NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Agenda for Board Meeting of the Authority April 14, 2009

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

Chief Executive Officer's Monthly Report to the Board

Authority Matters

Bond Projects

Loans/Grants/Guarantees

Edison Innovation Fund

Incentive Programs

Board Memorandums

Real Estate

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
March 10, 2009

MINUTES OF THE MEETING

Members of the Authority present: Joseph McNamara, Vice Chairman; Jerold Zaro representing the Governor's Office; James Kelly, representing the State Treasurer; Dan Ryan representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Kevin Jarvis representing the Commissioner of the Department of Labor and Workforce Development; Public Members: Steve Plofker, Thomas Manning, Richard Tolson, Philip Kirschner, Charles Sarlo, Elliot M. Kosoffsky, Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Present via conference call: Raymond Burke, First Alternate Public Member.

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

Absent from the meeting: Carl Van Horn, Chairman; and Timothy Carden, Public Member.

Vice Chairman Joseph McNamara called the meeting to order at 10 a.m.

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

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

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the February 10, 2009 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Ryan, seconded by Mr. Tolson and was approved by the 11 voting members present.

Mr. Zaro abstained as he did not attend the previous meeting.

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

PRELIMINARY RESOLUTIONS

PROJECT: Duke Farms Foundation **APPL.#25743**

LOCATION: Hillsborough/Somerset Cty.

PROCEEDS FOR: building renovation

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PROJECT: Eden Institute Foundation **APPL.#25722**

LOCATION: Plainsboro/Middlesex Cty.

PROCEEDS FOR: building purchase and renovation

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Plofker AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PROJECT: Family Service of Burlington County, New Jersey **APPL.#25363**

LOCATION: Various

PROCEEDS FOR: refinance existing debt
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Burke AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PUBLIC HEARING ONLY

PROJECT: Board of Trustees of the Passaic County
Elks Cerebral Palsey Center **APPL.#14955**

LOCATION: Clifton/Passaic Cty.

PROCEEDS FOR: building acquisition

FINANCING: proposed amendment to $2,700,000 for Series 2003 Tax-Exempt Bond

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Family Service of Burlington County, New Jersey * **APPL.#25802**

LOCATION: Mount Holly/Burlington Cty.

PROCEEDS FOR: refinance existing debt

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Five Middlebury Associates, LLC **APPL.#19600**

LOCATION: Randolph/Morris Cty.

PROCEEDS FOR: building acquisition

FINANCING: $2,800,000 Tax-Exempt Bond

MOTION TO APPROVE: Mr. Burke SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes

PUBLIC COMMENT: None

DIRECT LOANS

PROJECT: Five Middlebury Associates, LLC **APPL.#24848**

LOCATION: Randolph/Morris Cty.

PROCEEDS FOR: building acquisition

FINANCING: $700,000 Direct Loan
MOTION TO APPROVE: Mr. Kelly SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Old Pike Investments LLC **APPL.#25433**

LOCATION: Waterford/Camden Cty.

PROCEEDS FOR: building acquisition

FINANCING: $510,000 Direct Loan
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:5

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: The Camden Redevelopment Agency
(North Camden Infrastructure Study) **APPL.#25607**

LOCATION: Camden/Camden Cty.

FINANCING: $110,000 non-recoverable grant

Mr. Sadler left the meeting at this time.

REQUEST: approval the funding authorization of an $110,000 non-recoverable grant to the Camden Redevelopment Agency to fund the undertaking of a comprehensive infrastructure study for the entire neighborhood of North Camden in the City of Camden.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PROJECT: Parkside Business & Community In Partnership **APPL.#16433**

LOCATION: Camden/Camden Cty.

FINANCING: $1,160,000 ERB soft loan

MODIFICATION: extend the term of the project to December 2010 and the scope of work that will result in a $160,000 reduction of the ERB funding from a $1,160,000 to $1,000,000 soft loan to Parkside Business & Community in Partnership.
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Mr. Sadler returned to the meeting.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following residential projects were presented under the Petroleum Underground Storage Tank Program.
MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Jacqueline Lloyd **APPL.#25346**

LOCATION: Cherry Hill/Camden Cty.

PROCEEDS FOR: site remediation

FINANCING: $147,598 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Alfred Mindel and Sharon Mindel **APPL.#24732**

LOCATION: Cherry Hill/Camden Cty.

PROCEEDS FOR: site remediation

FINANCING: $153,724 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of February 2009. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: City Works West Lake, LLC
(West Lake Avenue BDA) **APPL.#25394**
LOCATION: Neptune Twp./Monmouth Cty.
PROCEEDS FOR: remedial investigation
FINANCING: $48,106 Hazardous Discharge Site Remediation Fund

PROJECT: Borough of Carteret (Carteret Waterfront Develop) **APPL.#24381**
LOCATION: Carteret/Middlesex Cty.
PROCEEDS FOR: preliminary assessment, site investigation, remedial investigation
FINANCING: $292,351 Hazardous Discharge Site Remediation Fund

PROJECT: City of Gloucester City (Former Amspec Chemical) **APPL.#25581**
LOCATION: Gibbsboro/Camden Cty.
PROCEEDS FOR: site investigation
FINANCING: $194,110 Hazardous Discharge Site Remediation Fund

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

EDISON INNOVATION FUND

PROJECT: Critical Links Inc **APPL.#25326**
LOCATION: Fairfield/Essex Cty.
PROCEEDS FOR: growth capital
FINANCING: $1,000,000 Edison Innovation Fund investment
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: mVisum, Inc. **APPL.#25327**
LOCATION: Winslow/Camden Cty.
PROCEEDS FOR: growth capital
FINANCING: $1,000,000 Edison Innovation Fund investment
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Integra LifeSciences Holdings Corporation **APPL.#25041**
LOCATION: Plainsboro/Middlesex Cty. **BUSINESS:** medical device technology
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: Global Aerospace, Inc.
LOCATION: Madison/Morris Cty. **BUSINESS:** aviation insurance provider.
GRANT AWARD: 184,800, 5 years
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Zaro AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:12

BROWNFIELD REIMBURSEMENT PROGRAM

The next item was to approve the brownfield application of 183 Foundry Street, LLC for reimbursement for clean-up costs for a Newark redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to $380,000.

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Zaro AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

Mr. Tolson abstained citing concerns regarding day labor hiring practices.

Mr. Manning abstained citing concerns regarding day labor hiring practices.

The next item was to approve the brownfield application of Prabhubyal & Sheilwatty Singh for reimbursement for clean-up costs for an East Orange redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to $195,721.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

The next item was to approve the brownfield application of New Bridgeland Warehouses LLC for reimbursement for clean-up costs for a Garfield redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to $3,442,943.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

BOARD MEMORANDUMS

The next item was to approve the proposed modifications to the Delegated Authority for Credit and Incentive Programs, with changes as noted by Ms. Franzini at the meeting.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Morgan Stanley Management Services II, Inc. **APPL.#17167**

LOCATION: Franklin Twp/Somerset Cty.

FINANCING: $162,000,000 Structured Financing

MODIFICATION: modify the 10 new full-time job requirement by allowing a professional management company with DR expertise to create the jobs required to operate the facility.

MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Burke AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Hilltop Country Day School, Inc. **APPL.#14078**

LOCATION: Sparta Twp./Sussex Cty.

FINANCING: $2,440,000 Tax-Exempt Bond

MODIFICATION: consent to a reduction in the interest rate on the bond for the first 10 years from 5.5% to 4.5%.

MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Plofker AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: IntegriChain, Inc. **APPL.#17959**

LOCATION: Princeton/Mercer Cty.

FINANCING: $1,028,917 Edison Innovation Fund investment

REQUEST: approve a second 6-month principal moratorium through August 31, 2009.

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: myLEADERBOARD, Inc. **APPL.# 17960**

LOCATION: Camden/Camden Cty.

FINANCING: $1,009,891 Edison Innovation Fund investment

MODIFICATION: Approve a second 6-month principal moratorium through July 31, 2009, to allow time for the Company to develop its mobile application business.

MOTION TO APPROVE: Mr. Zaro SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

The next item was a summary of projects approved under Delegated Authority for February 2009. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: CMQV, LLC and Cape May Victorian Inns, Inc; Interfashion Cosmetics Corp.; JA Cissel Manufacturing Co., Inc.; MAGS Holding; Naftali Millinery, LLC; Noonan Industries, Inc.; Rosica, Martin A. and Susan R. Nominee; SPE Labrusciano LLC; SWS Tire & Auto Service, LLC

NJ Main Street Program: 3211 Route 38 LLC

Camden ERB: Logan Enterprises, LLC; Pride Tempered Glass Products, LLC.

PROJECT: WHIBCO, Inc.

LOCATION: Maurice River Twp/Cumberland Cty.

FINANCING: $671,156

REQUEST: Consent to substitution of lender from Sun National Bank to Susquehanna Bank, and to change in collateral to secure direct loan.
MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Kelly AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

AUTHORITY MATTERS

The next item was to authorize the Chief Executive Officer (CEO), to execute the amendment to the existing Memorandum of Agreement (MOA) with the NJ Department of Environmental Protection (NJDEP) for the joint implementation of the Petroleum Underground Storage Tank (PUST) Program.
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Zaro, and seconded by Mr. Kosoffsky, the meeting was adjourned at 11:10 a.m.

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

Maureen Hassett

Maureen Hassett, Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

RE: Chief Executive Officer's Report to the Board

NEW JERSEY URBAN FUND

In the first quarter of 2009, the EDA closed 19 financings totaling more than $29 million in the urban centers of Atlantic City, Camden, Elizabeth, Jersey City, Newark, Paterson and Trenton under the New Jersey Urban Fund. These projects involve nearly $150 million in total investment and are expected to create nearly 950 new full-time jobs and 1,800 construction jobs. Our Strategic Business Plan goal for 2009 is to commit $100 million to the nine targeted New Jersey Urban Fund cities, which also include East Orange and New Brunswick.

Superior Powder Coating, Inc. of Elizabeth, which used EDA tax-exempt bond financing a decade ago to acquire and renovate its current facilities and buy machinery, closed new financing in March with the EDA and Capital One Bank to add equipment and continue its growth. The EDA finalized a 50-percent participation in a $500,000 Capital One loan that will enable Superior Powder to add 26 jobs to its 106-employee urban work force. The company is one of the largest contract metal finishers on the East Coast serving the automotive, architectural, agricultural, commercial, military and marine industries.

Selected Arrow Enterprises, Inc. of Newark, a full-service oil company, also arranged for a $300,000 FastStart for Small Business direct working capital loan from the EDA to hire six new employees, purchase furniture and create new marketing materials.

OTHER URBAN ACTIVITY

Through the end of March, the EDA closed 11 projects in other Urban Aid cities, providing over $12 million in bonds, loans, loan guarantees and environmental assistance grants for borrowers investing more than $27 million in the state's economy. This support is expected to result in the creation of 80 jobs. Our strategic goal is to deploy $100 million to Urban Aid cities other than New Jersey Fund cities by year end.

Cameron Bayonne Urban Renewal, LLC, formed to acquire a 31-acre brownfield site for a new 350,000-square-foot retail center along Route 440 North in Bayonne, closed a $1-million Smart Growth Predevelopment Funding Program loan with the EDA in March. About 80 percent of the planned space has been preleased. The two dozen tenants are expected to include such well-known retailers as Lowe's, Wal-Mart, Sleepy's, New York Sports Club, Subway, Supercuts and Longhorn Steakhouse.

EDISON INNOVATION FUND

The EDA closed equity-like financing totaling $4.6 million on eight Edison Innovation Fund projects through the end of March putting it more than halfway to its Strategic Business Plan goal of making direct investments in 15 companies in 2009. This assistance is expected to result in total project investments of more than $23 million in New Jersey, as well as the creation of an estimated 159 new jobs.

Two $1-million Edison Innovation Fund investments were finalized in March to provide growth capital for emerging software businesses located in Newark and Piscataway. One company, Evident Software, located on the New Jersey Institute of Technology campus within the Newark Innovation Zone, provides network monitoring and diagnostic solutions primarily to customers in the financial services industry. The other, Bluenog Corporation, is located within the greater New Brunswick Edison Innovation Zone in Piscataway. Its flagship product integrates content management, portal and business intelligence software.

We also are advancing a fit-out plan for the Tech III building and the expansion of the Tech I building at the Technology Centre of New Jersey in North Brunswick. Additionally, we are continuing to plan for a second building at the Waterfront Technology Center at Camden complex and to develop an agreement to lease the fifth floor of the Waterfront Tech Center's first building.

CORE ACTIVITY

Core financing totaling more than $42 million was finalized with 40 other projects that plan to make total investments of more than $62 million and create almost 600 new jobs. We seek to provide $110 million in financing assistance to core projects in 2009.

The Exhibit Company, a manufacturer of customer-built exhibits and displays, closed $4.7 million in tax-exempt bond financing and a $1.25-million direct loan in March that will enable it to purchase five acres of land in Piscataway, an existing 88,000-square-foot building and new machinery and equipment so it can relocate its business and 40 employees from Long Island City, NY.

