church Home, which is a licensed skilled nursing and assisted living facility comprised of 108 long term care beds and 48 assisted living units with 54 beds. The 54 bed (48-unit) assisted living facility portion, was permanently financed in 1998 via a \$10 million tax-exempt Authority bond issue ("Reformed Church Home - 1998 Project"; Series A & B; P10445).

The assisted living units promote "aging in place" and offer seniors apartment style housing, congregate dining, and supportive health, personal and social services including: housekeeping, daily assistance with bathing and dressing, recreation, social and transportation services as well as assistance with medication.

The goal of this application is to realize interest expense savings by refunding the approximately \$7.5 million outstanding balance of these bonds.

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

REFUNDING REQUEST:

Authority assistance will enable the applicant to refund its tax-exempt debt totaling approximately \$7.5 million plus pay for the cost of issuance.

The difference between the project costs and the bond amount will be funded via the Debt Service Reserve Fund of the 1998 bonds.

FINANCING SUMMARY:

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

AMOUNT OF BOND: Up to \$7,000,000 Tax-Exempt Bond

TERMS OF BOND: 10 years; fixed rate at the tax-exempt equivalent of TD Bank's Internal Cost of Funds plus 140 bps; as of June 14, 2012, the indicative t/e fixed rate is 2.48%.

ENHANCEMENT: N/A

PROJECT COSTS:

Principal amount of bond(s) to be refund	\$7,465,000
Closing Fees	\$84,500

TOTAL COSTS

\$7,549,500

PUBLIC HEARING: 07/12/12 (Published 06/27/12) **BOND COUNSEL:** McCarter & English, LLP
DEVELOPMENT OFFICER: K. Durand **APPROVAL OFFICER:** D. Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM**

APPLICANT: Somerset Valley Young Men's Christian Association

P37545

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Various

Single County - Multi City () Somerset

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

APPLICANT BACKGROUND:

Somerset Valley Young Men's Christian Association (the "Somerset Valley Y"), established in 1893, is a not-for-profit entity that provides for the physical, mental and spiritual health of the community in a safe friendly environment. The Applicant currently provides pre-school and after-school child care, teen programs, swim instruction, and health and wellness programs for over 7,500 individuals. The Somerset Valley Y serves the southern portion of Somerset County through three facilities in Somerville (a full service facility), Bridgewater (an indoor aquatics center), and Hillsborough (a full service facility). Paul Kieltyka is serving as its President and CEO.

In 2005, the Somerset Valley Y refinanced its approximately \$3 million conventional bank debt with a 20-year maturity tax-exempt bond having a 10 year fixed rate of 4.43%, which was directly purchased by The Provident Bank. The goal of this application is to realize interest expense savings by refunding the approximately \$2.3 million outstanding balance of this bond. The original financing proceeds were used by the Applicant to make capital improvements at the above three Somerset Valley Y locations.

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.

REFUNDING REQUEST:

Authority assistance will enable the applicant to refund its tax-exempt debt totaling approximately \$2.3 million plus pay for the cost of issuance.

FINANCING SUMMARY:

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

AMOUNT OF BOND: \$2,400,000 Tax-Exempt Bond

TERMS OF BOND: 15 years, 3 months; interest only for up to 3 months; floating rate at the tax-exempt equivalent of one-month LIBOR plus 235 bps; the bank will have a call option in year 10. On the closing date, the borrower may enter into a fixed interest rate swap agreement for 10 years (Est. interest rate is 3.23% as of July 2, 2012).

ENHANCEMENT: N/A

PROJECT COSTS:

Principal amount of bond(s) to be refund	\$2,279,961
Redemption premium	\$45,500
Legal fees	\$37,000
Finance fees	\$15,700
Appraisal/Environmental	\$12,000
Title Work/Insur.	\$9,839

TOTAL COSTS

\$2,400,000

PUBLIC HEARING: 07/12/12 (Published 06/28/12) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: D. Sucsuz

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Congregation Tiferes Shulem, Inc.

P37566

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Joe Park Rd. & Monmouth Ave. Lakewood Township (T/UA) Ocean

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

APPLICANT BACKGROUND:

Congregation Tiferes Shulem, Inc. is a 501(c)(3) not-for-profit organization established in 2006 to operate the Tiferes Chaya school for girls in kindergarten through 7th grade. The 12,000 sq. ft. School located in Lakewood, Ocean County, has an enrollment of 195 with 20 employees. Rabbi Berel Leifer is the Executive Director. The project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause.

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

APPROVAL REQUEST:

Authority assistance will enable the Applicant to refinance an existing commercial mortgage in the amount of approximately \$1,522,000; purchase two new properties for extra-curricular and vocational education and training; purchase kitchen equipment for the School; and pay certain costs of issuance.

FINANCING SUMMARY:

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

AMOUNT OF BOND: \$2,170,000 (Tax-exempt bond)

TERMS OF BOND: 25 years; Variable interest rate based on the tax-exempt equivalent of 1 month LIBOR plus 300 basis points; subject to call option on the 5th anniversary of the closing and every 5th year thereafter. On the closing date, the borrower may enter into a fixed interest rate swap agreement for 5 years (est. interest rate is 3.4% as of 4/30/12).

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$1,522,000
Acquisition of existing building	\$400,000
Finance fees	\$118,000
Legal fees	\$80,000
Purchase of equipment & machinery	\$50,000
TOTAL COSTS	\$2,170,000

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

PUBLIC HEARING: 07/12/12 (Published 06/28/12) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: D. Johnson

APPROVAL OFFICER: T. Wells

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: YMCA Camp Ralph S. Mason, Inc.

P37574

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION 23 Birch Ridge Road

Hardwick Township (N)

Warren

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

APPLICANT BACKGROUND:

Founded in 1900, YMCA Camp Ralph S. Mason, Inc. (known as "Camp Mason") is a 501(c)(3) not-for-profit organization, providing a year-round camp for both day and sleep-away summer camp programs and year-round opportunities for outdoor education, conferences/retreats and family camp programs. Located on 600 acres in Warren County and adjacent to the Delaware Water Gap National Recreation Area, Camp Mason hosts nearly 800 campers for its summer camp programs, as well as over 10,000 visitors at its outdoor centers. Its visitors also include more than 75 schools that come for outdoor education programs and 100+ groups (colleges, non-profit organizations, scouts, churches, etc.) that use its facilities for retreats and conferences. David A. DeLuca is the Chief Executive Officer.

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

APPROVAL REQUEST:

Authority assistance will enable the applicant to refinance an existing commercial loan with an outstanding balance of approximately \$1,061,000, make maintenance improvements to the camp and pay the costs of issuance.

FINANCING SUMMARY:

BOND PURCHASER: The Bank of Princeton (Direct Purchase)

AMOUNT OF BOND: \$1,235,000 Tax-exempt bond

TERMS OF BOND: 15 years; Fixed interest rate of 4.25%

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$1,061,000
Renovation of existing building	\$140,000
Legal fees	\$23,000
Finance fees	\$11,000
TOTAL COSTS	\$1,235,000

JOBS: At Application

15 Within 2 years

2 Maintained

0 Construction

1

PUBLIC HEARING: 07/12/12 (Published 06/25/12) **BOND COUNSEL:** McManimon & Scotland &

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: T. Wells

LOAN TO LENDERS PROGRAM

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - LOAN TO LENDERS PROGRAM**

APPLICANT: Union County Economic Development Corporation P37536
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 1085 Morris Ave. Union Township (T) Union
GOVERNOR'S INITIATIVES: () Urban () Edison (X) Core () Clean Energy

APPLICANT BACKGROUND:

Union County Economic Development Corporation ("UCEDC" or "Company") is a private, independent, not-for-profit that was formed in 1977. Their mission is to promote community economic development by providing businesses with access to start-up capital and other services such as loans, loan packaging, government procedure assistance, training in English and Spanish, and technical support.

UCEDC has requested a \$500,000 loan under the Loan to Lenders program. Proceeds will be used to provide capital to assist New Jersey small businesses grow, support, and strengthen the community in which they operate. UCEDC has already obtained the necessary match funding via a loan from Capital One Bank.

APPROVAL REQUEST:

Approve a \$500,000 loan under the Loan to Lender program.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: \$500,000

TERMS OF LOAN: 15-Year Term, Fixed interest rate of 2%. Quarterly interest only payments for the initial five years. Fully amortizing quarterly P&I payments for the remainder of the loan.

PROJECT COSTS:

Revolving Loan Fund	\$1,000,000
Finance fees	\$9,825
TOTAL COSTS	<u><u>\$1,009,825</u></u>

JOBS: At Application 14 Within 2 years 15 Maintained 0 Construction 0

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: K. Tolly

FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - COMMUNITY ECONOMIC DEVELOPMENT PROGRAM**

APPLICANT: Community Loan Fund of New Jersey, Inc.

P37473

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 108 Church Street

New Brunswick City (T/UA) Middlesex

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

APPLICANT BACKGROUND:

Community Loan Fund of New Jersey d/b/a New Jersey Community Capital ("NJCC") is a 501(c)(3) not-for-profit formed in 1987 to provide innovative financing and technical assistance to organizations that support housing and sustainable community development ventures that increase jobs, improve education and strengthen neighborhoods. NJCC is a Certified Development Financial Institution. The Company's primary mission is to revitalize neighborhoods through flexible financing, technical assistance and consulting services.

The proceeds of this loan will be used to replenish existing loan funds and will help to leverage money provided by private sector organizations via grants.

APPROVAL REQUEST:

Approve a \$750,000 term loan under the loan to lender program.

FINANCING SUMMARY:

LENDER: Fund for Community Economic Development

AMOUNT OF LOAN: \$750,000

TERMS OF LOAN: 15-Year Term, Fixed interest rate of 2%. Quarterly interest only payments for the initial five years. Fully amortizing quarterly P&I payments for the remainder of the loan.

PROJECT COSTS:

Revolving Loan Fund	\$450,027
Refinancing	\$299,973
Finance fees	\$14,200
TOTAL COSTS	<u><u>\$764,200</u></u>

JOBS: At Application 26 Within 2 years 96 Maintained 0 Construction 0

DEVELOPMENT OFFICER: D. Bennis

APPROVAL OFFICER: J. Wentzel

CAMDEN ECONOMIC RECOVERY BOARD



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

RE: Friends of Knowledge A to Z Academy Charter School, Inc. (Friends)
Business Lease Incentive Grant (P37465)

Request

The Members of the Authority are asked to approve the funding authorization for a \$495,990 Business Lease Incentive Grant to Friends to subsidize a portion of the lease with the Boys and Girls Club of Camden County, Inc. (BGCCC) under the Demolition and Redevelopment Financing Fund established through the "Municipal Rehabilitation and Economic Recovery Act" ("Act").

Background

Friends is organized as a New Jersey non-profit corporation and will operate exclusively for charitable and educational purposes to support Knowledge A to Z Academy Charter School (Knowledge), a charter elementary school serving the youth of Camden. Friends will provide resources to Knowledge and renovate the facility for the school.

Knowledge is also a non-profit corporation and has received approval as a charter school from the NJ Department of Education and will serve up to 400 students in grades kindergarten through grade 4. In addition to the approved charter, Knowledge has obtained use variance, bulk variance approval, and site plan waiver from the City of Camden, in order to operate the School at the subject property. The purpose of Knowledge is to provide a nurturing, educational learning environment where all students acquire foundation skills necessary for the development of inquiring, educated, forward-looking and responsible young adults. Knowledge will operate under the alternate name "Katz Academy".

Project Summary

Friends has entered into an agreement to lease property at 1725 Park Boulevard in Camden from the BGCCC. Friends will then sublease the facility, which consists of 33,066 sq. ft of space, to Knowledge. The total amount of the lease payments over a ten year period will be approximately \$3.6 million which will ultimately be funded with cash from operations.

Friends will be managed by a Board of Trustees. The Trustees include Martin Ettin, Mark Macey, and Kathleen Palella. These individuals all have strong ties to the City of Camden. Each has either lived or worked in Camden in the past or present, and each is committed to ensuring that Camden students have the opportunity to receive basic foundational educational skills.

Knowledge anticipates commencing operations in September 2012 and will operate independently from the local district board of education under a charter granted by the Commissioner of Education, receiving its funding from the local school district and the State of New Jersey.

Knowledge anticipates enrollment of 135 students for the initial school year for grades K-4, requiring a minimum of 19 employees, which includes nine full time teachers, two full time special education teachers, two part time special education teachers, a school principal, and five additional support and administrative staff.

Recruitment and admissions for students will be open to all city residents; additionally, BGCCC's membership base of over 1,000 families provides a viable recruitment base within the immediate community. As of June 13, 2012, Katz has received 190 fully completed enrollment forms for students to attend the 2012-2013 academic year.

TD Bank has issued a term sheet extending a 12 month, \$750,000 working capital facility to Friends in order to support initial funding needs. This facility will require interest-only payments, and may be extended by TD Bank for additional periods. Friends anticipates repayment of any funds drawn from this facility with proceeds from planned fundraising. In the event that fundraising proceeds prove inadequate to cover the debt, a personal guarantor has provided his guarantee of the loan.

Friends has requested a Business Lease Incentive Grant to subsidize a portion of the lease payments. The organization is eligible for the following:

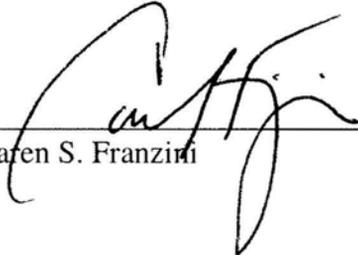
Year One:	\$165,330 (33,066 square feet at \$5.00 per square foot)
Year Two:	\$132,264 (33,066 square feet at \$4.00 per square foot)
Year Three:	\$ 99,198 (33,066 square feet at \$3.00 per square foot)
Year Four:	\$ 66,132 (33,066 square feet at \$2.00 per square foot)
Year Five:	\$ 33,066 (33,066 square feet at \$1.00 per square foot)

Recommendation

Staff has reviewed the application for consistency with the Act and the Strategic Revitalization Plan. The project meets eligibility and statutory requirements and will substantially benefit the residents of Camden, resulting in greater access to educational and employment opportunities.

The project is located in a Transitional/Future Development Area and is eligible for funding under the ERB's general criteria for project financing (#1b, c and d) and priority objectives (#2 a, b, c, d and e). There are sufficient funds available for this \$495,990 financing request through the Demolition and Redevelopment Financing Fund

The Members of the ERB approved this request at its June 26, 2012 meeting. Accordingly, the Members of the Authority are asked to approve the funding authorization for a \$495,990 Business Lease Incentive Grant to Friends to subsidize a portion of the lease with the Boys and Girls Club of Camden County, Inc. (BGCCC) under the Demolition and Redevelopment Financing Fund established through the "Municipal Rehabilitation and Economic Recovery Act" ("Act").



Caren S. Franzini

Prepared By: K. Tolly

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: July 12, 2012
SUBJECT: Hazardous Discharge Site Remediation Fund Program

The following private and municipal grant 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.

Private Grants:

The Trust Formed Under Article VIII of the Will of Bernard..... \$ 478,746

Municipal Grants:

Borough of Bellmawr (Bellmawr Landfill).....\$2,772,833
Camden Redevelopment Agency (Camden Waterfront East)..... \$94,345
Deptford Township (Former Fazzio/Deptford Landfill)..... \$737,494

Total HDSRF funding for July 2012..... \$4,083,418

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIATION PROGRAM GRANT**

APPLICANT: The Trust Formed Under Article VIII of the Will of Bernard P37356
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 83 Cordier St. Irvington Township (T/UA) Essex
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Trust Formed Under Article VIII of the Will of Bernard Grobman and the Estate of Phillip Salzman received a grant in September 1996 in the amount of \$58,341 under P08871, a grant in March 1999 in the amount of \$144,118 under P10614 and a grant in February 2010 in the amount of \$183,527 under P29023, for Remedial Investigation (RI) and Remedial Action (RA), which was a pharmaceutical and cosmetics filling and distribution center located in Irvington. The NJDEP Office of Brownfield Reuse has found the applicant's proposal for financial assistance to be administratively and technically complete and has approved funding to be provided in the form of a Hazardous Discharge Site Remediation Innocent Party Grant under N.J.S.A. 58:10B-Subsection 4, Series A. This Innocent Party Grant has been calculated off 50% of the approved Remedial Investigation and Remedial Action project costs (\$957,492).

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of \$478,566 to perform the approved scope of work at the project site, for a total funding to date of \$864,732.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: \$478,746 (50% Innocent Party Grant)
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Investigation	\$564,736
Remedial Action	\$392,756
EDA administrative cost	\$500
TOTAL COSTS	<hr/> <hr/> \$957,992

APPROVAL OFFICER: K. Junghans

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT**

APPLICANT: Borough of Bellmawr (Bellmawr Landfill)

P37575

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Creek Road

Bellmawr Borough (T)

Camden

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

APPLICANT BACKGROUND:

Borough of Bellmawr received grant awards totaling \$10,000,000, in 2009-2010 for Remedial Action (RA). The project site, identified as Block 79.01; Lots 9.01 is a former landfill & used currently as a composting facility which has potential environmental areas of concern (AOC). The Borough intends to acquire the project site and has satisfied Proof of Site Control. Borough of Bellmawr received its NJDEP Brownfields Development Area (BDA) designation in September 2007, which this project site is located prior to this remediation was performed. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed-use including open space/conservation.

A grant can be awarded to a municipality up to 75% of the costs of remedial action (RA) for projects within a BDA. The grant has been calculated off 75% of the RA costs (\$3,697,110). NJDEP has approved this request for RA grant funding on the above-referenced project site & finds the project technically eligible under the HDSRF program, Category 2, Series A. The township has already paid for 25% of the RA funding of the project. The total annual amount allowed for a municipality that contains a BDA is \$5,000,000 per calendar year.

APPROVAL REQUEST:

Borough of Bellmawr is requesting supplemental grant funding to perform RA in the amount of \$2,772,833 at the Bellmawr Landfill project site, for a total funding to date of \$12,772,833.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$2,772,833

TERMS OF GRANT: No Interest; A lien in the amount of \$2,772,833 will be placed on the property and will constitute a debt of the property owner. In the event the property is transferred to the applicant, the lien will be removed.

PROJECT COSTS:

Remedial Action	\$3,697,110
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$3,697,610</u></u>

APPROVAL OFFICER: K. Junghans

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT**

APPLICANT: Camden Redevelopment Agency (Camden Waterfront East P37362
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: Delaware Avenue Camden City (T/UA) Camden
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Camden Redevelopment Agency received a grant in November 2008 under P22032 in the amount of \$217,074 and a grant in February 2010 under P27089 in the amount of \$98,995 to perform Remedial Investigation (RI). The project site, identified as Block 80, Lot 5 is a public subsurface parking lot which has potential environmental areas of concern (AOC's). The Camden Redevelopment Agency currently owns the project site and has satisfied Proof of Site Control. It is the CRA's intent, upon completion of the environmental investigation activities, to redevelop the project site for residential re-use.

NJDEP has approved this request for supplemental 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 Camden Redevelopment Agency is requesting supplemental grant funding to perform RI in the amount of \$94,345 at the Camden Waterfront-East Village project site, for a total funding to date of \$410,414.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$94,345

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Site Investigation	\$94,345
EDA administrative cost	\$500
TOTAL COSTS	\$94,845

APPROVAL OFFICER: K. Junghans

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT**

APPLICANT: Deptford Township (Former Fazzio/Deptford Landfill) P37577
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: Creek Road Deptford Township (T) Gloucester
GOVERNOR'S INITIATIVES: () Urban () Edison (X) Core () Clean Energy

APPLICANT BACKGROUND:

Township of Deptford received a grant in February 2010 and in October 2010 in the amount of \$4,951,464 and \$5,000,000 under P29343 and P31397 to perform Remedial Action (RA). The project site, identified as Block 1.02, Lot 1 is a former landfill which has potential environmental areas of concern (AOC). The project site is a Brownfield Development Area (BDA) site. The Township of Deptford intends to acquire the project site and has satisfied Proof of Site Control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed-use.

According to the HDSRF legislation, a grant can be awarded to a municipality, up to 75% of the costs of Remedial Action (RA) for projects within a BDA. The NJDEP has approved this request for RA grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. The township has already paid for 25% of the RA funding of the project. The total annual amount allowed to be approved for a municipality that contains a BDA is \$5,000,000 per calendar year.

APPROVAL REQUEST:

The Township of Deptford is requesting grant funding to perform RA in the amount of \$737,494 at the Former Fazzio/Deptford Landfill project site, for a total funding \$10,688,958.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$737,494

TERMS OF GRANT: No Interest; A lien in the amount of \$737,494 will be placed on the property and will constitute a debt of the property owner. In the event the property is transferred to the applicant, the lien will be removed.

PROJECT COSTS:

Remedial Action	\$983,325
EDA administrative cost	\$500
TOTAL COSTS	\$983,825

APPROVAL OFFICER: K. Junghans

**PETROLEUM UNDERGROUND STORAGE TANK
PROGRAM**



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

Subject: Petroleum Underground Storage Tank (“PUST”) Program
Memorandum of Agreement with the NJ Department of Environmental Protection
Thomas Scuderi – P24857 - \$48,800 and P31164 - \$83,184

Request:

The Members are asked to authorize the Chief Executive Officer (“CEO”) to execute the attached Memorandum of Agreement (“MOA”) with the NJ Department of Environmental Protection (“NJDEP”) to transfer to the NJDEP the NJEDA’s statutory subrogation rights under the Underground Storage Tank Finance Act (the “Act”), N.J.S.A. 58:10A-37.1 et seq., in connection with a specific project funded under the PUST Program.

Background:

In November, 2008, NJDEP received an initial application from Thomas Scuderi under the PUST program. Applicants applying for the program are required to disclose on the NJDEP application whether or not they have insurance to pay for cleanup. Under the Act, insurance is the primary coverage for the costs of remediation. If they have insurance and have filed a claim, the applicants must prove the claim was filed. A coverage determination by the insurance company may be provided at the time of application if available, or may be provided later if a determination has yet to be made. Mr. Scuderi disclosed on the NJDEP application that he had homeowners insurance and also provided a declination letter from the insurer at the time of the initial application. The reason given for that decline was that the removal of the tanks and soil remediation was not covered under Mr. Scuderi’s homeowner’s insurance policy.

In December 2008, after a finding by the NJDEP that the Scuderi application was technically eligible under the program, the application was sent to EDA for financial review to determine whether the applicant qualified for a loan or grant. EDA’s determination based on the financial hardship test qualified Mr. Scuderi to receive a conditional hardship grant under the program. In April 2009, EDA closed on the \$48,800 conditional hardship grant for the removal of a 550 gallon tank and soil remediation surrounding same. Funds under that award were fully advanced by November, 2010.

In December, 2009, Scuderi applied for a supplemental conditional hardship PUST grant in the amount of \$83,184. NJDEP reviewed the application, found it technically eligible under the program, and sent it to EDA for underwriting in March, 2010. EDA reviewed the application for financial hardship and approved the grant. The grant closed in November 2010, and disbursements began after the initial grant proceeds were fully drawn. DEP subsequently learned that the applicant’s environmental consultant had discovered groundwater contamination at the project site. Because under New Jersey law the costs of remediating contamination of

groundwater caused by a leaking tank on a homeowner's property ordinarily are covered under the liability section of a homeowner's insurance policy, NJDEP suspended disbursements under the grant while the possibility of insurance coverage was explored. NJDEP ascertains that if groundwater is impacted, then the insurance should extend to any remediation reasonably required to address the groundwater contamination, as the contaminated soil is a source of contamination to the groundwater. As mentioned above, insurance coverage is the primary coverage for costs of remediation, when groundwater contamination is found. The NJDEP referred this matter to the Cost Recovery and Natural Resource Damages Section ("Cost Recovery") of the Division of Law ("DOL").