OTHER NEWS

InvestNJ Applications Top 1,000; First Main Street Loan Participation Closed

Through April 3, 1,027 businesses had applied for the $120-million InvestNJ program since applications went online January 2. These businesses plan to create more than 25,100 new jobs in New Jersey. (Only 16,666 jobs may qualify for grants due to program limitations.) The applications represent grant totals of $59.5 million for job creation and $98.8 million for capital investment.

The program makes available $50 million for job creation and $70 million for capital investment. Businesses that have submitted applications since cap limits were reached are being placed on a waiting list and will be considered on a first-come, first-served basis if earlier applicants do not meet program qualifications.

The EDA also closed its first loan under the Main Street Business Assistance Program in March, providing a $211,000 participation in a $1.55-million Cornerstone Bank loan to enable Abbruzzi's Italian Market in Mount Laurel to refinance existing debt and purchase new kitchen equipment.

Both programs were signed into law by Governor Corzine in December as part of his Economic Assistance and Recovery Plan.

Events/Speaking Engagements:

EDA representatives participated as attendees, exhibitors or speakers at 57 events in March. These included: the Newark Regional Business Partnership Real Estate Market Forecast in Newark; the New Jersey Economic Development Association of New Jersey quarterly meeting in Monroe Township; a Downtown New Jersey forum on special improvement districts, transit villages, Urban Enterprise Zones and main streets in Wayne; a New Jersey Alliance for Action Economic Development Update in Edison; a Burlington County Chamber of Commerce luncheon in Mount Laurel; a Passaic County Department of Economic Development seminar in Wayne; a New Jersey Institute of Technology Women's Center entrepreneurship program in Newark; a green jobs roundtable in New Brunswick; a New Jersey Urban Economic Revitalization Conference in New Brunswick, and "meet and greet" events in Trenton for international commercial consuls and international chambers of commerce representatives.

AUTHORITY MATTERS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 14, 2009

SUBJECT: 2008 Comprehensive Annual Report

Request:

The Members of the Board are requested to approve the Authority's comprehensive annual report for 2008, as required under Executive Order No. 37.

Background:

Each year, as directed by our enabling legislation, the New Jersey Economic Development Authority designs and distributes its Annual Report of accomplishments. The 2008 Annual Report also serves as the comprehensive annual report of the Authority's operations pursuant to Executive Order No. 37. This report provides an overview of the Authority's activity for calendar year 2008 and describes progress made by the Authority in advancing Governor Jon S. Corzine's Economic Growth Strategy.

This report also includes the audited financial statements for the year ending December 31, 2008, prepared pursuant to Generally Accepted Accounting Principles for a governmental entity. I am pleased to inform you that the independent accounting firm of Mercadien, P.C. has issued an unqualified opinion with regard to the 2008 financial statements.

On March 19th, 2009, per its Charter, as well as section 9 of Executive Order 122, the Audit Committee reviewed the draft annual financial report prior to release, and considered the relevancy, accuracy and completeness of the information presented. Subsequent to its review, the Committee recommended that the Report be presented to the Board for approval.

Under Executive Order No. 37, the Authority is required to obtain approval of a comprehensive annual report from its Board of Directors. Certification accompanying the financial statements has been executed by the Chief Executive Officer, as well as certification from the Chief Executive Officer that the EDA has followed its standards, procedures and internal controls. This report will be submitted to the Governor's Authorities Unit. Following submission, the Authority is then required to post the document on its website.

In addition to submitting the comprehensive annual report to the Governor's Authorities Unit and posting on the Authority's website, EDA will also be notifying the Legislature and business and community development leaders of the report electronically.

Recommendation:

Authority staff has prepared the comprehensive annual report as required under Executive Order No. 37, and recommends Member's approval in order to submit the report to the Governor's Authorities' Unit, and post on the Authority's website.

Prepared by: Nicole Royle

The company we keep, keeps getting better.

New Jersey Economic Development Authority

Annual Report 2008

New Jersey Economic Development Authority

EDA 2008 Results

EDA Results 2008*	
Projects Assisted	**396**
Total Assistance	***$551.5 Million***
Public/Private Investments	***$1.4 Billion***
Estimated New Permanent Jobs	***7,018***
Estimated Construction Jobs	***16,943***

EDA Results 1974-2008	
Projects Assisted	**9,996**
Total Assistance	***$19.6 Billion***
Public/Private Investments	***$41.4 Billion***
Estimated New Permanent Jobs	***295,018***
Estimated Construction Jobs	***299,943***

Edison Innovation Fund 2008	
Projects Assisted	**112**
Total Assistance	***$84.9 Million***
Public/Private Investments	***$133.8 Million***
Estimated New Permanent Jobs	***986***

Urban Assistance 2008	
Projects Assisted	**152**
Total Assistance	***$315.4 Million***
Public/Private Investments	***$748.6 Million***
Estimated New Permanent Jobs	***4,411***

Core Activity 2008	
Projects Assisted	**137**
Total Assistance	***$152.9 Million***
Public/Private Investments	***$565.3 Million***
Estimated New Permanent Jobs	***1,875***

**Note: Because of the overlap between Edison and Urban funds, EDA Results 2008 will not equal the sum of the Edison, Urban and Core charts.*

EDA Mission

The mission of the New Jersey Economic Development Authority (EDA) is to strengthen New Jersey's economy by retaining and growing businesses through financial assistance, by renewing communities, and by promoting the State's strategic advantages to attract domestic and international businesses.

EDA Strategy

The EDA creates public/private partnerships to bridge financing gaps and to increase access to capital by the State's business community with an emphasis on small and mid-size businesses and nonprofit organizations. It supports entrepreneurial development through training and mentoring programs. It undertakes real estate development projects important to the State's economic growth that will create new jobs and business opportunities and support community development and revitalization.

Dear Friends:

Supporting business growth. Spurring innovation. Promoting community revitalization. Stimulating job creation. These tenets have been a driving force behind the work of the New Jersey Economic Development Authority (EDA) for 35 years.

Today, in partnership with the New Jersey Office of Economic Growth, the EDA is playing an even more vital role in implementing several important initiatives created as part of the State's comprehensive Economic Growth Strategy as well as others established under our more recent Economic Assistance and Recovery Plan.

In fact, two newly established two-year economic stimulus programs designed to improve our business environment fall under the EDA's umbrella of economic development resources. The InvestNJ program authorized $120 million in grants to spur capital investment and job creation. The Main Street Business Assistance Program made available $50 million in new capital for small and mid-size businesses and nonprofit organizations through loan participations and credit enhancements. With these two new programs, we have taken critical steps to get New Jersey businesses growing and investing again.

Despite the global economic recession, the EDA provided more than $550 million in total financing assistance during 2008 that is expected to lead to more than 7,000 new jobs. This report highlights many of the varied projects that took advantage of this funding and benefited from programs that encourage business growth and promote investment and smart growth development in communities throughout our great State. I urge you to become familiar with the broad spectrum of new and traditional resources New Jersey makes available through the EDA.

The contributions of the EDA will be more important than ever as we move forward in 2009 to help the citizens and businesses of the Garden State cope with a profoundly difficult national economic crisis. I look forward to continuing to work with the EDA as we focus much of our attention on meeting the economic challenges of the days and months ahead.

Sincerely,

Jon S. Corzine
Governor

Advancing Governor Jon Corzine's Economic Growth Strategy

The New Jersey Economic Development Authority (EDA) continued to be a catalyst for job creation and business growth in 2008, working with the New Jersey Office of Economic Growth (OEG) to implement Governor Corzine's broad economic development initiatives. Despite the economic challenges facing our State and nation during the year, the EDA initiated and enhanced programs to spur lending activity, advanced several major projects to generate new jobs, promote scientific innovation and encourage investment in New Jersey's communities, and expanded its outreach to businesses and bankers.

In support of New Jersey's efforts to stimulate economic growth, the EDA finalized over $550 million in financing assistance, State business incentives and tax credits, and venture fund investments in 2008, which supported more than $1.4 billion in total new public/private investment in the State's economy and the creation of over 7,000 new jobs. These 2008 results brought the EDA's cumulative financing assistance totals to more than $19.6 billion since its formation in 1974.

The EDA maintained a strong focus on aiding small and mid-size businesses and those business sectors critical to the State's economy, such as technology, biotechnology and pharmaceuticals, financial services, and manufacturing. More than $250 million in EDA assistance alone was directed to 177 business projects. Of these, 62 projects involved manufacturers. Forty businesses executed Business Employment Incentive Program grants worth an estimated $81.3 million over 10 years in connection with their plans to relocate to or expand in New Jersey and bring more than 4,400 new jobs into the State. This assistance is expected to support over $488 million in total project costs.

Over $208 million in EDA 2008 funding was targeted to projects in seven of New Jersey's larger urban municipalities – Atlantic City, Camden, Elizabeth, Jersey City, Newark, Paterson and Trenton – nearly tripling the funding goal for New Jersey Urban Fund cities in the EDA's 2008 Strategic Plan. Another nearly $85 million in EDA-administered assistance also benefited technology and life sciences businesses through the Edison Innovation Fund.

As a result of legislation signed by Governor Corzine, the EDA and Commerce Commission also completed their consolidation during the year. This significant milestone streamlines how the State undertakes economic development and gives businesses a single contact point for information, applications and assistance. The smooth transition of responsibilities that was completed in the fall enabled many businesses to take advantage of an uninterrupted continuum of State programs and services.

Programs that had been part of Commerce, including the Business Retention and Relocation Act Grant Program, Sales Tax Exemption Program, Brownfields and Contaminated Site Remediation Program, and Urban Transit Hub Tax Credit programs, were brought into the EDA. The international trade function to bolster foreign direct investment and offer exporting assistance to New Jersey businesses, Commerce's marketing and communications responsibilities, and the State's Business Assistance Call Center, which handled more than 43,000 telephone inquiries last year, were also moved to the EDA under a new Business Retention and Attraction Division.

This law also changed the makeup of the EDA Board, replacing representatives of Commerce and the Department of Education with representatives of the Executive Branch of government appointed by the Governor.

The EDA furthered a number of other measures during the year to improve and augment its product portfolio and the services it offers to assist businesses, nonprofit organizations, municipal governments and other entities. Included in these actions was the reduction of interest rate floors by 1 percent on several EDA lending programs to spark economic activity and meet the changing needs of the marketplace.

Also in 2008, the EDA:

- Finalized the first loans under Urban Plus, a lending program that offers up to $3 million in financing for fixed assets in nine key State urban centers, and the FastStart for Small Business program, which provides credit-worthy companies operating in the State for at least one year with fixed-asset financing up to $300,000;

- Established the Urban Transit Hub Tax Credit and approved the first two projects under the program, which was created to spur private capital investment, business development and employment in designated transit hubs located within one-half mile of New Jersey Transit, PATH or PATCO stations in nine urban municipalities;

- Made available $4 million through the Fund for Community Economic Development to support intermediary organizations with track records of financing successful grocery stores and supermarkets in urban areas;

- Launched a wraparound funding mechanism to provide recipients of Edison Innovation research and development grants from the New Jersey Commission on Science and Technology with supplemental financing for non-research and development-related costs, such as rent, construction and utilities; and,

- Announced plans for an Edison Innovation Clean Energy Manufacturing Fund, to be managed in conjunction with the New Jersey Board of Public Utilities, to support the use of renewable energy and energy-efficiency technologies and further the goals of New Jersey's Energy Master Plan. The program is being rolled out in 2009.

Pictured at Campbell Soup Company's groundbreaking in October are, from left, Robert Zane, Campbell's Vice President of Real Estate Operations; Gwendolyn Faison, Camden Mayor; Governor Jon S. Corzine; Douglas R. Conant, Campbell's President and Chief Executive Officer; Congressman Rob Andrews; Judge Theodore Z. Davis, Camden Chief Operating Officer, and Louis Capelli, Jr., Camden County Freeholder Director.

Our efforts were productive in other ways as well. We met Strategic Plan goals for initiating or advancing real estate projects, including those related to the State's nine targeted urban cities and Innovation Zones. In October, we celebrated the ceremonial groundbreaking for Campbell Soup Company's new $90-million corporate campus in Camden. A collaborative effort among the EDA, the OEG, other

State departments, the city and the county resulted in an agreement for the company to maintain its headquarters and 1,200 employees in Camden and invest over $70 million to expand its facilities. The public partners will invest in infrastructure improvements and the company will lead private investment to develop a business park that will lead to new ratables and jobs for Camden-area residents.

We also reached an agreement to lease almost 15,000 square feet of space in our Tech IV building at the Technology Centre of New Jersey in the Greater New Brunswick Innovation Zone to Chromocell Corporation, a growing biotechnology company that has been a tenant at our Commercialization Center for Innovative Technologies since 2002.

Among other major projects that we saw come to fruition in 2008 was the $200-million, 450-bed Greystone Park Psychiatric Hospital, which opened to patients in July. The project, which replaced five aging treatment buildings and a 131-year-old administration building, was a four-way partnership involving the State departments of Human Services and the Treasury, the New Jersey Health Care Facilities Financing Authority, which arranged the financing, and the EDA, which managed the design and construction of the new state-of-the-art facility in Morris Plains.