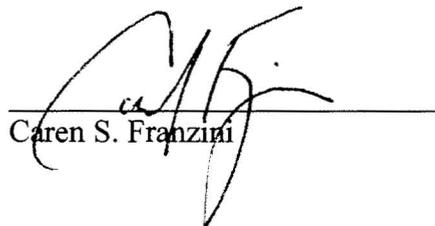
On October 13, 2011, DOL wrote to Penn National's counsel asserting the subrogation rights of NJEDA under N.J.S.A. 58:10A-37.14. Under that statutory provision, the NJEDA steps into the shoes of the grantee against any insurance carrier and against any other person who may be liable for the discharge. In an action to enforce this right of subrogation, the NJEDA is entitled to invoke all of the rights and defenses available to the grantee if the action had been brought by the grantee against such party.

Drawn out negotiations ensued with Penn National, Scuderi, and the Department of Banking and Insurance (DOBI), and DOL regarding various potential cleanup options and insurance coverage. It appears that Scuderi's environmental consultant presented several potential groundwater remediation proposals to Penn National, to which it did not respond. On March 3, 2012, Penn National filed a declaratory judgment action in the Superior Court of New Jersey seeking a judicial ruling that it has no responsibility to provide insurance coverage for the Scuderi property under the Penn National policy. NJDEP was named as a defendant in this action, among others. NJEDA was not named as a defendant. A responsive pleading on behalf of the NJDEP is due August 10, 2012 based on plaintiff's consent to an extension of time.

DOL must file a responsive pleading on behalf of NJDEP in the declaratory judgment action filed by Penn National. The response may include a counterclaim against Penn National asserting insurance coverage for groundwater remediation based upon NJEDA's statutory subrogation rights under N.J.S.A. 58:10A-37.14. NJDEP has committed monies left in the Scuderi award to confirm whether groundwater has been impacted in advance of the DOL's responsive pleading and possible counterclaim on behalf of NJDEP. But in order for NJDEP to assert this counterclaim, it is necessary for NJEDA to first transfer the subrogation rights to NJDEP. N.J.S.A. 58:10A-37.13 provides that, by entering into a MOA, NJEDA may transfer any of its powers under the PUST Act to the NJDEP. The attached MOA provides for this transfer of subrogation rights with respect to the Scuderi matter. Under the MOA, the NJDEP has agreed to absorb any cost associated with the exercise of such subrogation rights for the Scuderi matter and agrees that the NJEDA will have no financial responsibility for same.

Recommendation:

Based on the above, it is recommended that the CEO be granted the authority to execute the attached MOA with the NJDEP which will in effect transfer EDA's subrogation rights authorized under the Act on the Scuderi matter to NJDEP.


Caren S. Franzini

Prepared by: Lisa Petrizzi

MEMORANDUM OF AGREEMENT

PETROLEUM UNDERGROUND STORAGE TANK (“PUST”) PROGRAM

This Memorandum of Agreement (“Agreement”) is dated as of _____ 2012 between the New Jersey Department of Environmental Protection (the “Department”) and New Jersey Economic Development Authority (the “Authority”) (the “Department” and the “Authority” collectively referred to as the “Parties”).

BACKGROUND

WHEREAS, the Authority awarded two conditional hardship grants to Thomas Scuderi, totaling \$131,984, under the provisions of the Underground Storage Tank Finance Act, N.J.S.A. 58:10A-37.1 et seq. (P.L. 1997, c. 235), as amended and supplemented (the “Act”), for the purpose of remediating soil contamination resulting from discharges from a leaking petroleum underground storage tank located at 194 Howard Avenue, Rochelle Park, New Jersey; and

WHEREAS, approximately \$119,432 of the grants awarded to Thomas Scuderi have been disbursed to date from the Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund (“PUST Fund”) for payment of remediation costs; and

WHEREAS, under Section 14 of the Act, payment of any grant shall be conditioned upon the Authority being subrogated to all of the rights of an owner or operator against any insurance carrier and any other person liable for the discharge for the costs necessitated by the discharges; and

WHEREAS, under Section 11 of the Act, environmental liability insurance coverage shall be the primary coverage for the costs of remediation, and the tank owner or operator is required to diligently pursue a claim for environmental liability insurance coverage against its insurance carrier; and

WHEREAS, in accordance with this requirement, Thomas Scuderi has pursued coverage from Penn National Insurance Company and Founders Insurance Company (collectively the “Insurers”) in order to recover past and future costs of remediation of the discharges, including but not limited to remediation costs funded by grants to Mr. Scuderi under the PUST Program ; and

WHEREAS, as a result of such efforts by Mr. Scuderi, the Insurers have filed a civil action in Superior Court Law Division (Docket No. L-2629-12) naming the Department, among others, as a party defendant and claiming that there is no insurance coverage under their respective policies for said remediation costs; and

WHEREAS, pursuant to Section 12 of the Act, the Parties may enter into an agreement whereby any of the powers or responsibilities that the Authority may exercise pursuant to the Act may be exercised by the Department; and

WHEREAS, the Parties wish to transfer to the Department the exercise of the Authority's statutory subrogation rights under Section 14 with respect to past and future PUST financial assistance received by Thomas Scuderi related to remediation of the discharges; and

WHEREAS, the Parties wish to set forth herein their agreement with respect to transfer of said powers and responsibilities of the Authority to the Department for the afore-stated purpose.

NOW THEREFORE, in exchange for the promises herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by the Parties as follows:

The Authority hereby transfers to the Department all subrogation rights it has under Section 14 of the Act with respect to past and future financial assistance awarded to Thomas Scuderi for the Rochelle Park site. The Parties acknowledge and agree that any cost associated with the exercise of such subrogation rights by the Department, including but not limited to participation in the aforementioned litigation, shall be borne by the Department and that the Authority shall have no financial responsibility for same.

This Agreement shall be effective upon execution by the Parties and shall continue until such time as either Party gives the other thirty (30) days prior written notice of intent to terminate.

Caren S. Franzini, Chief Executive Officer

New Jersey Economic Development Authority

Date

Bob Martin, Commissioner

New Jersey Department of Environmental Protection

Date

INCENTIVES

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

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: International Vitamin Corporation

P37567

PROJECT LOCATION: 500 Halls Mill Road

Freehold Township (N)

Monmouth County

GOVERNOR'S INITIATIVES:

() Urban () Edison (X) Core () Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

International Vitamin Corporation ("IVC") was formed in 2010 to acquire the assets of Inverness Medical. Inverness Medical had been manufacturing vitamins in New Jersey itself or through predecessor entities since 1955. IVC continues to produce high quality dietary supplements for leading retailers in the U.S. as well as nutritional, prescription and OTC products for contract customers on a global basis. The applicant has two manufacturing and distribution facilities, including a dedicated Softgel facility located in Irvington, and the corporate headquarters/manufacturing facility in Freehold. The applicant is economically viable.

MATERIAL FACTOR:

As a result of the significant growth IVC has experienced in the past few years they are seeking a BEIP grant to create 140 new jobs to support the continuing growth. In addition, the applicant will be seeking a BRRAG (P37568) to retain 325 jobs for the Freehold facility. Under consideration is expanding in Freehold, where they own the real estate, or in Salt Lake City, which has become the Nutraceutical hub in the U.S. Among the incentives to relocate the manufacturing jobs to Salt Lake City are acquisition opportunities, operating efficiency to be gained from all manufacturing in one location, and lower salary levels as a result of a lower cost of living in Utah. Management has indicated if they relocate the 325 jobs to Salt Lake City the 140 new jobs would be created in Utah. Should the manufacturing jobs be moved to Salt Lake City, approximately 25 jobs would be retained at the Freehold corporate office. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate.

APPROVAL REQUEST:

PERCENTAGE: 65%

TERM: 10 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 319,200
 (not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 350

ELIGIBLE BEIP JOBS: Year 1 80 Year 2 60 Base Years Total = 140

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$2,280

ANTICIPATED AVERAGE WAGES: \$24,000

ESTIMATED PROJECT COSTS: \$7,250,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$532,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$452,200

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: M. Krug

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Freehold Township	N/A
2. Job Creation 140	3
Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk: 325	2
4. Industry:	2
Designated : <u> X </u> Non-Designated : _____	
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$7,250,000	2
7. Average Wage: \$ 24,000	1

TOTAL: 12

Bonus Increases (up to 80%):

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

Total Bonus Points: **20 %**

Total Score :

Total Score per formula:	12 = 40 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	65 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Locus Energy, LLC

P36810

PROJECT LOCATION: 5 Marine View Plaza

Hoboken City (T/UA)

Hudson County

GOVERNOR'S INITIATIVES:

(X) Urban (X) Edison () Core (X) Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Locus Energy, LLC (Locus) was founded in 2007 to provide monitoring and data analytics for the renewable energy industry, with a focus on the solar panel market. The first web-based platform was launched in 2009. Locus offers a technology platform providing automated monitoring support and data analytics for distributed generation systems in the Residential, Commercial, Utility & Industrial markets. The system efficiently integrates distributed energy sources into the electric grid, and provides customized interfaces and analytics to owners, operators, OEMs and regulators in real-time intelligence. Locus currently monitors over 9,000 PV systems as well as over 120,000 distributed micro-inverters. At present Locus employs 29 people between its corporate office in New York City and a West Coast office in San Francisco. The applicant is economically viable.

The applicant has submitted an application for a loan under the Authority's Edison Innovation Green Growth Fund that is currently in review.

MATERIAL FACTOR:

As a result of significant growth since launching its product in 2009, Locus will be seeking a BEIP grant to create 20 new jobs. This will include moving its 12 employees from the NYC corporate headquarters and create 8 jobs to support product demand. Also under consideration is the Clocktower Building in the downtown section of Brooklyn. Both locations offer 3,000 s. f. office space with capacity for expansion. A favorable decision by the Authority to award the BEIP is a material factor in the company's decision to relocate and grow in NJ. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate.

APPROVAL REQUEST:

PERCENTAGE: 80%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Locus Energy, 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: \$ 365,200
(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 15 Year 2 5 Base Years Total = 20

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$18,260

ANTICIPATED AVERAGE WAGES: \$75,000

ESTIMATED PROJECT COSTS: \$18,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$456,500

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$319,500

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

CONSTRUCTION: () Yes (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP:(X) Domestic () Foreign

DEVELOPMENT OFFICER: K. Hashmi

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Hoboken City	N/A
2. Job Creation	20	1
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	0	0
4. Industry:	Electronic device technology	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$18,000	0
7. Average Wage:	\$ 75,000	3

TOTAL: **8**

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan or, existing building(s) that have been 100% vacant for 12 months.	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs, or, existing building(s) that have been 100% vacant for 12 months.	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	<u>20%</u>
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%	<u>15%</u>
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is working cooperatively with a public or non-profit university on research and development	10%	_____
Project is located within Federally-owned land approved from closure under a Federal Base Realignment And Closing Commission or military installations allowing private business activity.	15%	_____

Total Bonus Points: 55 %

Total Score :

Total Score per formula: 8 = 30 %
Construction/Renovation : 0 %
Bonus Increases : 55 %
Total Score (not to exceed 80 %): 80 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: NIP Group, Inc. & Extensis, Inc.

P37467

PROJECT LOCATION: 900 Route 9 North

Woodbridge Township

Middlesex County

GOVERNOR'S INITIATIVES:

(X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

NIP Group, Inc. and Extensis, Inc. (the "Applicants") are related companies under the common control of Richard Augustyn, the founder and CEO of NIP Group, who has over 20 years experience in financial services businesses. NIP Group, Inc. is a specialized business insurance and risk management intermediary providing a wide range of brokerage, underwriting and risk management services to numerous industries. The NIP Group is in good standing with the NJ Dept. of Banking & Insurance. Extensis, Inc. is a professional employer organization, founded in 1929, which handles payroll tax filings, maintains regulatory compliance and minimizes the cost of unemployment claims. Extensis also offers a range of cost-effective benefits programs in health insurance, voluntary benefits, worker's compensation and much more. NIP Group and Extensis operate in Woodbridge, Middlesex County currently with 188 full-time employees. The Applicants are economically viable.

MATERIAL FACTOR:

The Applicants are planning to onshore 32 job positions currently located in China. To accommodate these employees, the Applicants are contemplating expanding at the current location in Woodbridge or leasing space in Florida. The Applicants are seeking a BEIP grant to create 32 new jobs in New Jersey as well as a BRRAG for the retention of 188 employees. Management has indicated that the grants will be a material factor in the companies' decision to go forward with the project. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate.

APPROVAL REQUEST:

PERCENTAGE: 75%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage NIP Group, Inc. & Extensis, 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: \$ 144,000
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 188

ELIGIBLE BEIP JOBS: Year 1 32 Year 2 0 Base Years Total = 32

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$4,500

ANTICIPATED AVERAGE WAGES: \$35,000

ESTIMATED PROJECT COSTS: \$2,250,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$192,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$144,000

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

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP:(X) Domestic () Foreign

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: T. Wells

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Woodbridge Township	N/A
2. Job Creation	32	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	188	1
4. Industry:	Financial services	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$2,250,000	1
7. Average Wage:	\$ 35,000	2

TOTAL: **9**

Bonus Increases (up to 80%):

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

Total Bonus Points: 40 %

Total Score :

Total Score per formula:	9 = 30 %
Construction/Renovation :	5 %
Bonus Increases :	40 %
Total Score (not to exceed 80 %):	75 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT**

APPLICANT: NIP Group, Inc. & Extensis, Inc.

P37468

COMPANY ADDRESS: 900 Route 9 North, Woodbridge, Middlesex County

PROJECT LOCATION: Same as above

GOVERNOR'S INITIATIVES:

NJ Urban Fund Edison Innovation Fund Core

APPLICANT BACKGROUND:

NIP Group, Inc. and Extensis, Inc. (the "Applicants") are related companies under the common control of Richard Augustyn, the founder and CEO of NIP Group, who has over 20 years experience in financial services businesses. NIP Group, Inc. is a specialized business insurance and risk management intermediary providing a wide range of brokerage, underwriting and risk management services to numerous industries. The NIP Group is in good standing with the NJ Department of Banking & Insurance. Extensis, Inc. is a professional employer organization, founded in 1929, which handles payroll tax filings, maintains regulatory compliance and minimizes the cost of unemployment claims. Extensis also offers a range of cost-effective benefits programs in health insurance, voluntary benefits, worker's compensation and much more. NIP Group and Extensis operate in Woodbridge, Middlesex County currently with 188 full-time employees.

MATERIAL FACTOR/NET BENEFIT:

NIP Group, Inc. and Extensis, Inc. are planning to move 32 positions currently located in China. To accommodate these employees, the Applicants are contemplating expanding at the current location in Woodbridge or leasing space in Florida. The Applicants are seeking a BEIP grant to create 32 new jobs in New Jersey as well as a BRRAG for the retention of 188 employees. Management has indicated that the grants will be a material factor in the companies' decision to go forward with the project. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. The model that the Authority uses to determine the net benefit of a BRRAG project to the State of New Jersey determined the net benefit of this BRRAG project is \$31.7 million.

APPROVAL REQUEST:

TAX CREDIT TERM:

1 year

COMMITMENT DURATION:

6 years

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

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 8 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 10/1/2012 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.

5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 10/1/2012.

END OF APPLICANT'S FISCAL YEAR:		December 31
CAPITAL INVESTMENT MUST BE MADE BY:		10/1/2012
SUBMISSION DATE OF CPA CERTIFICATION:		12/31/2012
TOTAL ESTIMATED GRANT AWARD OVER TERM:	\$	423,000
APPLICANT TAX PERIOD 1 APPROVAL (2013):	\$	423,000
ELIGIBLE BRRAG JOBS:		188
YEARLY TAX CREDIT AMOUNT PER EMPLOYEE:	\$	1,500
BONUS AWARD PER EMPLOYEE:	\$	750
TOTAL YEARLY TAX CREDITS INCLUDING BONUS:	\$	2,250
ANTICIPATED AVERAGE WAGES:	\$	65,000
ESTIMATED TOTAL GROSS ANNUAL PAYROLL:	\$	12,220,000
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 6 YRS:	\$	2,044,500
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	\$	1,800,000
OPERATED IN NEW JERSEY SINCE:		1982
PROJECT IS: (X) Expansion	(X) Relocation	
CONSTRUCTION/RENOVATION: (X) Yes	() No	
DEVELOPMENT OFFICER: J. Kenyon	APPROVAL OFFICER: T. Wells	



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

SUBJECT: Pinnacle Foods Group LLC. ("PFG")
\$919,800 Business Employment Incentive Program ("BEIP") Grant
Cherry Hill and Parsippany, New Jersey
P30458

Modification Request:

Consent to an increase in the New Employee Commitment ("NEC") from 90 jobs to 120 jobs for the remainder of the grant term pursuant to the company making additional significant capital investments at the project sites. The proposed investments are to accommodate the relocation of 30 new research and development jobs from Wisconsin. The amended NEC will remain subject to the 20% new employment cap.

Background:

PFG was originally formed in 2001 to acquire the North American business of Vlastic Foods International, Inc. Vlastic, formerly owned by Campbell Soup, has maintained a New Jersey presence in Cherry Hill since 1998. PFG is owned by private equity funds controlled by The Blackstone Group. The company has grown by acquiring name brands and has become a leading manufacturer, marketer and distributor of high quality, branded convenience food products. PFG's diversified brand portfolio can be found in more than 85% of American households.

In March, 2010, EDA approved a 60% /10 year BEIP grant to PFG to support creating 60 new jobs and moving 30 jobs from its recently acquired company, Birds Eye Foods, in Rochester, New York to New Jersey for a total of 90 new jobs. PFG reached its minimum eligibility threshold (MET) of 25 at both its Mountain Lakes and Cherry Hill locations and its NEC of 90 in 2010. To date, there have been no disbursements on the grant. 91 BEIP jobs were reported at 12/31/11.

Also in March, 2010, PFG was approved for BRRAG tax credits in the amount of \$158,200 for relocating 113 retained full time jobs from its current office in Cherry Hill to a new Cherry Hill location. They received those tax credits in August of 2010 to be used for tax periods 2010 and 2011. 108 BRRAG jobs were reported as of 12/31/11. Although the company reported fewer jobs at 12/31/11 year end, the company remained in compliance because they were within the 5% maximum reduction permissible in the agreement.

PFG is considering the consolidation of additional business units from Wisconsin to New Jersey and investing an additional \$2.7MM to make leasehold improvements to accommodate those operations. Plans include fit out of adjacent space at their current project locations in Cherry Hill and Parsippany for offices and laboratory facilities. PFG is proposing to create an additional 30 new BEIP jobs, with an average annual salary of approximately \$80,000.

Pursuant to BEIP regulations, EDA at its discretion may waive the 20% cap under certain conditions, one of which is when a grant recipient makes additional significant capital investment at the project site. Although EDA can waive the cap, requests for waivers are weighed proportionally with the intent of the regulation, which was to place fiscal controls on the program, against the overall benefit the state gains when additional investment is made and new jobs are added at the project site.

After reviewing these criteria, staff pursued a negotiated position with the grantee to modify the grant instead of providing a full waiver. In exchange for making the capital investment and adding jobs, EDA has agreed to consent to the increase in the NEC from 90 to 120 for years 4-10 of the BEIP. Without this approval, the investment and the jobs would be done in Wisconsin where they currently have operations. If the increase in NEC is approved, the grant will then be capped at 20% above the new NEC. This request will not change the grant award percentage or extend the original grant term.

Recommendation:

Consent to an increase in the NEC from 90 jobs to 120 jobs for the remainder of the grant term pursuant to the company making significant additional capital investments at the project site. The grant will be capped at 20% above the amended NEC withholdings and will not be extended or increased in award % as result of this change.

A handwritten signature in black ink, appearing to be 'C. Lee', is written over a horizontal line.

Prepared by: Tyshon Lee and Tejinder Gill

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Preferred Display, Inc.

P37583

PROJECT LOCATION: TBD

Locations Unknown (N) Unknown County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Founded in 2001, and currently headquartered in Clifton, New Jersey, Preferred Display, Inc. ("PDI") designs, manufactures and distributes retail store fixtures. The Applicant is economically viable.

With its state-of-the-art manufacturing facilities in New Jersey and Connecticut, PDI is a direct manufacturer of retail display cases; especially for cosmetics. In addition, they have a team of people that are skilled in design as well as marketing capabilities, which complement their manufacturing and engineering teams.

In addition to the two facilities in Connecticut, PDI is currently operating out of two facilities in New Jersey, one of which is owned (70,000 sf) and the other is partially subleased (115,000 sf of a 250,000 sf facility). The company is experiencing fast growth and needs a larger building or a second building. Ideally, the business prefers to consolidate all of its New Jersey operations into a single, larger space. The goal is to acquire the facility that is being partially subleased, totaling 250,000 sf. If this scenario is realized, they would sell the 70,000 sf existing building that they already own. In the alternative, the company needs to acquire a second nearby facility (90,000-150,000 sf), complementing the 70,000 sf building that it already owns.

The Applicant has 225 full-time employees and the planned expansion will add 150 new jobs. The company has applied for both the BEIP and BRRAG grant programs for assistance.

In the event that this Applicant chooses a location that is eligible for bonus scoring, the BEIP score may increase up to 80%, at which percentage an estimated amount of the grant would be \$1,383,000 over the term of the grant.

In 2008, the Authority extended to the company a \$750,000, 7-year term loan at a 3.00% rate of interest for its working capital needs (P23479). The current outstanding amount is approximately \$316,071, and the loan is being repaid as agreed.

MATERIAL FACTOR:

The Applicant is seeking a BEIP grant to support creating 150 new jobs at a site in New Jersey. The company has submitted a cost benefit analysis comparing the cost of similar facilities in New Jersey and Connecticut. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. The 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 Preferred Display, 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: \$ 691,500

(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 225

ELIGIBLE BEIP JOBS: Year 1 75 Year 2 75 Base Years Total = 150

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$4,610

ANTICIPATED AVERAGE WAGES: \$50,000

ESTIMATED PROJECT COSTS: \$14,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$1,728,750

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,901,625

PROJECT IS: (X) Expansion (X) Relocation Clifton, NJ

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP:(X) Domestic () Foreign

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: D. Sucsuz

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	150	3
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	225	2
4. Industry:	other manufacturing	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$14,000,000	2
7. Average Wage:	\$ 50,000	2

TOTAL: **11**

Bonus Increases (up to 80%):

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

Total Bonus Points: **0 %**

Total Score :

Total Score per formula:	11 = 35 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	40 %

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Preferred Display, Inc.

COMPANY ADDRESS(ES): 310 Brighton Road Clifton City Passaic County
1 Lisbon Street Clifton City Passaic County

PROJECT LOCATION(S): TBD

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

APPLICANT BACKGROUND:

Founded in 2001, and currently headquartered in Clifton, New Jersey, Preferred Display, Inc. (“PDI”) designs, manufactures and distributes retail store fixtures. With its state-of-the-art manufacturing facilities in New Jersey and Connecticut, PDI is a direct manufacturer of retail display cases; especially for cosmetics. In addition, they have a team of people that are skilled in design as well as marketing capabilities, which complement their manufacturing and engineering teams.