We also exceeded our Strategic Plan goal by adding five community banks to our list of Preferred Lenders. The addition of Cornerstone Bank, Columbia Bank, Peapack-Gladstone Bank, Roma Bank and Susquehanna Bank helped smaller New Jersey companies increase their access to timely and affordable financing. Additionally, we continued to build other important relationships in the State's major urban centers and with our business partners.

The following pages highlight many of the various ways that EDA staff members worked to champion business growth in New Jersey and promote the State's economic development strategies. We applaud their creativity, hard work and enthusiasm. We invite you to review this document for more details on the many programs and initiatives that New Jersey offers through the EDA.

To learn more about our products and services, visit www.njeda.com or call 1-(866) 534-7789. For more information about doing business in New Jersey, visit www.newjerseybusiness.gov.

We look forward to continuing our work with the OEG in 2009 to carry out Governor Corzine's Economic Assistance and Recovery Plan to boost New Jersey's economy. As always, we welcome your comments and suggestions.

Carl E. Van Horn, Ph.D., Chairman

Caren S. Franzini,
Chief Executive Officer

Encouraging Investments in Urban Communities

Almost two thirds of the financing and business incentive dollars provided by the New Jersey Economic Development Authority (EDA) in 2008 were directed toward stimulating investments in the State's 57 Urban Aid communities.

This funding supported the growth of businesses and nonprofit organizations, spurred the creation of new jobs, encouraged the investigation and cleanup of brownfield sites, and promoted smart-growth development as it advanced Governor Corzine's Economic Growth Strategy. Total EDA assistance in these communities during the year exceeded $315 million and was responsible for injecting almost $750 million in total public/private investment into New Jersey's urban economy and setting the foundation for the creation of more than 4,400 new jobs.

In 2008, the EDA introduced a new financing product called Urban Plus, which offers up to $3 million in financing for projects in the State's nine targeted urban centers. Urban Plus loans can be made for as long as 10 years with up to a 25-year amortization and be used for fixed assets like buildings and equipment.

To accommodate significant growth in its international food importation business, **Atalanta Corporation** used Urban Plus to borrow $2 million at 2 percent interest fixed for five years, to purchase new machinery associated with its $20-million warehouse expansion project in Elizabeth. The company also obtained a $5.5 million loan from the EDA through the New Markets Tax Credits Program for costs involved with the warehouse construction. The loan was made at a 3-percent interest rate with interest-only payments due for the first 84 months of an 85-month term. The project will add 65 jobs to Atalanta's workforce.

Accurate Box, Inc., a Paterson-based, woman-owned manufacturer of paperboard packaging and displays and an EDA customer since 1980, also took advantage of the program, using a $3-million loan arranged under Urban Plus and nearly $7 million in EDA tax-exempt bond financing in 2008 to purchase printing press, laminator and aerator equipment and make leasehold improvements to its production area. The EDA's bond financing capability enables borrowers to obtain long-term financing at favorable interest rates. The 11-year, variable-rate bond for Accurate Box, underwritten by Wells Fargo Brokerage Services, closed at an initial interest rate of 1.8 percent. The interest rate on the Urban Plus loan was fixed at 2 percent for the first five years of a 10-year term. The company expects to add 15 new jobs as a result of the equipment purchase.

During a May groundbreaking ceremony hosted by Atalanta's parent company, Gellert Global Group, city officials and state development representatives praised the company for its contributions to the local economy. Pictured, from left, Carlos Sanchez, Elizabeth Development Company; Bill O'Dea, Elizabeth Development Company; Andy Gellert, President of Gellert Global Group; Mathew Abraham, EDA Senior Business Development Officer.

Omni Baking Company was another urban enterprise that benefited from tax-exempt bonds in 2008, finalizing $9.1 million in financing to build an addition to its Vineland plant, refund the outstanding balance of an EDA-issued 2001 bond and acquire new production equipment to meet increased production goals resulting from a new contract with the Amoroso Baking Company of Philadelphia. Omni plans to add 145 jobs to meet the demands of that new contract. The bonds were directly purchased by Brown Brothers Harriman and carry a fixed interest rate of 4.7 percent for the 15-year term.

The EDA also worked with PNC Bank under the innovative New Jersey Business Growth Fund to guarantee 16 bank loans to small businesses in Urban Aid communities during the year. **Vogel Bus Company, Inc.** of Roselle used the program in 2008 for the fourth time, borrowing $600,000 from PNC Bank with a 50-percent EDA guarantee to purchase eight new buses that will result in the creation of 14 new jobs. The EDA also guaranteed 25 percent of a $365,000 PNC Loan that allowed the family-owned **International Welding Technologies, Inc.** to purchase commercial real estate in Lindenwold and add four new positions.

Sixteen businesses planning to expand and create more than 2,700 new jobs in New Jersey's urban communities executed 10-year Business Employment Incentive Program (BEIP) grants with the EDA in 2008 worth an estimated $55 million. They included **AXA Equitable Life Insurance Company**, one of the larger life insurance companies in the United States, and **Tullett Prebon (Americas) Holding Inc.**, a financial services business, which are planning to relocate 950 jobs and 330 jobs, respectively, from New York City to Jersey City's Gold Coast. Other urban BEIP recipients executing grants included **Standard Chartered Bank**, for creating 300 jobs in Newark, and **International Delights LLC**, a wholesale baker, for bringing 200 jobs to Clifton.

Wayne Meyer, HANDS Housing Director, left, and Patrick Morrissy, HANDS Executive Director, are pictured in the former F. Berg Hat Factory in Orange, one of six properties the community development corporation is renovating into affordable housing.

Community development organizations, educational institutions and health facilities were among the nonprofits that used EDA financing resources to advance their urban projects in 2008.

A $555,000 loan from the Fund for Community Economic Development and a $1.2-million EDA direct loan helped **Housing and Neighborhood Development Services, Inc. (HANDS)** to refinance existing acquisition debt associated with six properties in Orange and West Orange that are being renovated as affordable housing. Both loans were made at an interest rate fixed at 3.31 percent for the first five years of a 10-year term.

CityWorks, a nonprofit corporation established to facilitate real estate projects in economically distressed neighborhoods throughout New Jersey, broke ground in December 2008 for a large-scale redevelopment project in Neptune Township involving a family health center, retail stores, office space, senior housing and a park. The EDA provided various components of the project's financing package, including loans made under three different programs totaling nearly $15 million at interests rates ranging from 2 percent to 5.6 percent with terms from two-and-a-half years to seven years and a $1-million guarantee of a $10.8-million TD Bank loan. The project will involve 370 construction jobs and is expected to create nearly 100 new full-time jobs when it is completed.

The EDA also manages programs offering important resources to restore brownfield sites, many of which are located in the State's urban communities, and return them to productive use. More than $22 million in Hazardous Discharge Site Remediation Fund grants was among the funding directed to this objective in 2008. The **City of Millville**, for example, received a grant of nearly $2.8 million to perform additional remedial investigation activities at the Millville Airport Industrial Park, which it wants to redevelop for mixed uses. The latest grant brought total funding awarded for this site to almost $7.6 million since 2005. The **City of Paterson** also received remedial investigation funding of more than $1.7 million in connection with its redevelopment of a former brewery and dye and finishing manufacturing business site for affordable housing.

The EDA also provided more than $8.9 million in financing and business lease and improvement incentives to 12 projects through its subsidiary, the **Economic Recovery Board for Camden**. The Camden Redevelopment Agency received funding for four of these projects – nearly $3.1 million in recoverable infrastructure grants associated with property acquisitions connected to the Cooper Plaza Redevelopment Plan and other mixed sites, and $3.7 million in grants to fund environmental remediation at a former tire and battery facility on Admiral Wilson Boulevard and the re-establishment of Roosevelt Park in the city's central business district.

Additionally, in accordance with the Commerce reorganization statute, the EDA replaced Commerce on the Urban Enterprise Zone (UEZ) Authority Board in 2008 at which time EDA Chief Executive Officer Caren Franzini assumed the role of chair. The UEZ Program was created over 25 years ago to foster an economic climate that revitalizes designated urban communities and stimulates their growth by encouraging businesses to develop and create private-sector jobs through public and private investment. The program offers participating businesses many incentives that encourage business growth and stimulate local economies. It became part of the Department of Community Affairs in 2008.

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Advancing the Growth and Location of Tech and Life Sciences Companies

The EDA delivered almost $85 million in Edison Innovation Fund direct investments, business incentives, tax credits and venture fund investments in 2008 in support of Governor Corzine's comprehensive Economic Growth Strategy to spur innovation, create new, high-paying jobs and cultivate an entrepreneurial environment for technology and life sciences companies in New Jersey. This assistance, which benefited 112 early-stage and established businesses, is expected to lead to the creation of almost 1,000 new jobs and total public/private investment of nearly $134 million in the State's technology and life sciences economy.

The Edison Innovation Fund is a State effort managed by the EDA in consultation with the New Jersey Commission on Science and Technology (CST) and the New Jersey Commission on Higher Education that offers a continuum of broad support to the technology and life sciences communities. This support ranges from various forms of financial assistance to modern, state-of-the-art laboratory and office space located within specially created Edison Innovation Zones in Camden, the greater New Brunswick area and Newark. These zones are designed to stimulate collaboration between State research colleges and universities and

In 2008, the EDA exercised an option to convert half of its $1-million Edison Innovation Fund investment in Nistica, Inc. to preferred stock. Ashish Vengsarkar, Nistica CEO, is pictured above at the company's Bridgewater-based facility.

the business world in strategic areas that complement economic development. Since its launch in October 2006, the Edison Innovation Fund has provided nearly $340 million in assistance leveraging over $700 million in total investment and supporting the creation of over 4,650 new jobs.

In 2008, the EDA finalized direct, equity-like investments totaling $5.45 million with 12 Edison Innovation Fund projects and initiated the flow of several additional projects through our review and analysis pipeline that are expected to culminate in 2009 funding.

Reldata, Inc. a technology company that designs and delivers data storage systems, was one of the businesses to secure this funding in 2008. The Parsippany company received a $1-million direct investment to enhance its product commercialization efforts and accelerate the hiring of 36 new employees. **GlobalPrint Systems, Inc.** of Evesham, a provider of mobile printing solutions, was another, receiving a $200,000 investment to help expand its operations and create 26 new jobs.

In 2008, the EDA also exercised an option to convert half of its $1-million Edison Innovation Fund investment in **Nistica, Inc.** to preferred stock. Nistica, based in Bridgewater, is an optical networking company and a global supplier of agile optical modules for high-bandwidth applications. As a preferred stockholder, the EDA, like other investors, will have the opportunity to share in equity returns, including cumulative dividends.

Aestus Therapeutics, a tenant at the EDA's **Commercialization Center for Innovative Technologies** in North Brunswick, and **TreadStone Technologies, Inc.** of Princeton, formerly located at the EDA's **Waterfront Technology Center of Camden**, were the first two businesses to take advantage of Edison Innovation R&D Fund supplemental wraparound financing, which became available in 2008. Aestus, a pharmaceutical company focused on the treatment of nervous system disorders, and TreadStone, a developer of hydrogen-based technologies, both received the maximum $100,000 loan at a fixed interest rate of 2 percent for five years. The wraparound funding is open to companies that receive an Edison Innovation R&D grant from the CST and can be used for non-research and development-related costs.

In conjunction with the CST and the New Jersey Division of Taxation, the EDA administers the State's Technology Business Tax Certificate Transfer Program, which enables qualified businesses to sell tax losses or research and development tax credits to raise cash to finance their growth and operations. In 2008, 80 technology and biotechnology businesses were approved to share the $60 million available through the program, including 12 that took advantage of the $10 million set-aside for companies located in the State's three Edison Innovation Zones. The allocation of about $750,000 per company brought total funding under the program to more than $500 million since the program was established in 1999.

To further attract and develop technology businesses and support job growth in New Jersey, the EDA also finalized a limited partnership investment in NewSpring Health Capital II, L.P., a diversified health care equity fund, and approved a limited partnership investment in the **OmniCapital Fund**, a venture fund created to invest in next-generation communications and information technologies. To date, the EDA has committed over $30 million in venture capital funds, which has resulted in more than $90 million being invested in New Jersey companies.

The EDA also assisted 18 other technology and life sciences businesses through

Octapharma's new corporate headquarters in Hoboken.

its financing and business incentive resources. **Stealth Microwave, Inc.**, for example, a designer and manufacturer of power amplifiers for the commercial wireless industry and military applications, closed $2 million in tax-exempt bond financing in 2008 to acquire and renovate a warehouse/office building in Ewing Township for light manufacturing.

Thirteen businesses either expanding in or relocating to New Jersey took advantage of the Business Employment Incentive Program, which provides enhanced benefits to technology and life sciences companies. **Octapharma USA, Inc.**, a wholly owned U.S. subsidiary of Switzerland-based Octapharma AG employing 18,000 employees worldwide, executed a business incentive grant agreement worth an estimated $500,000 over 10 years in connection with the move of its corporate headquarters from Virginia to Hoboken and the creation of 25 new jobs. Its core business is the development, production and sale of plasma derivatives. Octapharma expects its staff to at least triple from the initial 25 employees over the next year. Generic pharmaceutical manufacturer **Novel Laboratories, Inc.** also benefited from the business incentive program, executing a 10-year agreement worth over $600,000, which supports its plans to create 100 new jobs in Franklin Township.

On the real estate front, the EDA approved $11.5 million in funding to fit out 38,000 square feet of generic wet laboratory space at its **Technology Centre of New Jersey** in North Brunswick. The space will help attract emerging technology companies to the state and make “tweener” incubator space more readily available as growing tenants graduate from the Technology Centre’s Commercialization Center for Innovative Technologies. The space includes four wet laboratories in facilities known as Tech III and Tech IV ranging from 5,000 square feet to 15,000 square feet.

The EDA’s new Biotechnology Development Center at the Technology Centre of New Jersey in North Brunswick.

The Technology Centre is home to 25 growing early-stage and established businesses. One of those companies, **Chromocell Corporation**, a drug discovery company focused on the identification and development of novel therapeutics against complex and challenging drug targets, signed a lease with the EDA in 2008 to move into nearly 15,000 square feet of wet lab and office space in the Tech IV building, which has been named the Biotechnology Development Center. Chromocell, one of the first tenants to occupy space when the Commercialization Center opened in 2002, has grown from just three employees to more than 40 employees, mostly scientists, while at the commercialization facility.

Additionally, the Waterfront Technology Center at Camden earned its fifth LEED (Leadership in Energy and Environmental Design) Gold Certification, awarded for its first floor as part of the U.S. Green Building Council (USGBC) Commercial Interiors Program. The USGBC is a Washington, D.C.-based coalition of building industry leaders that administers these national ratings standards for high-performance, sustainable buildings.

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Promoting New Business Growth and Expansion in New Jersey

The EDA's work to fuel economic growth and job creation throughout the State extends far beyond its efforts to stimulate urban investment and technological innovation. The EDA supports a wide range of businesses, nonprofit organizations and other entities in its core assistance (non-Urban Aid, non-Edison Investment Fund) areas as well.

In 2008, the EDA provided nearly $153 million in financing assistance to 137 core projects as it advanced Governor Corzine's comprehensive Economic Growth Strategy. These projects involved the creation of 1,875 new jobs and total public/private investment of over $565 million.

Borrowers used EDA assistance to acquire, construct and renovate buildings and purchase new equipment and machinery to enhance their efficiency and competitiveness. With EDA financing, they also were able to cover day-to-day operational costs and to refinance higher-cost debt.

Often the EDA works in concert with banks and other financial institutions throughout the State to meet customer financing needs. Sometimes it works independently to lend its own money, or it issues bonds directly purchased or underwritten by financial institutions so small and mid-size businesses can grow and nonprofit organizations can enhance their facilities and improve their services.

Howard Epstein, the founder of Kari Out, Inc., pictured in the company's 157,000 square-foot building in Rockaway.

When **Kari Out, Inc.**, a food packaging and paper product manufacturer based in Totowa, and **Tripak Industrial USA, LLC**, a Canada-based designer and developer of food containers, wanted to establish a new location for their plastic food container manufacturing business, they called upon the EDA. A $10-million tax-exempt bond issued by the EDA and a $1.25-million direct EDA loan enabled the companies to acquire almost 10 acres of land and a 157,000-square-foot building in Rockaway as well as related machinery and equipment to establish the business and create 40 new jobs. The bond was directly purchased by Capital One, N.A. and closed at a fixed interest rate of 2.7 percent for the first 10 years of a 20-year term. The 10-year loan closed at a fixed rate of 4-percent interest for the first five years. Capital One also provided additional financing for the project.

Triangle Manufacturing Company, Inc. has partnered with some of the more advanced medical device companies in the world for over half a century, specializing in the precision engineering and manufacturing of highly complex, tight-tolerance machined parts and assemblies. To expand its manufacturing capabilities in 2008, this Upper Saddle River business arranged for EDA-issued tax-exempt bonds totaling $5.16 million to buy a leased 25,000-square-foot facility and new equipment. Sovereign Bank directly purchased the two bonds, which were issued for 10-year and 25-year terms at a fixed interest rate of 4.14 percent. Triangle expects to add five new jobs.

Tax-exempt bonds also proved to be the right financing choice for several core nonprofit projects during the year. Among them was **Bristol Glen, Inc.**, a wholly owned subsidiary of United Methodist Homes, which borrowed $9 million to construct a 40,000-square-foot addition to its continuing care retirement community facility in Newton. The new building will include 16 residential apartments, 16 assisted-living apartments and 14 memory-support apartments. The 30-year bond was underwritten by Herbert J. Sims & Co., and closed at a fixed rate of 6.625 percent.

An $8-million bond from the EDA helped Count Basie Theatre complete the third phase of its renovation project, which included the restoration of decorative plaster in the theatre's interior lobbies.

Also, the **Count Basie Theatre** in Red Bank used an $8-million bond to complete the third phase of its major renovation project, which included the restoration of decorative plaster in the theatre's interior lobbies and auditorium and other upgrades. The 10-year variable-rate bond, directly purchased by Sovereign Bank, closed at an initial interest rate of 4.45 percent. The **Visiting Nurse Association of Northern New Jersey, Inc.**, refinanced existing debt associated with the purchase of a building in Morristown by arranging for a $4-million tax-exempt bond directly purchased by Provident Bank. The loan was finalized at a fixed interest rate of 4.4 percent for the first 10 years of a 30-year term.

Several credit-worthy core companies operating in the State for at least one year took advantage of a new FastStart for Small Business program offering financing up to $300,000 for fixed assets. Vasu Ranganathan and Winifred Casaletto, the owners of **ArborSys Group** of Lawrence, a provider of information technology consulting services, borrowed $200,000 at 3.64-

percent interest fixed for five years to refinance existing debt and purchase new equipment to support the expansion of their business. **Envision Consultants, Ltd.**, of Harrison Township, a construction management consulting firm owned by the husband/wife team of Victoria and Stephen Malaszecki, obtained a $187,500 FastStart loan to purchase and renovate property in Harrison Township to facilitate business expansion. The 10-year loan was made at an interest rate of 3.06 percent fixed for the first five years. These two projects expect to result in the creation of 10 new jobs.

Other core projects made use of the Statewide Loan Pool for Business program in which the EDA participates in a bank financing by providing part of the loan. **Everflow Supplies, Inc.**, a plumbing wholesaler for residential and commercial applications in Linden, secured working capital and refinancing funds by borrowing $5.63 million from TD Bank, N.A., which included a $750,000 EDA participation finalized at 4.18 percent for the first five years of a 10-year term. **Formation, Inc.** of Moorestown, which specializes in the design, engineering and manufacturing of electronics for the aviation, data communication, defense and transportation industries, was able to purchase equipment with a $375,000 EDA participation in a $750,000 Sovereign Bank loan arranged under the Preferred Lender Program. The EDA portion of the loan was made for five years at a fixed interest rate of 4.5 percent. Everflow plans to create 15 new jobs, while Formation is committed to establishing 10 new jobs.

The Business Retention and Relocation Assistance Grant (BRRAG) program and the Business Employment Incentive Program (BEIP) worked together to keep a major professional services firm operating and expanding in New Jersey. **Deloitte & Touche** signed a BRRAG project agreement in 2008 to maintain 822 jobs in New Jersey, relocating employees from offices in Parsippany and Summit to a new leased office space in Parsippany. Deloitte also executed a BEIP grant worth an estimated $9 million for the creation of 280 new jobs at the site. The company was also considering properties in Pennsylvania and New York for its corporate location project.

The EDA also promotes business growth by encouraging community development. **Bald Eagle Urban Renewal at Wanaque LLC** transformed several underutilized and deteriorating properties along Wanaque's main street into a thriving new downtown business complex in 2008 known as the Haskell Town Centre with the help of a $1.25-million EDA loan. The loan, which closed at an interest rate of 3.55 percent for the first five years of a 10-year term, was part of a funding package that also included financing from Columbia Bank. The centre features a three-story, 49,000-square-foot brick building offering retail, commercial and medical office space.

Linden Development, LLC utilized the Brownfields and Contaminated Site Remediation Program during the year, executing an agreement with the EDA related to its plans to redevelop the former General Motors assembly plant in Linden into mixed-use retail and senior housing space. The 100-acre project is expected to result in more than 1,300 new jobs when it is completed. The program enables developers to recover up to 75 percent of approved costs associated with a remediation effort – in this case, estimated at $27 million.

Additionally, the **Borough of Woodbine** obtained $50,000 in predevelopment financing in December 2008 to cover the costs of a feasibility study to determine if an ethanol manufacturing plant is an economically viable project. Repayment is contingent upon a determination that the project is feasible. If the project moves forward, the principal, plus interest calculated at 3 percent, will be repaid from the proceeds of the permanent financing or from the sale of the property. The project has three years to proceed.

With the integration of the international trade function within the EDA, successful efforts continued with New Jersey's global trading partners to increase foreign direct investment and to provide New Jersey businesses with export assistance. **Critical Links, Inc.**, for example, an information technology company based in Portugal, executed a

10-year BEIP grant worth an estimated $139,000 associated with plans to create 12 jobs at its Fairfield facility. The EDA also helped by educating the company about the State's technology programs and by arranging introductions with information technology organizations serving New Jersey. **Sun Pharmaceutical Industries, Inc.**, an India-based company, was considering an expansion in Michigan until New Jersey officials met with the business in 2008. As a result, the company decided to seek a BEIP grant to grow 318 jobs in Cranbury, which was approved in September for an estimated $2.4 million over 10 years.

Pathfinder, LLC, a consulting company with expertise in process engineering and project management, was introduced by New Jersey to a large international mining business in Brazil. The introduction led to new contract opportunities in South America for the Cherry Hill company.

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With the help of a BEIP grant, Sun Pharmaceuticals expects to grow 318 jobs at its Cranbury-based facility, pictured above.

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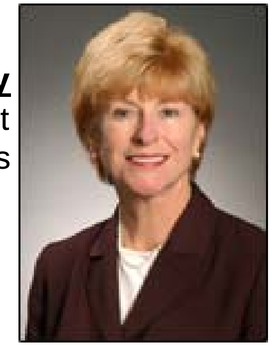

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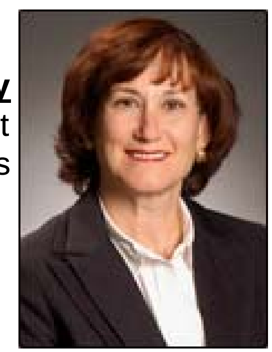

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

March 19, 2009

In accordance with Executive Order No. 37 issued by Governor Jon S. Corzine on September 26, 2006, the New Jersey Economic Development Authority's 2008 Annual Report also serves as the comprehensive report of the Authority's operations. This report highlights the significant action of the Authority for the year, including the degree of success the EDA had in promoting the State's economic growth strategies and other policies.

The report of independent auditors, Mercadien, P.C., dated March 12, 2009, is attached and completes the EDA's requirements concerning the preparation of a comprehensive report required by Executive Order No. 37.

In addition, I certify that during 2008, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures and internal controls.

Sincerely,

Caren S. Franzini
Chief Executive Officer

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Financial Statements

Years Ended December 31, 2008 and 2007

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Financial Statements and Additional Information on
Federal Grant Programs in Accordance
with OMB Circular A-133

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I. Financial Section

MERCADIEN, P.C.
Certified Public Accountants
A Mercadien Group Company

Members of the Authority
New Jersey Economic Development Authority

We have audited the accompanying basic financial statements of New Jersey Economic Development Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Jersey Economic Development Authority as of December 31, 2008 and 2007, and the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2009, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Pennsylvania Office:
86 Buck Road
Holland, PA 18966
Tel 215-355-4860
Fax 215-825-8110

P.O. Box 7648 • Princeton, NJ 08543-7648 • 609.689.9700 • Fax 609.689.9720

www.mercadien.com

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Management's Discussion and Analysis ("MD&A") on pages 3 through 11 is not a required part of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Mercadien, PC
Certified Public Accountants

March 12, 2009

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Management's Discussion and Analysis
Years Ended December 31, 2008 and 2007

This section of the New Jersey Economic Development Authority's ("Authority" or "NJEDA") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal years ended on December 31, 2008 and 2007. Please read it in conjunction with the Authority's financial statements and accompanying notes.

2008 FINANCIAL HIGHLIGHTS

- The Authority's total net assets decreased $14.8 million (or 2.0%).
- Current liabilities decreased $14.5 million (or 35.5%).
- Bonds payable-gross decreased $32.7 million (or 28.6%) due to scheduled debt service payments.
- Capital assets-net decreased $ 20.8 million (or 15.1%) primarily due to the sale of Barnes & Noble land, building and equipment, MSNBC production equipment and offset by ongoing construction in progress for Tech IV at the Technology Centre of New Jersey.

2007 FINANCIAL HIGHLIGHTS

- The Authority's total net assets decreased $61.8 million (or 7.7%) primarily due to grant disbursements for the Business Employment Incentive Program ("BEIP").
- Current liabilities increased $5.0 million (or 14.2%).
- Bonds payable-gross decreased $23.1 million (or 16.8%) due to scheduled debt service payments.
- Capital assets-net decreased $5.8 million (or 4.0%) primarily due to the sale of MSNBC production equipment and offset by the completion of leasehold improvements at the Waterfront Technology Center at Camden ("WTCC").