In addition to the two facilities in Connecticut, PDI is currently operating out of two facilities in New Jersey, one of which is owned (70,000 sf) and the other is partially subleased (115,000 sf of a 250,000 sf facility). The company is experiencing fast growth and needs a larger building or a second building. Ideally, the business prefers to consolidate all of its New Jersey operations into a single, larger space. The goal is to acquire the facility that is being partially subleased, totaling 250,000 sf. If this scenario is realized, they would sell the 70,000 sf existing building that they already own. In the alternative, the company needs to acquire a second nearby facility (90,000-150,000 sf), complementing the 70,000 sf building that it already owns.

The Applicant has 225 full-time employees and the planned expansion will add 150 new jobs. The company has applied for both the BEIP and BRRAG grant programs for assistance.

In 2008, the Authority extended to the company a \$750,000, 7-year term loan at a 3.00% rate of interest for its working capital needs (P23479). The current outstanding amount is approximately \$316,071, and the loan is being repaid as agreed.

MATERIAL FACTOR/NET BENEFIT:

The Applicant is seeking a BRRAG grant to support retaining and relocating 225 BRRAG eligible employees located in New Jersey. The company has submitted a cost benefit analysis comparing the cost of similar facilities in New Jersey and Connecticut. The company has represented that a favorable decision by the Authority to award the BRRAG grant is a material factor in the Applicant's decision to remain within New Jersey and hence not to relocate these jobs outside of the State. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. The Authority staff recommends the award of the proposed BRRAG grant. The model that the EDA uses to determine the net benefit of a BRRAG project to the State of New Jersey determined that the net benefit of this BRRAG project to the State is \$30.7 million.

APPROVAL REQUEST:**TAX CREDIT TERM:**

1 year

COMMITMENT DURATION:

6 years

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

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 8 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before June 30, 2013 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.
5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before June 30, 2013.

END OF APPLICANT'S FISCAL YEAR:

September 30

CAPITAL INVESTMENT MUST BE MADE BY:

June 30, 2013

SUBMISSION DATE OF CPA CERTIFICATION:

September 30, 2013

TOTAL ESTIMATED GRANT AWARD OVER TERM:

\$506,250

APPLICANT TAX PERIOD 1 APPROVAL (2014):

\$506,250

ELIGIBLE BRRAG JOBS:

225

YEARLY TAX CREDIT AMOUNT PER EMPLOYEE:

\$1,500

BONUS AWARD PER EMPLOYEE:

\$750

TOTAL YEARLY TAX CREDITS INCLUDING BONUS:

\$2,250

ANTICIPATED AVERAGE WAGES:

\$50,000

ESTIMATED TOTAL GROSS ANNUAL PAYROLL:

\$11,250,000

ESTIMATED TOTAL GROSS STATE WITHHOLDINGS (6 years):

\$1,555,875

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:

\$14,000,000

OPERATED IN NEW JERSEY SINCE:

2001

PROJECT IS: (X) Expansion (X) Relocation**CONSTRUCTION/RENOVATION:** (X) Yes () No**DEVELOPMENT OFFICER:** J. Kenyon**APPROVAL OFFICER:** D. Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: ProSight Specialty Management Company, Inc. & ProSight P37611

PROJECT LOCATION: 412 Mt Kemble Avenue Morristown Town (N) Morris County

GOVERNOR'S INITIATIVES:

() Urban () Edison (X) Core () Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Founded in 2009, ProSight Specialty Management Company, Inc. is a subsidiary of ProSight Global, Inc., which specializes in underwriting ocean marine, professional liability, media, casualty, workers' compensation, property and other specialty insurance business through its insurance subsidiaries that are managed by ProSight Specialty Management. The insurance pool managed by ProSight Specialty Management includes ProSight New York Marine and General Insurance Company, Gotham Insurance Company and Southwest Marine and General Insurance Company, which companies were acquired by ProSight Specialty Insurance Company in November 2010 from NY MAGIC, Inc. ProSight Global and its subsidiaries are backed by affiliates of TPG Capital and GS (Goldman Sachs) Capital Partners. The applicants are in good standing with the NJ Department of Banking and Insurance. Currently, ProSight Specialty Management has approximately 125 employees at its New Jersey office in Morristown, Morris County. The applicant is economically viable.

MATERIAL FACTOR:

ProSight Specialty Management Company, Inc. is proposing to expand its operations and requires additional office space at either its current location in New Jersey or its existing facility in Lower Manhattan, New York. ProSight's business is rapidly expanding because of the vast amount of specialty insurance products it offers its customers. Management has indicated that the awarding of the BEIP grant is a material factor to expand in New Jersey. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate.

APPROVAL REQUEST:

PERCENTAGE: 60%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage ProSight Specialty Management Company, 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: \$ 1,450,440
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 125

ELIGIBLE BEIP JOBS: Year 1 40 Year 2 50 Base Years Total = 90

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$16,116

ANTICIPATED AVERAGE WAGES: \$82,000

ESTIMATED PROJECT COSTS: \$1,549,466

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$2,417,400

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$2,175,660

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: T. Wells

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Morristown Town	N/A
2. Job Creation	90	2
	Targeted : _____ Non-Targeted : <u>X</u>	
3. Job at Risk:	0	0
4. Industry:	Financial services	2
	Designated : <u>X</u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$1,549,466	1
7. Average Wage:	\$ 82,000	4

TOTAL: **11**

Bonus Increases (up to 80%):

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

Total Bonus Points: 20 %

Total Score :

Total Score per formula:	11 = 35 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	60 %

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: Prudent Publishing Co., Inc. P37561

COMPANY ADDRESS(ES): 65 Challenger Rd. Ridgefield Park Village Bergen County
400 N. Frontage Rd. Roxbury Township Morris County

PROJECT LOCATION(S): Same
Same

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

APPLICANT BACKGROUND:

Established in 1929 and still family owned, Prudent Publishing Co., Inc. is a leading business-to-business mail order publisher of premium-quality personalized business Christmas, holiday, birthday and all-occasion greeting cards.

With its corporate headquarters in Ridgefield Park, New Jersey, Prudent Publishing designs its own cards and markets them under the name “The Gallery Collection®”. While their card production (external printing and embossing) is outsourced, the customization (internal printing) of the cards is done in their printing facility in Landing (Roxbury Township), New Jersey. Their customers include many Fortune 500 companies.

In New Jersey, Prudent Publishing Co., Inc. currently has 154 full-time permanent (non-seasonal) employees in two sites: 103 positions in Ridgefield Park and 51 positions in Landing. This direct mail marketer of greeting cards is considering cost saving measures.

With a BRRAG grant, the company will relocate its current headcount at its Ridgefield Park corporate office to the Eighth Floor from their current space on the Third Floor. The existing space on the Third Floor is approximately 29,188 sf. The new space, the entire Eighth Floor, is approximately 34,137 sf and needs to be renovated by the landlord. The company would be utilizing the renovated Eighth Floor instead of moving to a competing office building in the Bronx.

In addition, with this grant, the Applicant will maintain its current headcount at the Landing production/warehouse facility, instead of moving it to another competing rented facility, also in the Bronx.

In 1988, the Authority assisted this Applicant with relocating its production facility from Fairfield, New Jersey to Landing, New Jersey with the issuance of a \$5.3 million tax-exempt bond (P06407). Since then, the bond has been retired. The proceeds of the tax-exempt bond were used to construct the Landing plant, a 51,920 sf facility on a 35-acre parcel, and acquire printing machinery and equipment.

MATERIAL FACTOR/NET BENEFIT:

The Applicant is seeking a BRRAG grant to support retaining and relocating 154 BRRAG eligible employees located in New Jersey. The company has submitted cost benefit analyses comparing the cost of similar or comparable facilities in New Jersey and New York. The company has represented that a favorable decision by the Authority to award the BRRAG grant is a material factor in the Applicant's decision to remain within New Jersey and hence not to relocate these jobs outside of the State. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. The model that the

EDA uses to determine the net benefit of a BRRAG project to the State of New Jersey determined that the net benefit of this BRRAG project to the State is \$16.9 million. The Authority staff recommends the award of the proposed Business Retention and Relocation Assistance Grant.

APPROVAL REQUEST:

TAX CREDIT TERM:

1 year

COMMITMENT DURATION:

6 years

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

CONDITIONS OF APPROVAL:

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

END OF APPLICANT'S FISCAL YEAR:

December 31

CAPITAL INVESTMENT MUST BE MADE BY:

December 31, 2012

SUBMISSION DATE OF CPA CERTIFICATION:

June 1, 2013

TOTAL ESTIMATED GRANT AWARD OVER TERM:

\$346,500

APPLICANT TAX PERIOD 1 APPROVAL (2013):

\$346,500

ELIGIBLE BRRAG JOBS:

154

YEARLY TAX CREDIT AMOUNT PER EMPLOYEE:

\$1,500

BONUS AWARD PER EMPLOYEE:

\$750

TOTAL YEARLY TAX CREDITS INCLUDING BONUS:

\$2,250

ANTICIPATED AVERAGE WAGES:

\$53,931

ESTIMATED TOTAL GROSS ANNUAL PAYROLL:

\$8,305,374

ESTIMATED TOTAL GROSS STATE WITHHOLDINGS (6 years):

\$1,224,729

ESTIMATED ELIGIBLE CAPITAL INVESTMENT:

\$964,920

OPERATED IN NEW JERSEY SINCE:

April 1929

PROJECT IS: () Expansion (X) Relocation

CONSTRUCTION/RENOVATION: (X) Yes () No

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: D. Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Sensors Unlimited, Inc.

P37565

PROJECT LOCATION: 330 Carter Road

Hopewell Township (N)

Mercer County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Based in West Windsor, New Jersey, Sensors Unlimited, Inc., the main Intelligence Surveillance and Reconnaissance (ISR) team of Goodrich Corporation, has pioneered the design and production of near infrared (NIR) and shortwave infrared (SWIR) cameras and systems using advanced indium gallium arsenide (InGaAs) imaging technology for use in many applications. The Applicant is economically viable.

Goodrich Corporation, a publicly traded Fortune 500 company, is a global supplier of systems and services to the aerospace and defense industries. With a strategically diversified portfolio of products, Goodrich serves a global customer base with significant worldwide manufacturing and service facilities.

Since 2005, Sensors Unlimited, Inc., originally founded in 1991 as an advanced research and development company, has been a part of Goodrich ISR Systems. Today this specialized sub-division is the world's leading manufacturer of InGaAs photodiodes, arrays, and cameras for advanced infrared imaging applications. With a headcount of 109, the existing West Windsor facility is an ISO 9001:2008 certified manufacturing plant occupying over 40,000 sf of space and includes clean rooms, and an advanced foundry with a wafer fab. Select current deployments of its technologies include laser tracking for weapons and communication systems, surveillance, and night vision.

Sensors Unlimited, Inc. is experiencing fast growth, and in order to increase its manufacturing capabilities, the company will relocate to a new larger space, either in Hopewell Township, New Jersey or Bristol, Pennsylvania. This expansion will result in creation of 93 new positions (BEIP) as well as in-state relocation of 109 existing positions.

MATERIAL FACTOR:

Sensors Unlimited, Inc., a wholly-owned subsidiary of Goodrich Corporation, is seeking a BEIP grant to support creating 93 jobs at a site in New Jersey. The company has submitted a cost benefit analysis comparing the cost of similar facilities in New Jersey and Pennsylvania. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. The Authority staff recommends the award of the proposed BEIP grant.

APPROVAL REQUEST:

PERCENTAGE: 65%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Sensors Unlimited, 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: \$ 962,666
 (not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 144

ELIGIBLE BEIP JOBS: Year 1 46 Year 2 47 Base Years Total = 93

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$10,351

ANTICIPATED AVERAGE WAGES: \$60,000

ESTIMATED PROJECT COSTS: \$23,488,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$1,481,025

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,258,871

PROJECT IS: (X) Expansion (X) Relocation Princeton (West Windsor),

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: North Carolina

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: D. Sucsuz

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Hopewell Township	N/A
2. Job Creation	93	2
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	109	1
4. Industry:	Electronic device technology	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$23,488,000	3
7. Average Wage:	\$ 60,000	3

TOTAL: **13**

Bonus Increases (up to 80%):

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

Total Bonus Points: 20 %

Total Score :

Total Score per formula:	13 = 40 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	65 %

GROW NEW JERSEY ASSISTANCE PROGRAM

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM**

APPLICANT: Automatic Switch Company

PROJECT LOCATION: 50-60 Hanover Road Florham Park Borough Morris County

GOVERNOR’S INITIATIVES:

NJ Urban Fund Edison Innovation Fund Core Clean Energy

APPLICANT BACKGROUND:

Automatic Switch Company (“ASCO”) is a holding company that owns ASCO Power Technologies, ASCO Valve, and ASCO Service which are all headquartered at 50-60 Hanover Road in Florham Park, New Jersey. ASCO is a subsidiary of the global manufacturing and technology company Emerson Electric Company. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:

ASCO’s facility in Florham Park is nearly 60 years old, functionally obsolete, and in need of significant improvements. As a result, ASCO is in the process of evaluating its headquarters options for all three business units. One option under consideration is spending roughly \$44 million to redevelop the Florham Park complex in an effort to provide the company with a modern headquarters facility. Under this scenario, the company would retain all 350 of its existing employees in Florham Park. Also under consideration is relocating ASCO Power and ASCO Services to the company’s recently expanded plant in North Carolina as well as relocating ASCO Valve to the company’s facility in Michigan.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and as a result the management of Automatic Switch Company has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. It is estimated that the project would have a net benefit to the State of \$81.7 million over the 15 years that the company would be committed to keep the jobs here.

FINDING OF JOBS AT RISK:

The applicant has certified that the 350 New Jersey jobs listed in the application are at risk of being located outside the State. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

APPROVAL REQUEST:

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

After the approval of this project and other projects for consideration by the Authority today, the total amount of tax credits approved under the Grow New Jersey Assistance Program will increase to \$254,530,000 and the total combined approvals under HUB and Grow New Jersey to \$1,231,653,853.

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than \$20 million after board approval, but no later than July 28, 2017.
3. No employees that are subject to a BEIP, BRRAG, or Urban Transit Hub are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, or Urban Transit Hub is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

Grant Calculation

BASE GRANT PER EMPLOYEE: \$5,000

BONUS INCREASES:

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

INDUSTRY:	1,000
PUBLIC TRANSIT:	0
HIGH SALARIES:	1,000
AFFECTED SITE:	<u>0</u>

BONUS PER EMPLOYEE: \$2,000

TOTAL GRANT PER EMPLOYEE: \$7,000

ELIGIBLE JOBS:

New Jobs:	0
Retained Jobs:	<u>350</u>
Total:	350

ANNUAL CREDIT AMOUNT (\$4,000,000 max): \$2,450,000

TOTAL AMOUNT OF AWARD: \$ 24,500,000

TERM: 10 years

ESTIMATED ELIGIBLE CAPITAL INVESTMENT: \$ 44,700,725

QUALIFIED INCENTIVE AREA: PA-1

MEDIAN WAGES: \$ 99,225

STATEWIDE BASE EMPLOYMENT: 396

PROJECT IS: (X) Expansion () Relocation

CONSTRUCTION: (X) Yes () No

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: K. McCullough

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM**

APPLICANT: Flight Safety International, Inc.

PROJECT LOCATION: 100 Moonachie Avenue Moonachie Borough Bergen County

GOVERNOR'S INITIATIVES:

NJ Urban Fund Edison Innovation Fund Core Clean Energy

APPLICANT BACKGROUND:

Flight Safety International, Inc. is the world's leading aviation training company founded in Flushing, New York in 1951. Flight Safety trains pilots and mechanics for all aircraft types – fixed wing, rotorcraft, and tilt-rotor – at forty learning centers in the United States, Canada, France, and the United Kingdom. The company, which is a subsidiary of Berkshire Hathaway, operates a 47,000 sq ft facility adjacent to Teterboro Airport in Moonachie, New Jersey. The applicant has demonstrated the financial ability to undertake the project.

MATERIAL FACTOR/NET BENEFIT:

In order to keep up with growing client demand and ongoing changes in the airline industry, Flight Safety is planning to create an expanded state of the art facility. One option is to purchase a 0.6 acre site adjacent to the company's existing building in Moonachie and add approximately 19,000 sq ft of new building space. Also under consideration is an expansion at a site that Flight Safety currently owns at New Castle Airport in Delaware and relocating the entire Teterboro operation to that facility. Should the company choose to pursue the project in New Jersey, it would mean the retention of 101 existing New Jersey jobs as well as the addition of 12 new positions in the Garden State.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and as a result the management of Flight Safety has indicated that the grant of tax credits is a material factor in the company's location decision. The Authority is in receipt of an executed CEO certification that states that the application has been reviewed and the information submitted and representations contained therein are accurate. It is estimated that the project would have a net benefit to the State of \$27.7 million over the 15 years that the company would be committed to keep the jobs here.

FINDING OF JOBS AT RISK:

The applicant has certified that the 101 New Jersey jobs listed in the application are at risk of being located outside the State. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

APPROVAL REQUEST:

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

After the approval of this project and other projects for consideration by the Authority today, the total amount of tax credits approved under the Grow New Jersey Assistance Program will increase to \$254,530,000 and the total combined approvals under HUB and Grow New Jersey to \$1,231,653,853.

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than \$20 million after board approval, but no later than July 28, 2017.
3. No employees that are subject to a BEIP, BRRAG, or Urban Transit Hub are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, or Urban Transit Hub is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

<u>Grant Calculation</u>	
BASE GRANT PER EMPLOYEE:	\$5,000
BONUS INCREASES:	
(\$1,000 per item with a max of \$3,000)	
INDUSTRY:	0
PUBLIC TRANSIT:	0
HIGH SALARIES:	1,000
AFFECTED SITE:	<u>0</u>
BONUS PER EMPLOYEE:	<u>\$1,000</u>
TOTAL GRANT PER EMPLOYEE:	\$6,000
ELIGIBLE JOBS:	
New Jobs:	12
Retained Jobs:	<u>101</u>
Total:	113
ANNUAL CREDIT AMOUNT (\$4,000,000 max):	\$678,000

TOTAL AMOUNT OF AWARD:	\$ 6,780,000
TERM:	10 years
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	\$ 22,736,876
QUALIFIED INCENTIVE AREA:	Meadowlands
MEDIAN WAGES:	\$ 90,067
STATEWIDE BASE EMPLOYMENT:	101
PROJECT IS: (X) Expansion () Relocation	
CONSTRUCTION: (X) Yes () No	
DEVELOPMENT OFFICER: P. Ceppi	APPROVAL OFFICER: K. McCullough

BOARD MEMORANDUMS

MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini, Chief Executive Officer

Date: July 12, 2012

Subject: Cintas Corporation (“Cintas”)
\$1,413,000 (75%) Brownfields Reimbursement Grant

Request:

Consent to a name change of the grant recipient on the Brownfields Reimbursement Agreement from Cintas to Cintas Corporation No. 2 (“Cintas 2”) to correct an administrative error. All other terms of the agreement dated February 10, 2003 will remain in full force and effect.

Background:

Cintas incorporated in Ohio in 1986 and is the parent company of Cintas Corporation No. 2 which provides rental uniforms, related laundering services and cleaning services and products to a variety of industries including first aid, safety and fire protection and others.

In March, 2002, Cintas 2 entered into a Memorandum of Agreement (“MOA”) with the New Jersey Department of Environmental Protection (“NJDEP”) to remediate the former Elizabeth Iron Works site. In February, 2003, Cintas entered into a Brownfields Reimbursement Agreement with the New Jersey Commerce Commission, the NJDEP and the Division of Taxation for the reimbursement of 75% of the \$1,413,000 eligible remediation costs associated with that cleanup. In 2008, the Commerce Commission was dissolved and EDA assumed responsibility for servicing the Brownfields portfolio.

In January, 2012, NJDEP issued a No Further Action (“NFA”) for the site. Cintas 2 now operates a uniform rental and laundering business and custodial service at that site, and the taxes generated by that business are eligible for reimbursement under the Brownfields Reimbursement Agreement.

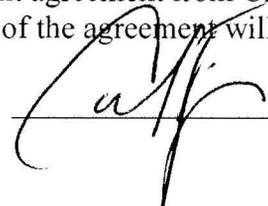
Pursuant to the issuance of the NFA letter and the generation of taxes, Cintas 2 contacted the New Jersey Division of Taxation (“Tax”) and EDA to apply for reimbursement of cleanup costs under its reimbursement agreement.

As Tax reviewed the documentation, it was discovered that an inconsistency in corporate entity name existed between the MOA and the reimbursement agreement and contacted the applicant for guidance. Cintas 2 advised Tax and EDA that the entity on the MOA is correctly listed as Cintas 2, and has asked to amend the grantee name on its reimbursement agreement to correct the incorrect name of Cintas to Cintas 2. This administrative change will align the MOA and reimbursement agreement entities only and will not impact or change any of the other terms of the agreement.

Recommendation:

Consent to a name change on the Brownfields Reimbursement grant agreement from Cintas to Cintas 2 to correct an administrative error in the document. All other terms of the agreement will remain in full force and effect.

Prepared by: Lisa Coane





MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

SUBJECT: NJEDA/School Facilities Construction Bonds - Post Issuance Tax Compliance

DATE: July 12, 2012

SUMMARY OF PROPOSED RESOLUTION

The Authority is currently being asked to authorize the Chief Executive Officer to develop, in consultation with Bond Counsel, the State Attorney General, the Office of Public Finance and the New Jersey Schools Development Authority (“SDA”), post issuance tax compliance procedures as required by the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder with respect to the Authority’s tax exempt School Facilities Construction Bonds (the “Bonds”).

BACKGROUND

The Educational Facilities Construction and Financing Act, L. 2000, c. 72, as amended and supplemented by L. 2007, c. 137 and L. 2008, c. 39 (the “Act”), establishes a comprehensive program for the design, renovation, repair and new construction of primary and secondary schools throughout the State. Initially, the Act authorized the Authority to issue up to \$8.6 billion of State contract bonds to finance the acquisition, construction and/or renovations of K-12 School Facilities Projects throughout the State. Thereafter, the Act was amended and supplemented in 2008 by L. 2008, c. 39 to authorize the Authority to issue up to an additional \$3.9 billion bonds for the funding of School Facilities Projects.

Since April 2001, the Authority has issued twenty seven (27) series of tax-exempt and taxable School Facilities Construction Bonds and Notes totaling \$8,648,954,000 under the Act. Additionally, the Authority has issued seventeen (17) series of refunding bonds in the par amount of \$6,684,505,000 that restructured and refunded a portion of several Series of tax-exempt bonds and a series of tax-exempt notes, previously issued under the Act.

The Internal Revenue Service (“IRS”) has recently instituted a requirement that the issuer indicate on the Form 8038 that it submits to the IRS for each tax-exempt bond issue whether it has written post issuance compliance procedures in place to assure compliance with the provisions of the Code and the regulations promulgated thereunder. Post-issuance compliance procedures assist an issuer in preserving the tax-exempt status of its outstanding tax-exempt bonds by establishing procedures for: (1) identifying uses that may constitute private use; (2) managing and tracking changes in use; (3) accomplishing remedial action when necessary; and (4) assuring compliance with the arbitrage requirements of the Code.