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of two parts: *Management's Discussion and Analysis* (this section) and the *basic financial statements*. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short- and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to a private business engaged in such activities as real estate development, investment banking, commercial lending, construction management and consultation. While detailed sub-fund information is not presented, separate accounts are maintained for each program or project to control and manage money for particular purposes or to demonstrate that the Authority is properly using specific appropriations, grants and bond proceeds.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Assets. The following table summarizes the changes in Net Assets for the years ended December 31, 2008 and 2007:

	2008	2007	2006	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Other Assets	$753,693,388	$798,191,189	$883,221,154	(5.6)%	(9.6)%
Capital Assets, net	117,409,324	138,220,607	143,997,656	(15.1)%	(4.0)%
Total Assets	871,102,712	936,411,796	1,027,218,810	(7.0)%	(8.8)%
Long Term Debt	92,006,687	120,771,886	145,190,669	(23.8)%	(16.8)%
Other Liabilities	48,192,168	69,892,751	74,440,705	(31.0)%	(6.1)%
Total Liabilities	140,198,855	190,664,637	219,631,374	(26.5)%	(13.2)%
Net Assets:					
Invested in Capital Assets, Net of Related Debt	58,654,324	54,010,607	43,582,656	8.6%	23.9%
Restricted for School Loan Program	31,239,841	38,459,932	45,688,363	(18.8)%	(15.8)%
Unrestricted	641,009,692	653,276,620	718,316,417	(1.9)%	(9.1)%
Total Net Assets	$730,903,857	$745,747,159	$807,587,436	(2.0)%	(7.7)%

During 2008, the Authority's combined net assets decreased $14.8 million (or 2.0%) due to:

($16.4)	Million	BEIP appropriations received in support of grant award payments
$19.8	Million	PUST grant award payments and loan disbursements
$5.1	Million	Hazard program disbursements
$20.1	Million	Municipal Economic Recovery Initiative grant award payments
$6.9	Million	School Loan Program repayments returned to the State
($5.0)	Million	Business Assistance, Marketing and International Trade transferred from the State
($15.7)	Million	Other Program Payments and Payments to/from the State

During 2007, the Authority's combined net assets decreased $61.8 million (or 7.7%) primarily due to $56.3 million in BEIP grant award payments. In addition, other appropriations, Program Payments and Payments to/from the State amounted to ($5.5 million) for the following purposes:

$2.4	Million	PUST grant award payments and loan disbursements
($13.7)	Million	Hazard appropriations in excess of program disbursements
$27.1	Million	Municipal Economic Recovery Initiative grant award payments
$7.2	Million	School Loan Program repayments returned to the State
($17.5)	Million	Other Program Payments and Payments to/from the State

Operating Activities. The Authority charges financing fees that may include an application fee, commitment fee, closing fee and a document execution fee. The Authority also charges an agency fee for the administration of financial programs for various government agencies; a program service fee for the administration of Authority programs that are service-provider based, rather than based on the exchange of assets such as the commercial lending program; and a real estate development fee for real estate activities undertaken on behalf of governmental entities and commercial enterprises. Interest income on investments, notes and intergovernmental obligations is recognized as earned. Grant revenue is earned when the Authority has complied with the terms and conditions of the grant agreements. The Authority also earns income from operating leases and interest income on lease revenue from capital lease financings. Late fees are charged to borrowers delinquent in their monthly loan payments. All forms of revenue accrue to the benefit of the program for which the underlying source of funds are utilized. The Authority considers all activity, except for the sale of capital assets and interest earned from investments, to be operating activities.

The following table summarizes the changes in operating and nonoperating activities between fiscal year 2008 and 2007:

	2008	2007	2006	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Operating Revenues					
Financing Fees	$3,504,883	$3,080,786	$3,086,276	13.8%	(0.2)%
Interest Income-Notes	7,222,905	6,936,927	6,492,123	4.1%	6.9%
Interest Income-Intergovernmental	522,998	618,345	706,977	(15.4)%	(12.5)%
Lease Revenue	18,599,425	17,889,952	22,071,456	4.0%	(18.9)%
Other	5,552,071	8,844,328	7,378,156	(37.2)%	19.9%
Total Operating Revenues	35,402,282	37,370,338	39,734,988	(5.3)%	(6.0)%
Operating Expenses					
Administrative Expenses	21,708,790	16,827,612	27,560,919	29.0%	(38.9)%
Interest Expense	4,467,024	6,850,482	7,444,219	(34.8)%	(8.0)%
Depreciation	10,062,085	11,489,306	14,820,974	(12.4)%	(22.5)%
Loss Provisions-Net	11,500,774	4,898,638	2,981,250	134.8%	64.3%
Other	8,123,759	7,428,524	7,100,622	9.4%	4.6%
Total Operating Expenses	55,862,432	47,494,562	59,907,984	17.6%	(20.7)%
Operating Loss	(20,460,150)	(10,124,224)	(20,172,996)	102.1%	(49.8)%

Nonoperating Revenues and (Expenses)					
Interest Income-investments	16,221,076	28,742,994	29,302,049	(43.6)%	(1.9)%
State Appropriations and Program Payments-Net	(21,967,067)	(83,698,819)	(123,451,504)	(73.8)%	(32.2)%
Other Revenue	11,362,839	3,239,772	3,218,461	250.7%	0.7%
Total Nonoperating, Net	5,616,848	(51,716,053)	(90,930,994)	(110.9)%	(43.1)%
Change in Net Assets	(14,843,302)	(61,840,277)	(111,103,990)	(76.0)%	(44.3)%
Beginning Net Assets	745,747,159	807,587,436	918,691,426		
Ending Net Assets	$730,903,857	$745,747,159	$807,587,436		

Operating Revenues

During 2008, the Authority's operating revenues were materially impacted by the following:

- Financing fees increased by $0.4 million.
- Lease revenue decreased by $0.7 million.
- Program services revenue decreased by $0.4 million.
- Loss Recoveries decreased by $1.4 million.
- Distributions received decreased by $0.3 million from Edison IV Venture Fund.

During 2007, the Authority's operating revenues were materially impacted by the following:

- Lease revenue decreased by $4.3 million.
- Program services revenue increased by $0.2 million.
- Loss Recoveries increased by $1.3 million.
- Distributions received increased by $0.4 million from Edison IV Venture Fund.

Operating Expenses

In 2008, operating expenses increased in part due to the passing of Senate bill, No. 1980 which abolished the New Jersey Commerce Commission and transferred its primary function, powers and duties to the Division of Business Assistance, Marketing and International Trade within the Authority. This increase was offset by an Appropriation from the State for the Division and a decrease in Interest expense.

In 2007, salaries and benefits expenses decreased $11.0 million, primarily due to the cost of other postemployment benefits, since the Authority adopted Governmental Accounting Standards Board Statement No. 45 "Accounting & Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" in the prior year.

Nonoperating Revenues

In 2008, Interest Income from investments decreased $12.5 million and the gain on sale of assets increased by $6.4 million, primarily due to Barnes & Noble and MSNBC production equipment sold.

In 2007, sale of assets decreased by $15.6 million, primarily due to MSNBC production equipment sold.

Allowance for Credit Losses

The Authority, although not required to do so, has aligned its allowance policy to that practiced in the financial services industry. Allowances for doubtful notes and guarantee payments are determined in accordance with guidelines established by the Office of the Comptroller of the Currency. The Authority accounts for its potential loss exposure through the use of risk ratings. These specifically assigned risk ratings are continuously updated to account for changes in financial condition of the borrower or guarantor, delinquent payment history, loan covenant violations, and changing economic conditions.

The assigned risk rating classifications are consistent with the ratings used by the Office of the Comptroller of the Currency. Each risk rating is assigned a specific loss factor in accordance with the severity of the classification. Each month an analysis is prepared using the current loan balances, existing exposure on guarantees, and the assigned risk rating to determine the adequacy of the reserve. Any adjustments needed to adequately provide for potential credit losses are reported as a Loss Provision.

The following table summarizes the Loan Allowance activity for the end of the period from January 1, 2006 through December 31, 2008:

December 31, 2006		
Allowance for loan losses	$10,875,186	
Accrued guarantee losses	4,286,240	
Total allowance		15,161,426
2007 Provision for credit losses-net	7,749,965	
2007 Write-offs	(1,330,554)	6,419,411
December 31, 2007		
Allowance for loan losses	16,196,326	
Accrued guarantee losses	5,384,511	
Total allowance		21,580,837
2008 Provision for credit losses-net	7,283,585	
2008 Write-offs	(2,590,167)	4,693,418
December 31, 2008		
Allowance for loan losses	22,876,101	
Accrued guarantee losses	3,398,154	
Total allowance		$26,274,255

The Authority's write-down and Loan Loss Reserve policies closely align with the reporting requirements of the banking industry. When management determines that the probability of collection is less than 50% of the remaining balance, it is the policy to assign a Loss rating to the account. For an account rated as Loss, a loss provision is recognized for the entire loan balance.

Under our policy a loan will be written-off against the Loss Allowance when it is determined that the probability of collection is remote. The recognition of a loss does not automatically release the borrower from the obligation to pay the debt. Should the borrower, guarantors, or collateral position improve in the future, any and all steps necessary to preserve the right to collect these obligations will be taken. Debts are forgiven after legal counsel determines there is no further legal recourse available to collect the debt.

Aggregate gross loan and guarantee exposure at December 31, 2008, was \$249,533,709, of which \$202,499,938 (or 81%) is rated Pass, \$13,504,035 (or 5%) is loans made under the Authority's technology initiative, and \$33,529,736 (or 14%) is adversely classified.

Total write-offs for the year ended December 31, 2008, were \$1,090,167 or 0.52% of the total loan portfolio. At December 31, 2008, the total allowance against Notes Receivable was \$22,876,101 or 10.93% of the loan portfolio.

There was \$1,500,000 in write-offs for the year on guarantees honored. At December 31, 2008, the total allowance for guarantee exposure is \$3,398,154 or 8.46% of the total guarantee exposure of \$40,152,236.

The 2008 Loss Provisions - Net of \$11.5 million, are related to the following detailed information:

\$7,263,000	Loan and Guarantee Program activity
\$17,000	Sale of equipment to MSNBC
\$1,235,000	Authority's share in the New Jersey Tech Council Venture Capital Fund
\$128,000	Authority's share in the Edison Venture Capital Fund
\$2,867,000	Authority's share in the Garden State Life Sciences Venture Fund

The 2007 Loss Provisions - Net of \$4.9 million, are related to the following detailed information:

\$7,750,000	Loan and Guarantee Program activity
(\$1,437,000)	Sale of equipment to MSNBC
(\$4,000)	Authority's share in the New Jersey Tech Council Venture Capital Fund
(\$114,000)	Authority's share in the Edison Venture Capital Fund
(\$1,296,000)	Authority's share in the Garden State Life Sciences Venture Fund

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Authority independently, or in cooperation with a private or governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for the municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities. For the majority of these leases, future minimum lease rental payments are equal to the debt service payments related to the bonds or notes issued for the applicable property.

The following table summarizes the change in other Capital Assets-Net between fiscal year 2008 and 2007:

	2008	2007	2006	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Land	$21,248,262	$23,873,206	$23,873,206	(11.0)%	
Construction in Progress	5,412,464	450	-0-		
Total Nondepreciable Capital Assets	26,660,726	23,873,656	23,873,206		
Building	97,364,839	121,007,001	121,007,001	(19.5)%	
Leasehold Improvements	21,918,368	22,223,883	18,657,010	(1.4)%	19.1%
Equipment	25,042,893	38,166,827	37,151,625	(34.4)%	2.7%
Total Depreciable Capital Assets	144,326,100	181,397,711	176,815,636		
Less Accumulated Depreciation	(53,577,502)	(67,050,760)	(56,691,186)	(20.1)%	18.3%
Capital Assets-Net	$117,409,324	$138,220,607	$143,997,656	(15.1)%	(4.0)%

The change in Land and Building in the current year resulted from the sale of Barnes & Noble, offset by the increase in Construction in Progress for ongoing work on Tech IV at the Technology Centre of New Jersey. In the prior year, the change represents the completion of leasehold improvements at the WTCC location.

The change in Equipment in the current year is due to the sale of Barnes & Noble equipment, as well as the purchase and sale of production equipment to MSNBC which fluctuates each year.

More detailed information about the Authority's capital assets is presented in the Notes to the financial statements.

Capital Debt. At year end, the Authority had $101,390,000 of gross bond and note principal outstanding; a net decrease of 24.6%, due to the paydown of scheduled debt. More detailed information about the Authority's capital debt is presented in the Notes to the financial statements.