The Authority will be required to submit a Form 8038 G to the IRS by August 15, 2012, for its School Facilities Construction Refunding Bonds, Series II, (closed on May 2, 2012), disclosing whether the Authority has written procedures for post issuance tax compliance.

The Attorney General's Office selected Hawkins Delafield & Wood LLP to serve as Bond Counsel through a competitive RFP/RFQ process in compliance with Executive Order No. 26, to provide advice to and assist the Authority in preparing its post issuance tax compliance procedures for the Bonds. The Authority staff has been working with Bond Counsel, the State Attorney General, the Office of Public Finance and SDA in this regard. In addition to the purposes described above, the procedures will set forth the responsibilities of the Authority as issuer of the Bonds and the SDA, which receives the bond proceeds from the Authority and administers the school facilities construction program under the Act. In order to have procedures in place when the Form 8038 G is submitted to the IRS on or before August 15, 2012, the Board is being asked to approve the resolution described below.

The SDA is expected to adopt the same written post issuance tax compliance procedures.

RECOMMENDATION

The Board is requested to approve the Resolution authorizing the Chief Executive Officer or her designee to develop, in consultation with Bond Counsel, the State Attorney General, the Office of Public Finance and the SDA, adopt on behalf of the Authority, and amend from time to time post issuance tax compliance procedures as required by the Code and the regulations promulgated thereunder with respect to the Authority's School Facilities Construction Bonds; authorizing the Chief Executive Officer of the Authority to appoint a Tax Compliance Officer for the Authority with respect to the Bonds, which may be the Chief Executive Officer; and authorizing any of the Chairman, Vice Chairman, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Director, or any other officer of the Authority with the power to execute contracts pursuant to delegated authority, to take any additional actions which are necessary or desirable to achieve the purposes of the resolution, including without limitation the entry into a memorandum of understanding or other arrangement with the SDA, upon advice of Bond Counsel and the State Attorney General.

A handwritten signature in black ink, appearing to be 'C. Wells', is written over a horizontal line.

Prepared by: Teresa Wells

RESOLUTION AUTHORIZING ADOPTION OF POST-ISSUANCE COMPLIANCE PROCEDURES, DESIGNATION OF A TAX COMPLIANCE OFFICER AND OTHER MATTERS WITH RESPECT TO THE AUTHORITY'S SCHOOL FACILITIES CONSTRUCTION BONDS.

WHEREAS, the New Jersey Economic Development Authority (the "Authority") has previously adopted its School Facilities Construction Bond Resolution on February 13, 2001 (such resolution as amended and supplemented from time to time now and hereafter being referred to as the "Resolution") (all capitalized terms not otherwise defined shall have the meanings ascribed to them in the Resolution); and

WHEREAS, the Resolution authorizes the issuance of Bonds of the Authority pursuant to the Educational Facilities and Construction Financing Act, L. 2000, c. 72, Sections 1-30, 57-71, as amended and supplemented (the "Educational Facilities Act") for the purpose of financing all or a portion of the costs of (a) the State Share of School Facilities Projects and (b) the Eligible Local Share of School Facilities Projects; lending moneys to Local Units to pay the costs of all or a portion of School Facilities Projects and any costs related to the issuance thereof; funding the grants to be made pursuant to Section 15 of the Educational Facilities Act; and financing the acquisition of School Facilities Projects to permit the refinancing of debt by the Local Unit pursuant to Section 16 of the Educational Facilities Act (such purposes are hereinafter referred to as the "Program"); and

WHEREAS, the Resolution also authorizes the issuance of Bonds to finance any costs related to the issuance of the Bonds including, but not limited to, the administrative, operating and other expenses of the Authority to undertake the financing, design, construction and maintenance of School Facilities Projects; and

WHEREAS, the Authority has issued tax-exempt Bonds and expects to issue additional tax-exempt Bonds from time to time pursuant to the Resolution; and

WHEREAS, the Authority desires to develop written procedures for post issuance tax compliance in connection with such Bonds to preserve the tax-exempt status of the Authority's outstanding tax-exempt Bonds by establishing procedures for: (1) identifying uses that may constitute private use; (2) managing and tracking changes in use, (3) accomplishing remedial action when necessary; and (4) assuring compliance with the arbitrage requirements of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the written procedures will also set forth the respective responsibilities of the Authority as issuer of the Bonds and the New Jersey Schools Development Authority ("SDA") which receives the bond proceeds from the Authority and administers the Program;

WHEREAS, the SDA is also expected to adopt the same written post issuance tax compliance procedures setting forth the responsibilities of the Authority and the SDA as described above;

NOW THEREFORE BE IT RESOLVED THAT:

Section 1. Post Issuance Tax Compliance Procedures.

The Chief Executive Officer of the Authority or her designee is hereby authorized and directed to develop, in consultation with Bond Counsel, the State Attorney General, the Office of Public Finance, in the Department of the Treasury ,and the SDA, adopt on behalf of the Authority and amend from time to time, post issuance tax compliance procedures as required by the Code and the regulations promulgated thereunder with respect to the Resolution, any resolution supplementing or amending the Resolution, all outstanding Bonds previously issued by the Authority and all future Bonds to be issued by the Authority pursuant to the Resolution.

Section 2. Designation of Tax Compliance Officer.

The Chief Executive Officer of the Authority is hereby authorized and directed to appoint a tax compliance officer for the Authority, which may be the Chief Executive Officer, with respect to the Resolution, any resolution supplementing or amending the Resolution, all outstanding Bonds previously issued by the Authority and all future Bonds to be issued by the Authority pursuant to the Resolution.

Section 3. Additional Proceedings.

Any of the Chairman, Vice Chairman, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Director, or any other officer of the Authority with the power to execute contracts under delegated authority of the Authority is hereby authorized to take any additional actions which are necessary or desirable to achieve the purposes of this resolution, including without limitation the entry into a memorandum of understanding or other arrangement with the SDA, upon advice of Bond Counsel and the State Attorney General.

Section 4. Effective Date.

This resolution shall take effect in accordance with the provisions of the New Jersey Economic Development Authority Act, L. 1974, c. 80, as from time to time amended and supplemented.



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

SUBJECT: OHM Laboratories, Inc. ("OHM")
\$175,000 UEZ Energy Sales Tax Exemption ("U-STX")

Approval Request:

The members are asked to approve the application of OHM to participate in the U-STX program.

Background

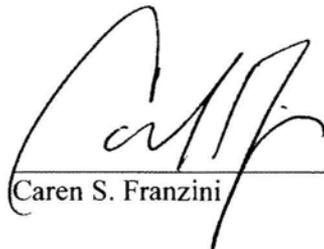
OHM, a wholly owned subsidiary of Ranbaxy Inc., is a manufacturer of prescription and over the counter generic pharmaceutical products, located in New Brunswick. Such products are commercialized primarily in the US healthcare systems, carrying the Ranbaxy or OHM label, as well as the private label market. The applicant is requesting and the members are asked to approve the U-STX. The estimated annualized U-STX benefit to OHM is \$175,000, which is based on the prior twelve months electric and gas usage multiplied by 7% sales tax.

To qualify for a U-STX, a company must be a UEZ-certified manufacturer with at least 250 full-time employees, at least 50% of whom are involved in the manufacturing process. In addition, the company must certify that it is not in default with any other State program, receive a valid tax clearance certificate, and be in good standing with the Department of Labor and Workforce Development.

OHM has a UEZ certified facility in New Brunswick with 411 employees of whom 78% are involved in the manufacturing process. In addition, the company has certified that it is not in default under any other State program. The Department of Labor and Workforce Development has confirmed that the company is in good standing and a valid Tax Clearance Certificate has been received from the Division of Taxation.

Recommendation

Having met all statutory and regulatory requirements, it is recommended that OHM be granted approval into the U-STX program, which would be valid through July 12, 2013.



Caren S. Franzini

Prepared by: Tyshon Lee



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

SUBJECT: Fort Monmouth Economic Revitalization Authority

Request:

Approval is requested to increase the credit facility to Fort Monmouth Economic Revitalization Authority ("FMERA") by \$202,000 to fund additional renovation costs. On May 8, 2012 the Board approved a \$4.5 million credit facility for general working capital purposes and renovation costs associated with two construction projects. The credit facility is currently comprised of three components:

- Facility A - \$500,000 working capital term loan at Prime plus 100 basis points (floor of 3%) fixed at closing with a 12 month term. No payments will be required as interest will be accrued and capitalized with all outstanding principal and interest due upon maturity. Facility A will be utilized to fund general working capital needs which will be comprised primarily of legal fees, architectural costs and engineering expenses.
- Facility B - \$300,000 term loan at Prime plus 100 basis points (floor of 3%) with a 12-month draw period where interest will be accrued and capitalized followed by a 5-year term and 10-year amortization. FMERA will have 24 months to close on the facility and commence the 12-month draw period. Facility B will be used to partially fund the conversion of a 10,650 square-foot building that formerly served as the Post Library to a professional office building that will be occupied by FMERA.
- Facility C - \$3,700,000 term loan at Prime plus 100 basis points (floor of 3%) with a 12-month draw period where interest will be accrued and capitalized followed by a 5-year term and 10-year amortization. FMERA will have 24 months to close on the facility and commence the 12-month draw period. Facility C will be used to fund the renovation of an 86,719 square-foot building that will be occupied by GSA. The project is expected to have a total cost of \$3.7 million and will be funded entirely with the proposed loan.

At the time of EDA Board approval, FMERA had issued an RFP for the renovation of the Post Library but had not received the bids. It was expected that the project would have a total cost of \$450,000, which would be funded with Facility B and a \$150,000 grant from the Office of Economic Adjustment (“OES”), a division of the U.S. Department of Defense (“DOD”). Ultimately, the bids were received and a contractor was selected with a total cost of \$652,000 (including contingency) for the renovations. As a result, FMERA has requested to increase Facility B so that it has approval for sufficient funding to complete the project. Of note, FMERA is also seeking an increase in the OEA grant. Any increase to the \$150,000 OEA grant will be used to reduce Facility B. In consideration of this approval, the Authority will charge FMERA a standard modification fee of \$1,000. All other terms and conditions of the original approval will remain unchanged.



Prepared by: Sean V.M. Brady, Senior Credit Underwriter



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini, Chief Executive Officer
DATE: July 12, 2012
SUBJECT: Mercer County
\$4,613,843 County Loan (P#06856)

Request:

Reduce the late fee from \$26,250 to \$13,125 resulting from the September 1, 2011 annual payment being received 1 month past due.

Background:

In October 1993, the EDA provided a \$6,000,000 loan to Mercer County to construct a minor league baseball facility in Trenton. The loan is repaid at a fixed rate of 2.55% in increasing annual payments (presently \$525,000) through 09/01/2019. Since 2004, the County has paid as agreed and reduced the loan balance to \$4,613,843.

The September 1, 2011 payment was received on October 5 due to the borrower having staffing turnover and technical difficulties with wiring the funds to the EDA. The standard late fee was assessed to the borrower in the amount of 5% of the payment. However, due to the loan being repaid in annual instead of monthly installments, the customary 5% late fee amount was unusually large (\$26,250). The borrower requested that the EDA waive the late fee or consider reducing the amount. After extensive negotiations by staff, the County agreed to split the late fee.

Recommendation:

Waive half the September 1, 2011 late fee and accept \$13,125 from the borrower.

Prepared by: Natalia Nagovsky



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 12, 2012

SUBJECT: Incentives Modifications
(For Informational Purposes Only)

On September 11, 2001, and as amended on September 16, 2003, the Members of the Authority approved a delegation of authority to the Chief Executive Officer and staff to approve certain BEIP modifications. The changes reported herein are ministerial in nature and will not materially change the original approvals of these grants or create unanticipated growth in employment as these grants are capped.