The following table summarizes the changes in capital debt between fiscal year 2008 and 2007:

	2008	2007	2006	Current Year % increase/ (decrease)	Prior Year % increase/ (decrease)
Bonds Payable - Gross	$81,560,000	$114,245,000	$137,390,000	(28.6)%	(16.8)%
Notes Payable	19,830,000	20,160,000	21,745,315	(1.6)%	(7.3)%
Total Bonds and Notes Payable	$101,390,000	$134,405,000	$159,135,315	(24.6)%	(15.5)%

Other Matters

On December 9, 2008, the State of New Jersey enacted into law the Invest NJ Business Grant Program Act ("the Act"). Pursuant to the Act, the Authority is directed to establish a new business assistance program to stimulate capital investment and job creation in New Jersey. As outlined in the legislation, the State appropriated up to $120 million to the Authority for purposes of making grants to eligible businesses. As of December 31, 2008, the Authority has not received any of these funds.

On December 16, 2008, the State of New Jersey enacted into law the Main Street Business Assistance Act ("the Act"). The Act directs the Authority to provide necessary loan and guarantee products in support of small and mid-size businesses that have the greatest potential for stimulating economic growth. As outlined in the legislation, the program is to be funded by a $50 million State appropriation to the Authority. As of December 31, 2008, the Authority has not received any of these funds.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens, and our customers, clients, investors and creditors, with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional information, contact the Office of Public Affairs, NJEDA, P.O. Box 990, Trenton, NJ 08625-0990, or visit our web site at: www.njeda.com.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
CONSOLIDATED BALANCE SHEETS

	December 31, 2008	December 31, 2007
Assets		
Current Assets		
Cash and cash equivalents	$218,633,450	$234,692,621
Investments	77,861,100	272,801,375
Receivables		
Notes	16,880,109	13,895,731
Accrued interest on notes	787,540	918,825
Accrued interest on investments	2,981,524	2,230,572
Intergovernmental	2,137,500	2,088,889
Leases	100,000	50,000
Other receivables	1,330,499	9,189,100
	24,217,172	28,373,117
Prepaids and deferred costs	551,109	989,088
Total Current Assets	321,262,831	536,856,201
Noncurrent Assets		
Investments	249,126,408	74,394,036
Receivables		
Notes	142,190,454	128,238,976
Notes-restricted	50,310,910	62,115,966
Accrued interest on notes	2,864,195	117,720
Accrued interest on notes-restricted	162,299	200,039
	195,527,858	190,672,701
Allowance for doubtful notes and guarantees	(22,876,101)	(16,196,325)
Net notes receivable	172,651,757	174,476,376
Intergovernmental restricted	4,741,664	6,951,386
Unamortized discount	(944,123)	(1,467,123)
Net intergovernmental receivables	3,797,541	5,484,263
Leases-restricted	7,906,869	8,006,869
Unamortized discount	(1,244,630)	(1,347,188)
Net leases receivable	6,662,239	6,659,681
Total receivables	183,111,537	186,620,320
Prepaids and deferred costs	192,612	320,632
Nondepreciable capital assets	21,248,262	23,873,656
Depreciable capital assets, net	96,161,062	114,346,951
Total capital assets, net	117,409,324	138,220,607
Total Noncurrent Assets	549,839,881	399,555,595
Total Assets	$871,102,712	$936,411,796

See accompanying notes.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
CONSOLIDATED BALANCE SHEETS

	December 31, 2008	2007
Liabilities and Net Assets		
Current Liabilities		
Accrued liabilities	$3,028,397	$14,562,797
Deferred lease revenues	1,527,679	1,130,105
Deposits	9,408,736	7,688,155
OPEB Obligation	324,201	360,794
Bonds payable	9,815,000	14,165,000
Notes payable	420,000	732,723
Accrued interest payable	1,493,865	1,833,794
Total Current Liabilities	26,017,878	40,473,368
Noncurrent Liabilities		
Bonds payable-net	72,596,687	101,344,609
Notes payable	19,410,000	19,427,277
OPEB Obligation		3,857,978
Deferred lease revenues	17,388,490	18,442,338
Accrued guarantee losses	3,398,154	5,384,511
Other	1,387,646	1,734,556
Total Noncurrent Liabilities	114,180,977	150,191,269
Total Liabilities	140,198,855	190,664,637
Net Assets		
Invested in capital assets, net of related debt	58,654,324	54,010,607
Restricted for School Loan Program	31,239,841	38,459,932
Unrestricted	641,009,692	653,276,620
Total Net Assets	730,903,857	745,747,159
Total Liabilities and Net Assets	$871,102,712	$936,411,796

See accompanying notes.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	Years ended December 31, 2008	2007
Operating Revenues		
Financing fees	$3,504,883	$3,080,786
Interest income-intergovernmental obligations	522,998	618,345
Interest income-notes	7,222,905	6,936,927
Total Interest Income	7,745,903	7,555,272
Financing lease revenue	102,558	164,298
Operating lease revenue	18,496,867	17,725,654
Agency fees	1,069,383	1,210,541
Program services	2,996,288	3,375,777
Real estate development	1,167,470	1,947,839
Grant revenue		325,937
Other	318,930	1,984,234
Total Other Revenues	24,151,496	26,734,280
Total Operating Revenue	35,402,282	37,370,338
Operating Expenses		
Salaries and benefits	17,908,389	13,386,196
General and administrative	3,800,401	3,441,416
Interest	4,467,024	6,850,482
Program costs	8,123,759	7,428,524
Depreciation	10,062,085	11,489,306
Loss provisions-net	11,500,774	4,898,638
Total Operating Expenses	55,862,432	47,494,562
Operating Loss	(20,460,150)	(10,124,224)
Nonoperating Revenues and Expenses		
Interest income-investments	16,221,076	28,742,994
Unrealized gain in investment securities	4,905,607	3,137,560
Gain on sale of assets-net	6,457,232	102,212
State Appropriations-net	207,939,119	128,438,344
Program payments	(229,906,186)	(212,137,163)
Nonoperating Expenses, net	5,616,848	(51,716,053)
Change in Net Assets	(14,843,302)	(61,840,277)
Net Assets - Beginning of year	745,747,159	807,587,436
Net Assets - End of Year	$730,903,857	$745,747,159

See accompanying notes.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended December 31, 2008	2007
Cash flows from operating activities		
Financing fees	$3,576,873	$3,224,104
Interest from notes	8,936,803	8,989,407
Lease rents	18,143,038	17,537,650
Grant income		1,458,292
Agency fees	1,070,683	1,209,341
Program services	3,324,352	5,030,326
Real estate development	1,135,102	2,174,947
General and administrative expenses paid	(25,581,741)	(25,069,380)
Program costs paid	(8,760,079)	(6,456,033)
Collection of notes receivable	29,644,027	27,446,385
Guarantee payments recovered	(2,905,350)	
Loan disbursements	(33,262,806)	(42,750,518)
Deposits received	8,675,925	7,363,187
Deposits released	(6,809,085)	(5,711,269)
Net cash used in operating activities	(2,812,258)	(5,553,561)
Cash flows from capital and related financing activities		
Payment of bonds and notes payable	(27,040,000)	(18,565,315)
Interest paid on bonds and notes payable	(3,622,049)	(5,147,289)
Purchase of capital assets	(6,369,157)	(4,614,393)
Sale of assets	22,870,871	331,369
Net cash used in capital and related financing activities	(14,160,335)	(27,995,628)
Cash flows from noncapital financing activities		
Program funding received	2,161,112	2,843,048
Deposits received	1,295	2,140
Redemption and refunding of bonds payable	(7,230,000)	(6,940,000)
Interest paid on revenue bonds	(3,616,368)	(4,060,916)
Obligations paid	(1,229,862)	(1,144,631)
Issuance and servicing costs paid	(561,334)	(594,312)
Appropriations received	205,259,021	120,083,079
Payments to State of New Jersey	(6,867,844)	(7,202,452)
Program payments	(224,014,911)	(200,026,771)
Net cash used in noncapital financing activities	(36,098,891)	(97,040,815)
Cash flows from investing activities		
Interest from investments	15,475,101	28,823,251
Capital investments	(2,724,922)	(2,929,773)
Investments - Purchases	(44,668,621)	(40,151,593)
- Redemptions	68,930,755	62,584,258
Net cash provided by investing activities	37,012,313	48,326,143
Net Decrease in Cash and Cash Equivalents	(16,059,171)	(82,263,861)
Cash and Cash Equivalents - Beginning of Year	234,692,621	316,956,482
Cash and Cash Equivalents - End of Year	$218,633,450	$234,692,621

See accompanying notes.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Years ended December 31, 2008	2007
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	($20,460,150)	($10,124,224)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Loss provisions	11,500,774	4,898,638
Depreciation	10,062,085	11,489,306
Amortization of discounts, premiums, deferred loss	(625,556)	(720,864)
Cash provided by nonoperating activities	8,999,750	10,577,517
Change in assets and liabilities		
Notes receivable	(3,619,856)	(15,304,242)
Guarantee payments receivable	(2,905,350)	
Accrued interest receivable-notes	(333,040)	(82,508)
Lease payments receivable	40,682	1,495,315
Other receivables	810,578	1,673,896
Prepaids and deferred costs	430,600	286,757
Capital investments	(154,975)	(102,764)
Notes payable	(1,255,000)	(775,000)
Accrued liabilities	(5,527,735)	(9,276,254)
Deferred lease revenues	(749,857)	(1,018,425)
Accrued interest payable	(723,378)	(222,627)
Deposits	1,698,170	1,651,918
Net cash used in operating activities	($2,812,258)	($5,553,561)
Noncash investing activities		
Unrealized gain in investment securities	$4,905,607	$3,137,560

See accompanying notes.

New Jersey Economic Development Authority
Notes to Financial Statements
December 31, 2008 and 2007

Note 1: Nature of the Authority

The New Jersey Economic Development Authority ("Authority") is a public body corporate and politic, constituting an instrumentality and component unit of the State of New Jersey ("State"). The Authority was established by Chapter 80, P.L. 1974 ("Act") on August 7, 1974, as amended and supplemented, primarily to provide financial assistance to companies for the purpose of maintaining and expanding employment opportunities in the State and increasing tax ratables in underserved communities. The Act prohibits the Authority from obligating the credit of the State in any manner.

The Authority primarily offers the following products and services:

(a) Bond Financing

The Authority issues tax-exempt private activity bonds and taxable bonds. The proceeds from these single issue or composite series bonds are used to provide long-term, below-market interest loans to eligible entities, which include certain 501(c)(3) nonprofit organizations, manufacturers, exempt public facilities, solid waste facilities, and local, county and State governmental agencies for real estate acquisition, equipment, machinery, building construction and renovations. All such bonds are special conduit debt obligations of the Authority, are payable solely from the revenues pledged with respect to the issue, and do not constitute an obligation against the general credit of the Authority.

(b) Loans/Guarantees/Investments and Tax Incentives

The Authority directly provides loans and loan guarantees to commercial enterprises and other nonprofits for various purposes to include: the acquisition of fixed assets; building construction and renovation; financing for working capital; technological development; and infrastructure improvements. The Authority also may provide financial assistance in the form of convertible debt, and take an equity position in technology and life sciences companies through warrant options. In addition to lending and investing its own financial resources, the Authority also administers several business growth programs supported through State appropriation/allocation, including tax credits for film industry and digital media projects, the technology business tax certificate transfer program, and job growth incentive grants. Other state mandated programs include loans/grants to support hazardous discharge site remediation and petroleum underground storage tank remediation.

(c) Real Estate Development

The Authority independently, or in cooperation with a private or another governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities.

(d) Component Units

Pursuant to Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements include the accounts of the Authority and the Camden County Urban Renewal Limited Partnership ("CCURLP"), a blended component unit. CCURLP is a real estate joint venture which provides services for the exclusive benefit of the Authority. All intercompany transactions and balances are eliminated.

The Authority's financial statements do not include the accounts of the New Jersey Community Development Entity ("NJCDE"), a component unit. NJCDE is a legal entity whose primary mission is to provide investment capital for low-income communities, on behalf of the Authority, through the allocation of federal New Markets Tax Credits. The Authority does not deem the operations of the NJCDE to be significant to the operations of the Authority. As of December 31, 2008 and 2007, total assets were $3,332,213 and $942,815.

Related Party Transactions

The Authority has contracted with several other state entities to administer certain loan programs on their behalf for a fee. In order for the Authority to effectively administer the programs, the Authority has custody of the cash accounts for each program. The cash in these accounts, however, is not an asset of the Authority and, accordingly, the balances in these accounts have not been included in the Authority's consolidated balance sheets. The cash balances total $32,992,024 and $40,514,489 at December 31, 2008 and 2007, respectively. The following is a summary of the programs that the Authority manages on behalf of other state entities:

Entity	Program	2008	2007
New Jersey Commerce Commission	Sustainable Business Loan Fund		$2,864,625
Dept. of Treasury	Local Development Financing Fund	$16,264,127	20,682,341
Board of Public Utilities	BPU Clean Energy Program	16,177,826	16,927,383
Dept. of Environmental Protection	DEP Recycling Loan Fund	10,861	40,140
Dept. of Human Services	DHS Child Care Facilities Fund	539,210	

Note 2: Summary of Significant Accounting Policies

(a) Basis of Accounting and Presentation

The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. While detailed sub-fund information is not presented, separate accounts are maintained for each program and include certain funds that are legally designated as to use. Administrative expenses are allocated to the various programs.

In its accounting and financial reporting, the Authority follows the pronouncements of the Governmental Accounting Standards Board ("GASB"). In addition, the Authority follows only the pronouncements of all applicable Financial Accounting Standards Board ("FASB") Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements, in which case, GASB standards will be used as the Authority's governing pronouncement. The Authority has elected to follow only the pronouncements of the FASB issued after November 30, 1989, that do not conflict with GASB statements.

(b) Revenue Recognition

The Authority charges various program financing fees that may include an application fee, commitment fee, closing fee and a document execution fee. The Authority also charges a fee for the administration of financial programs for various government agencies and for certain real estate development and management activities. Fees are recognized when earned. Grant revenue is recognized when the Authority has complied with the terms and conditions of the grant agreements. The Authority recognizes interest income by amortizing the discount on intergovernmental obligations and lease revenue by amortizing the discount on capital lease financings. Operating lease revenue is recognized pursuant to the terms of the lease. The Authority considers all activity, except for the sale of capital assets and interest earned from investments, to be operating activities.

When available, it is the Authority's policy to first use restricted resources for completion of specific projects.

(c) Cash Equivalents

Cash equivalents are highly liquid debt instruments with original maturities of three months or less and participations in the State of New Jersey Cash Management Fund ("NJCMF"). The NJCMF is managed by the State's Division of Investment under the Department of the Treasury. All investments must fall within the guidelines set forth by the Regulations of the State Investment Council. The Division of Investment is permitted to invest in a variety of securities to include obligations of the U.S. Government and certain of its agencies, certificates of deposit, commercial paper, repurchase agreements, bankers' acceptances and loan participation notes. Investment guidelines provide that all investments in the NJCMF should mature or are to be redeemed within one year, except that up to 25% of the NJCMF may be invested in eligible securities which mature within 25 months; provided, however, that the average maturity of all investments in the NJCMF shall not exceed one year. Cash equivalents are stated at fair value.

(d) Investments

All investments, except for investment agreements, are stated at fair value. The Authority also invests in various types of joint ventures and uses the equity method to account for its investment when it exercises significant control or influence in the venture. Under the equity method, the investment is shown as a single amount on the balance sheet and the Authority's proportionate share of income or loss is recognized currently, rather than through dividends or disposal.

(e) Amortization of Discounts and Premiums

Interest on capital appreciation bonds is accreted using the interest method over the term of the bonds; for other discounts, the bonds outstanding method is used.

(f) Guarantees Receivable

Payments made by the Authority under its various guarantee programs are reported as Guarantees Receivable. These receivables are expected to be recovered either from the lender, as the lender continues to service the loan, or from the liquidation of the underlying collateral. Recoveries increase Worth [see Note 12].

(g) Allowance for Doubtful Notes and Accrued Guarantee Losses

Allowances for doubtful notes and accrued guarantee losses are determined in accordance with guidelines established by the Office of Comptroller of Currency. These guidelines include classifications based on routine portfolio reviews of various factors that impact collectability.

(h) Operating and Non-Operating Revenues and Expenses

The Authority defines operating revenues and expenses as relating to activities resulting from providing bond financing, direct lending and real estate development to commercial businesses, certain not-for-profit entities, and to local, county and State governmental entities. Non-operating revenues and expenses include income earned on the investment of funds, proceeds from the sale of certain assets and State appropriations.

(i) Taxes

The Authority is exempt from all Federal and State income taxes and real estate taxes.

(j) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(k) Capitalization Policy

Unless material, it is the Authority's policy to expense all expenditures of an administrative nature. Administrative expenditures typically include expenses directly incurred to support staff operations, such as automobiles, information technology hardware and software, office furniture, and equipment.

With the exception of immaterial tenant fit-out costs of retail space that is sublet from the State of New Jersey, the Authority capitalizes all expenditures related to the acquisition of land, construction and renovation of buildings, and procurement of certain production equipment intended for sale or lease to its clients.

(l) Depreciation Policy

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the following estimated economic useful lives of the assets:

Building	20 years
Building Improvements	20 years
Leasehold Improvements	term of the lease
Tenant Fit-Out	term of the lease
Production Equipment	4 to 15 years
Vehicles	expensed
IT Hardware/Software	expensed
Furniture and Equipment	expensed

(m) Reclassification of 2007 Balances

Certain 2007 balances have been reclassified to conform with current year presentation.

Note 3: Cash, Cash Equivalents and Investments

(a) Cash and Cash Equivalents

Operating cash is held in the form of Negotiable Order of Withdrawal ("NOW") accounts, money market accounts, and certificates of deposit. At December 31, 2008, the carrying amount of the Authority's deposits was $56,628,067 and the bank balance was $73,806,959. Of the bank balance, $2,582,326 was insured with Federal Deposit Insurance.

Pursuant to GASB Statement No. 40 "Deposit and Investment Risk Disclosures" ("GASB 40"), the Authority's NOW accounts, as well as money market accounts and certificates of deposit, are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the NJEDA would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities are not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the government (NJEDA) name. At December 31, 2008, all of the Authority's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk.

Cash deposits at December 31, 2008, are as follows:

Deposit Type	Deposits
NOW Accounts	$32,411,818
Money Market Accounts	9,978,578
Certificates of Deposit	14,237,671
Total Deposits	$56,628,067

(b) Investments

Pursuant to the Act, the funds of the Authority may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the Authority may approve. Accordingly, the Authority directly purchases permitted securities and enters into interest-earning investment contracts.

As of December 31, 2008, the total investment is $275,648,173. The Portfolio is comprised of short to medium term bonds and is managed by a financial institution, for the Authority, per a schedule of permitted investments. These investments include obligations guaranteed by the U.S. Government, Government Sponsored Enterprises, Money Market Funds, Mortgage Backed Pass-Throughs rated AAA by Standard & Poors or Moody's, and Repurchase Agreements. The Portfolio is managed with the investment objectives of: preserving capital, maintaining liquidity, achieving superior yields, and providing consistent returns over time. In order to limit interest rate risk, investments are laddered, with maturities ranging from several months to a maximum of four years.

Investment of bond proceeds are made in accordance with the Authority's various bond resolutions. The bond resolutions generally permit the investment of funds held by the trustee in the following: (a) obligations of, or guaranteed by, the State or the U.S. Government; (b) repurchase agreements secured by obligations noted in (a) above; (c) interest-bearing deposits, in any bank or trust company, insured or secured by a pledge of obligations noted in (a) above; (d) NJCMF; (e) shares of an open-end diversified investment company which invests in obligations with maturities of less than one year of, or guaranteed by, the U.S. Government or Government Agencies; and (f) non-participating guaranteed investment contracts.

The Authority is the managing member of the Technology Centre of New Jersey, L.L.C., a real estate joint venture formed in 1999 to spur the growth of high tech industries in the State. The Centre is situated on a 50 acre site and comprised of infrastructure improvements and buildings. As the managing member, the Authority earns an administrative fee based on 5% of gross rents received from the operation of the Centre. At December 31, 2008 and 2007, the value of the Authority's investment in the Centre is $14,948,405 and $15,299,856, respectively. On behalf of the venture, the Authority prepares an annual report, a copy of which may be obtained by contacting the Authority.

The Authority is also a limited partner in various venture funds formed with the primary purpose of providing venture capital to exceptionally talented entrepreneurs dedicated to the application of proprietary technologies or unique services in emerging markets and whose companies are in the expansion stage. At December 31, 2008 and 2007, the aggregate value of the Authority's investment in these funds is $14,584,019 and $15,583,944, respectively. As a limited partner, the Authority receives financial reports from the managing partner of the funds, copies of which may be obtained by contacting the Authority.

In accordance with Financial Accounting Standards Board statement number 157 ("FASB 157"), the following is a reconciliation of changes in the fair value measurements of these venture capital investments using significant unobservable inputs (Level 3):

	Venture Capital Investments			
	Year Ended December 31,			
	2008		2007	
Balance, beginning of year	$	15,583,944	$	14,315,756
Total realized and unrealized gains and losses included in change in net assets*		(2,323,654)		4,050,595
Purchases, issuances and settlements		3,117,843		3,563,348
Transfers in and/or out of Level 3		(1,794,114)		(6,345,755)
Balance, end of year	$	14,584,019	$	15,583,944

*These items are included in changes in net assets as operating expenses, loss provisions-net, as follows:

Total realized and unrealized gains and losses included in changes in net assets	$ (2,323,654)	$ 4,050,595
Changes in realized and unrealized gains and losses relating to assets still held at end of year	$ (4,231,276)	$ 1,414,361

At December 31, 2008 and 2007, the Authority held other equity investments of $750,000 and $250,000, respectively. The investments are held in the form of preferred stock. Value is based on market value at time of purchase (conversion of loan receivable).

In order to maintain adequate liquidity, significant NJEDA funds are invested in the NJCMF, which typically earns returns that mirror short term interest rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At December 31, 2008 and 2007 the NJEDA balance is $168,005,382 and $181,032,823 respectively.

Custodial Credit Risk

Pursuant to GASB 40, the Authority's investments are profiled to determine if they are exposed to Custodial Credit Risk. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government (NJEDA), and are held by either: the counterparty (institution that pledges collateral to government or that buys/sells investments for government) or counterparty's trust department or agent but not in the name of the government. Investment pools such as the NJCMF and open ended mutual funds including Mutual Bond Funds are deemed not to have custodial credit risk. As of December 31, 2008, \$274,057,214 in NJEDA investments, comprised of \$75,921,975 in U.S. Treasuries, \$185,128,901 in U.S. Agencies, and \$13,006,338 in Corporates, were not registered in the name of the NJEDA and were held by the counterparty.

Concentration of Credit Risk

The NJEDA places no limit on the amount the Authority may invest in any one issuer. At December 31, 2008, more than 5 percent of NJEDA investments are in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corp (FHLMC), and Federal National Mortgage Association (FNMA). These investments are 8.53% (\$42,026,430); 9.12% (\$44,890,776); 6.42% (\$31,632,285); and 13.52% (\$66,579,410), respectively, of the Authority's total investments. These four investments are included in the U.S. Government Agency category of investments. Investments issued by or guaranteed by the U.S. Government, mutual fund investments, and pooled investments are exempt from this requirement.

Credit Risk

The Authority has investment guidelines regarding the management of Credit Risk, as outlined above. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. All investments in Mutual Bond Funds and U.S. Agencies are rated Aaa by Moody's and AAA by Standard & Poors ("S&P"). Corporates were rated AAA (\$8,105,818) and A (\$4,900,520) by S&P. The NJCMF is not rated.

Interest Rate Risk

The Authority does not have a policy to limit interest rate risk, however, its practice is to hold investments to maturity.

As of December 31, 2008 and 2007, the NJEDA had the following investments and maturities:

Investment Type Debt Securities:	Fair Value as of 12/31/08	Investments Less than 1 Year	Maturities 1-5 Years	Fair Value as of 12/31/07
U.S. Treasuries	$75,921,975	$40,119,045	$35,802,930	$2,221,394
U.S. Agencies	185,128,901	10,010,000	175,118,901	259,596,633
Corporate	13,006,338	5,084,185	7,922,153	
Mutual Bond Funds	16,647,870	16,647,870		56,182,176
NJ Cash Management Fund	168,005,382	168,005,382		181,032,823
Sub total, Total Debt Securities	458,710,466	$239,866,482	$218,843,984	499,033,026
Non Debt Securities				
Investment in Technology Center Joint Venture	14,948,405			15,299,856
Venture Fund Investments	14,584,019			15,583,944
Other Equity Investments	750,000			250,000
Sub total	488,992,890			530,166,826
Less amounts reported as Cash Equivalents	(162,005,382)			(182,971,415)
Total Investments	$326,987,508			$347,195,411

Note 4: Notes Receivable

Notes Receivable consist of the following:	2008	2007
Economic Development Fund ("EDF") loan and guarantee programs; interest ranging up to 7.5%; maximum term 11 years	$55,774,953	$45,511,995
Economic Recovery Fund ("ERF") loan and guarantee programs; interest ranging up to 8%; maximum term of 10 years	90,663,082	81,490,844
Hazardous Discharge Site Remediation ("HDSR") loan program; interest ranging up to 5.5%; maximum term of 10 years	5,542,268	5,424,615
Public School Facilities ("PSF") loan program; interest ranging from 1.5% to 5.288%; maximum term of 5 years	54,315,634	67,705,241
Municipal Economic Recovery Initiative ("MERI") loan program; interest ranging up to 3%; maximum term of 22 years	3,085,536	4,117,978
	$209,381,473	$204,250,673

Aggregate Notes Receivable activity for the year ended December 31, 2008, was as follows:

	Beginning Balance	Loan Disbursements	Loan Receipts	Write-offs, Adjustments, Restructures-Net	Ending Balance	Amounts Due Within One Year
EDF/ERF	$127,002,839	$34,672,757	($13,710,122)	($1,527,439)	$146,438,035	$12,134,609
HDSR	5,424,615	1,298,343	(1,181,766)	1,076	5,542,268	627,902
PSF	67,705,241	-0-	(13,389,589)	(18)	54,315,634	10,496,696
MERI	4,117,978	197,058	(107,532)	(1,121,968)	3,085,536	112,874
	$204,250,673	$36,168,158	($28,389,009)	($2,648,349)	$209,381,473	$23,372,081

Of the amounts due within one year, as noted above, $7,547,861 due to the Public School Facilities Program ("PSF") is categorized as restricted since it cannot be used to pay other current liabilities.