Attached is a list of the BEIP modifications that were approved in the 1st quarter ending June 30, 2012.

Prepared by: C. Craddock

A handwritten signature in black ink, appearing to read "C. Franzini", is written over a horizontal line. The signature is fluid and cursive in style.

**ACTIONS APPROVED UNDER DELEGATED AUTHORITY
 QUARTER ENDING JUNE 2012**

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

Name	Action	Modification
Bind Rite/Union Graphics, L.L.C. and Philip Holzer & Associates, LLC	Name Change & Addition of Project Location	1) Name Change from Bind Rite/Union Graphics, L.L.C. to Unimac Graphics LLC. 2) Addition of 100 Castle Road, Secaucus, NJ, as an additional project location to the grant.
Continental Airlines, Inc.	Reduction of Grant Award Percentage	Decrease in the grant award percentage from 60% to 50% due to the decrease in eligible positions from 37 to 25. The drop in employment was due to the downturn in the economy which resulted in a shift in employee status from full time eligible positions to part time positions which are ineligible under BEIP.
DB Services New Jersey, Inc./DB Securities Services New Jersey, Inc.	Remove Grantee and Transfer Employees	1) Remove DB Securities New Jersey, Inc. from the grant as they are no longer an operating entity. 2) Transfer of all employees from DB Securities New Jersey, Inc. to DB Services New Jersey, Inc.
Eurofins Product Safety Labs, Inc.	Name Change	Name Change from Eurofins Product Safety Labs, Inc. to Product Safety Labs, Inc.
Dietz and Watson, Inc.	Permanent Reduction of NEC and Adjustment of Grant Award Percentage	Decrease the grant award percentage from 70% to 65% as a result of the company failing to reach the NEC of 125 at end of base years (32 eligible positions were created). The drop in job creation was due to the company's inability to effectively transition staff to Delanco from out of state during the time period originally contemplated.
Tyco International Ltd, Inc./Tyco International Management Company	Addition of Grantee	Addition of Tyco Valves and Controls, Inc. to the grant for calendar years 2010 and 2011. Once the Flow Control business is spun off in 2012, the employees will move to a new company and will no longer be paid under the grant.

UEZ Energy Sales Tax Exemption for Manufacturers

Anchor Glass Container Corporation	Salem/UEZ Annual Extension	Extension to March 22, 2013
Anheuser-Busch, LLC	Salem/UEZ Annual Extension	Extension to April 25, 2013
Durand Glass Manufacturing Company, Inc.	Salem/UEZ Annual Extension	Extension to May 26, 2013
J.E. Berkowitz, L.P.	Salem/UEZ Annual Extension	Extension to April 18, 2013
Mannington Mills, Inc.	Salem/UEZ Annual Extension	Extension to May 11, 2013
Phoenix Glass, LLC	Salem/UEZ Annual Extension	Extension to May 20, 2013
Siegfried (USA) Inc.	Salem/UEZ Annual Extension	Extension to March 23, 2013

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: July 12, 2012

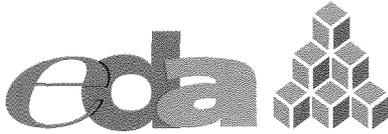
SUBJECT: Delegated Authority for 2nd Quarter 2012.
For Informational Purposes Only

The following post-closing approvals were made pursuant to Delegated Authority in the second quarter of 2012.

Name	EDA Exposure	Action
Green Horse Properties, LLC (Green Horse Media LLC)	\$ 823,059	Consent to 1) additional debt of \$2.52 million to finance the purchase of a 2008 Komori System printing press and; 2) bank's waiver of certain loan covenants at 12/31/11. EDA's collateral was not impacted.
Swift Electrical Supply Co., Inc.	\$ 359,708	Extend the Main Street loan balloon maturity two years to 8/1/14 to fully amortize the balance.
656 21 st Street SPB, LLC (Superior Promotional Bags Corporation)	\$ 206,493	Write off the outstanding LDFP loan with recourse. The collateral, which was foreclosed by the senior lender, had insufficient value to repay the LDFP loan. Legal action will be pursued against the personal guarantors.
Estate of Jeanette Brain	\$ 71,154	Extend interest only period for 6 months to 9/1/12 with the balance of this UST loan to be amortized over the remaining 6.5 years. The \$1,000 modification fee is being paid over five months beginning 4/1/2012 due to hardship.

Prepared by: Daniel Weick





NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini, Chief Executive Officer
DATE: July 12, 2012
SUBJECT: Projects Approved Under Delegated Authority - **For Informational Purposes Only**

The following projects were approved under Delegated Authority in June 2012:

New Jersey Business Growth Fund:

- 1) John J. Majka LLC (P37386), located in Clifton City, Passaic County, is a real estate holding company that was founded in 2009 by Scott Majka. The building is occupied by Jos. A. Majka & Sons Inc., a heating oil distributor, founded in 1965. Dutch Hill Terminals LLC, which also occupies part of the property, provides storage of heating oil to distributors. PNC Bank approved a \$635,000 term loan with a five-year, 25% guarantee of principal outstanding, not to exceed \$158,750. Proceeds will be used to refinance real estate. Currently, the company has eight employees and plans to create four additional jobs over the next two years.

Direct Loan Program:

- 1) North Hudson Community Action Corporation (P37517), located in Union City, Hudson County, was formed in 1965 as a not-for-profit health and human services provider, serving more than 84,000 low-income residents spread across three counties in Northern New Jersey. It is the only Federally Qualified Health Center in the geographical markets it serves. The company was approved for a five-year \$1,000,000 direct loan under the Premier Lender Program to supplement a \$2,800,000 loan from Bank of America. The company currently has 804 employees and plans to create 20 new jobs within the next two years.

NJ Main Street Program:

- 1) Triad Advisory Services, Inc. (P37411), located in Vineland City, Cumberland County, is a consulting firm that represents both the public and private sector clients. The company specializes in urban planning, development and strategic planning, grant writing and program implementation. Michael Zumpino, Jr. founded the company in 1979 and remains the sole owner. Capital Bank of New Jersey approved a \$400,000 line of credit with a one year, 50% guarantee of principal outstanding, not to exceed \$200,000. Currently, the company has sixteen employees.

Prepared by: D. Lawyer
DL/gvr

REAL ESTATE



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Waterfront Technology Center Camden
Lease Agreement with ATS Group, LLC.

DATE: July 12, 2012

Summary

I am requesting the Members' approval to enter into a lease agreement for five years and three months with ATS Group, LLC ("ATS") for approximately 1,945 square feet of second floor office space at the Waterfront Technology Center at Camden ("WTCC").

Background

ATS has occupied about 275 square feet for fifteen months in the Rutgers Camden Technology Campus ("RCTC"), a business incubator which originally leased 20,000 square feet on the second floor of the WTCC Tech One building. ATS is ready to graduate from its RCTC space into a much larger space consisting of approximately 1,945 square feet.

ATS, formed in 2007, has grown from one employee in February 2011, to thirteen currently, with plans to hire four more over the next eight months. The company provides products and services to the defense industry, primarily to the U.S. Department of Defense. The company was recently awarded two significant multi-million dollar and multi-year contracts by the U.S. Army at Picatinny Arsenal, and this space is needed to allow ATS to perform the services required under the contracts.

The proposed space is divided into two Phases. The Phase I space, approximately half of the proposed premises, is currently occupied by another tenant, Montgomery Investment Technologies, Inc. (MIT). MIT has requested an amendment to its lease to allow it to vacate the Phase I space and move to the fourth floor. If MIT executes an amendment and vacates the Phase I space by August 1, 2012, ATS will occupy the Phase I space on that date. If MIT does not execute an amendment and vacate the Phase I space by August 1, 2012, ATS will occupy Temporary/Alternate space, also contiguous to the Phase II space, until MIT executes an amendment and vacates the Phase I space. If MIT does not complete a lease amendment and vacate its space, ATS will remain in the Temporary/Alternate space.

The Phase II Space is the former virtual office area of the RCTC incubator, which is not enclosed by a demising wall. ATS has agreed to construct the demising wall required to create an office in this currently un-leasable space. The Authority will reimburse ATS for its costs, up to a maximum of \$25,000.

In addition the Authority will provide a fit out allowance in the amount of \$20 per square foot, or \$38,900, for the construction of offices and a conference room within the space. The fit out allowance will be disbursed to the Tenant upon the Authority's receipt of monthly invoices, on a pro-rata basis in proportion to the total project costs.

If the maximum demising wall reimbursement and the maximum tenant improvement allowance is amortized over the lease term at 5%, the net rent to the Authority per square foot after commissions will be approximately \$13.73 per year.

Staff performed a financial analysis and determined that a security deposit equal to three months' rent, or approximately \$10,700, will be required.

In addition, ATS intends to apply for a Business Lease Incentive ("BLI") Grant for approximately \$15,030 payable over two years.

Recommendation

In summary, I am requesting the Members' approval for the following: 1) execution of the Authority's standard form of lease with ATS for approximately 1,945 square feet of office space at the Waterfront Technology Center at Camden's Tech One building for a term of five years and three months on terms generally consistent with the attached sheet, and 2) any and all other documents required to effectuate this transaction, on final terms acceptable to the Attorney General's Office and the Chief Executive Officer.



Caren S. Franzini
Chief Executive Officer

Attachment

Prepared By: Christine Roberts

LANDLORD: NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

PROPERTY: THE WATERFRONT TECHNOLOGY CENTER AT CAMDEN

TENANT: ATS Group, LLC.

PREMISES: Approximately 1,945 rentable square feet on the second floor.

**TEMPORARY/ALTERNATE
PREMISES:**

Approximately half of the space (Phase I space) is occupied by a current tenant. This other tenant intends to amend its lease and vacate the space by August 1, 2012. If the other tenant does not execute an amendment by August 1, 2012, ATG will occupy contiguous space until the other tenant executes an amendment. If the other tenant does not vacate its space, ATG will stay in the Temporary/Alternate space.

LEASE TERM: Beginning August 1, 2012 and ending five (5) years and three (3) months from the receipt of TCO/CO for the Phase II Space.

RENT COMMENCEMENT: Rent for the Phase I space shall commence to accrue ninety (90) days after occupancy of the Phase I space, (the "Rent Commencement Date"). Rent for the Phase II space shall commence to accrue ninety (90) days after receipt of TCO/CO for the Phase II space, but not later than six (6) months after the Phase I Rent Commencement Date.

BASE RENTAL RATES:

Years 1 - 2:	\$22.00 psf plus tenant electric
Year 3:	\$22.50 psf plus tenant electric
Year 4:	\$23.00 psf plus tenant electric
Year 5:	\$23.50 psf plus tenant electric

**TAXES AND OPERATING
EXPENSES (CAM):**

The lease is a modified gross lease and the base rent includes CAM (water, sewer, utilities and maintenance), real estate taxes (PILOT), insurance, snow/landscape service, and property management (including office janitorial and security).

Tenant will be responsible for its pro-rata share of tenant electric costs.

BASE YEAR ESCALATIONS: After Year 1, Tenant will be responsible for any taxes,

operating expense and CAM charges which exceeds Landlord's Base Year operating expenses.

TENANT IMPROVEMENTS:

Landlord will provide a Tenant Improvement Allowance of \$20 per square foot, or \$38,900.

Landlord will reimburse Tenant up to \$25,000 for construction of a demising wall for the Phase II space.

TERMINATION PROVISION:

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

RENEWAL OPTIONS:

None.

BROKER:

Under the Authority's contract with Jones, Lang, LaSalle, the Authority will pay a commission of approximately \$11,200.

SECURITY DEPOSIT:

Equal to three months' rent, or approximately \$10,700.