Note 5: Intergovernmental Receivables

The Authority has various Agreements with the State and State entities relating to the issuance of Bonds. Pursuant to the underlying legislation and resolution, the bond proceeds finance various Authority programs and projects. Pursuant to the terms of the Agreements, the debt service on these bonds is payable solely from scheduled amounts receivable.

The Series 1996 Port bonds are secured solely by loan payments originally scheduled to be made to the Port Authority by various utilities authorities. The Port Authority has assigned the right to receive such loan payments to the Authority.

At December 31, 2008, Intergovernmental Receivables are comprised of the following:

	2008	2007
NJ Port District Utilities Authorities Contract	$6,879,164	$9,040,275
Unamortized Discount	(944,124)	(1,467,123)
Total Net Intergovernmental Receivable	$5,935,040	$7,573,152

Aggregate gross receipts from intergovernmental receivables due through 2013 and thereafter are as follows:

2009	$2,137,500
2010	2,209,715
2011	904,167
2012	693,056
2013	693,057
2014-2015	241,669
	$6,879,164

Intergovernmental Receivable activity for the year ended December 31, 2008 was as follows:

	Beginning Balance	Reductions	Ending Balance	Amount Receivable Within One Year
Gross Receivable	$9,040,275	($2,161,111)	$6,879,164	$2,137,500
Discount	(1,467,123)	522,999	(944,124)	
Net Receivable	$7,573,152	($1,638,112)	$5,935,040	

Note 6: Leases

(a) Leases Receivable

The Authority has various financing leases relating to the issuance of Bonds and Notes Payable. Bond and Note proceeds finance specific projects. The financing leases provide for basic rental payments, by the tenant to the Authority, in an amount at least equal to the amount of debt service on the Bonds and Notes. In the event of default by the tenant to make rental payments, the Authority generally has recourse, including, but not limited to, taking possession and selling or subletting the leased premises and property.

The outstanding leases are as follows:

Lease Description	2008	2007
NY Daily News, through 7/30/21	$8,006,869	$8,056,869
Unamortized Discount	(1,244,630)	(1,347,188)
Aggregate Lease Payments Receivable-Net	$6,762,239	$ 6,709,681

Aggregate gross lease receipts due through 2013 and thereafter are as follows:

2009	$100,000
2010	100,000
2011	100,000
2012	100,000
2013	100,000
2014-2018	500,000
2019-2021	7,006,869
	$8,006,869

Lease payments receivable activity for the year ended December 31, 2008 was as follows:

	Beginning Balance	Reductions	Ending Balance	Amount Receivable Within One Year
Gross Receivable	$8,056,869	($50,000)	$8,006,869	$100,000
Discount	(1,347,188)	102,558	(1,244,630)	
Net Receivable	$6,709,681	($52,558)	$6,762,239	

(b) Operating Leases

(i) Authority as Lessor

At December 31, 2008, capital assets with a gross carrying value of $149,642,481 and accumulated depreciation of $49,161,308 are leased to commercial enterprises. These leases generally provide the tenant with renewal and purchase options. Aggregate minimum lease receipts are expected as follows:

2009	$10,092,873
2010	8,810,960
2011	8,187,324
2012	7,752,918
2013	6,294,714
2014-2018	23,159,266
2019-2023	5,868,240
2024-2028	3,295,619
2029-2033	730,000
2034-2036	465,000
	$74,656,914

(ii) Authority as Lessee

The Authority leases commercial property, buildings, office space and parking. The leased premises are either sublet to commercial enterprises or utilized by Authority staff. Aggregate rental expense for the current year on commercial property amounted to $607,691; and for property used by the Authority, rental expense amounted to $277,382. Aggregate future lease obligations are as follows:

2009	$769,595
2010	776,978
2011	761,456
2012	708,023
2013	563,152
2014-2018	2,573,304
2019-2023	1,283,350
2024-2028	1,208,750
2029-2033	1,292,800
2034-2038	1,243,440
2039-2043	646,300
2044-2048	723,860
2049-2053	743,250
2054	148,650
	$13,442,908

Note 7: Capital Assets

Capital asset activity for the years ended December 31, 2008 and 2007, was as follows:

	December 31, 2006	Additions	Reductions	Adjustments to Reserve	December 31, 2007
Capital assets not being depreciated:					
Land	$23,873,206	-0-	-0-	-0-	$23,873,206
Construction in progress	-0-	$50	-0-	-0-	450
Capital assets being depreciated:					
Building	121,007,001	-0-	-0-	-0-	121,007,001
Leasehold improvements	18,657,010	3,804,383	($37,510)	-0-	22,223,883
Production equipment	37,151,625	937,127	(1,506,310)	$.584,385	38,166,827
Capital assets-gross	200,688,842	4,741,960	(1,743,820)	1,584,385	205,271,367
Less: accumulated depreciation	56,691,186	11,489,306	(1,129,732)	-0-	67,050,760
Capital assets-net	$143,997,656	($6,747,346)	($614,088)	$1,584,385	$138,220,607

	December 31, 2007	Additions	Reductions	Adjustments to Reserve	December 31, 2008
Capital assets not being depreciated:					
Land	23,873,206	-0-	($2,624,944)	-0-	$21,248,262
Construction in progress	450	$5,412,014	-0-	-0-	5,412,464
Capital assets being depreciated:					
Building	121,007,001	-0-	(23,642,162)	-0-	97,364,839
Leasehold improvements	22,223,883		(305,515)	-0-	21,918,368
Production equipment	38,166,827	575,197	(13,936,995)	$237,864	25,042,893
Capital assets-gross	205,271,367	5,987,211	(40,509,616)	237,864	170,986,826
Less: accumulated depreciation	67,050,760	10,072,269	(23,545,527)	-0-	53,577,502
Capital assets-net	$138,220,607	($4,085,058)	($16,964,089)	$237,864	$117,409,324

In June 2008, Barnes & Noble exercised its option to purchase leased property, including building and land, for the sale price of $21 million, which resulted in net cash to the Authority of $2.5 million.

During 2008, the Authority continued tenant fit-out of its Tech IV building, located in North Brunswick. This work was necessary to provide suitable space for new tenants, and will enable the Authority to assist more businesses in the State.

Note 8: Bonds Payable

The bonds reported in the following table have been issued in order to fund commercial loans, loans to school districts, commercial real estate development and capital construction. The Bonds are secured by lease rental payments, loan repayments and the underlying assets pledged pursuant to the Bond resolutions. In the event of default by the tenant to make rental payments, the Authority generally has recourse, including, but not limited to, taking possession and selling or subletting the leased premises and property.

The Series 1996 Port bonds are secured solely by loan payments originally scheduled to be made to the Port Authority by various utilities authorities. The Port Authority has assigned the right to receive such loan payments to the Authority.

The outstanding issues are as follows:

	2008	2007
$46,815,000 NJEDA Revenue Bonds (Public Schools Small Project Loan Program), 2004 Series, interest ranging from 3% to 5%; due 8/15/09 through 8/15/13. Series 1993 was refunded on 3/15/04.	$21,715,000	$27,595,000
$43,000,000 Variable Rate Lease Revenue Bonds, 2003 Series A and B, (Camden Center Urban Renewal Limited Partnership Project); interest ranging from 3.89% to 5.909% due annually through 3/15/18	38,155,000	39,410,000
$167,500,000 NJEDA Taxable Economic Development Bonds MSNBC/CNBC Project, 1997 Series A and B, adjustable rate, due through 10/1/21	14,600,000	20,300,000
$31,700,000 NJEDA Adjustable Rate Lease Revenue (taxable) Bonds, 1995 Series A and B (Barnes & Noble, Inc. Distribution and Freight Consolidation Center Project); paid in full 6/08		18,500,000
$18,355,000 NJEDA Taxable Revenue Bonds, North Jersey Port District Utilities Authorities Loan Securitization Program ("Port"), Series 1996, interest ranging from 7.05% to 7.25%; due 2/15/09 through 2/15/12	7,090,000	8,440,000
Subtotal	81,560,000	114,245,000
Unamortized premium	851,687	1,264,609
	$82,411,687	$115,509,609

At December 31, 2008,the carrying value of all aggregate bonds payable approximates fair market value. Aggregate debt service requirements of bonds payable through 2013 and thereafter are as follows:

	Principal	Interest	Total
2009	$9,815,000	$3,384,447	$13,199,447
2010	7,855,000	3,492,882	11,347,882
2011	6,890,000	3,249,190	10,139,190
2012	7,910,000	2,831,788	10,741,788
2013	6,025,000	2,460,964	8,485,964
2014-2018	32,765,000	8,701,910	41,466,910
2019-2021	10,300,000	532,793	10,832,793
	$81,560,000	$24,653,974	$106,213,974

Bonds payable activity for the years ended December 31, 2008 and 2007,was as follows:

	December 31, 2006	**Additions**	**Reductions**	**December 31, 2007**	**Amounts Due Within One Year**
Bonds Payable-gross	$137,390,000	-0-	($23,145,000)	$114,245,000	$14,165,000
Unamortized premium	1,787,529	-0-	(522,920)	1,264,609	
Total Bonds Payable-net	$139,177,529	-0-	($23,667,920)	$115,509,609	

	December 31, 2007	**Additions**	**Reductions**	**December 31, 2008**	**Amounts Due Within One Year**
Bonds Payable-gross	$114,245,000	-0-	($32,685,000)	$81,560,000	$9,815,000
Unamortized premium	1,264,609	-0-	(412,922)	851,687	
Total Bonds Payable-net	$115,509,609	-0-	($33,097,922)	$82,411,687	

Pursuant to GASB issued statement, **"Disclosure of Conduit Debt Obligations" (GASBI-2)**, there is no requirement to record conduit debt that is simultaneously recorded by the entity that is responsible for its payment. The State of New Jersey records this debt on its financial statements. It is the Authority's opinion that by not reporting the State backed conduit debt and Agency type transactions on its financial statements a more accurate assessment of its financial position and operations exists.

Note 9: Financial Instruments

Variable Rate Lease Revenue Refunding Bonds 2002 Series A and B
In connection with its issuance of $43,000,000 Variable Rate Revenue Bonds, 2002 Series A and B issues, on December 30, 2002, the Authority has entered into a swap agreement with Bank of America, formerly Fleet Bank ("BoA"). The nature and purpose of this transaction is described below:

(a) Interest Rate Swap Agreements

Under the terms of this agreement, which was executed on January 7, 2003, the Authority pays a fixed rate of 3.89% to BoA on a notional amount equal to the principal amount of the 2002 bonds being hedged pursuant to such swap. In return, the swap provider will pay the Authority a floating amount based on 100% of one month LIBOR on the same notional amount. As the bonds are redeemed, the notional amount of the swap shall decrease proportionately. The purpose of this agreement is to achieve a synthetic fixed rate. The swap remains in effect until December 30, 2009. The fair value of the swap was ($1,222,541) and ($135,884) as of December 31, 2008 and 2007, respectively.

(b) Credit Risk

As of December 31, 2008, the Authority was not exposed to credit risk, because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the Authority would be exposed to credit risk in the amount of the swap's fair value.

(c) Termination Risk

The swap contract uses the International Swap Dealers Association Master Agreement, which includes provision for standard termination events, such as failure to pay and bankruptcy. The Authority or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap were terminated, the variable-rate bond would no longer carry a synthetic fixed interest rate. Also, if the swap were to have a negative fair value at the time of termination, the Authority would be liable to the counterparty for a payment equal to the swap's fair value.

In connection with the agreement, no amounts are recorded in the financial statements other than the net interest expense resulting from the agreement.

Note 10: Notes Payable

Generally, Notes Payable are special obligations of the Authority payable solely from loan payments, lease rental payments and other revenues, funds and other assets pledged under the notes and do not constitute obligations against the general credit of the Authority. Note proceeds are used to fund specific programs and projects and are not co-mingled with other Authority funds.

The outstanding notes are as follows:	**2008**	**2007**
Community Development Investments, LLC; interest at 5%; principal & interest due monthly through 4/12/14 with final payment due at maturity on 5/12/14	$2,000,000	$2,000,000
City of Camden, NJ; interest at 6%; principal & interest due monthly through maturity on 2/5/16	4,000,000	4,000,000
Jersey Central Power & Light; interest at 4%; interest only due monthly through 11/12/10; principal due at maturity on 11/12/10	1,000,000	1,000,000
Public Service New Millennium Economic Development Fund, LLC; interest at 4%; interest only due monthly through 11/7/10; principal due at maturity on 11/7/10	5,000,000	5,000,000
Waterfront Technology Center Construction Loan; variable interest; principal and interest due monthly over 60 month period, through maturity on 1/31/12	7,830,000	8,160,000
	$19,830,000	$20,160,000

At December 31, 2008, the carrying value of all notes payable approximates fair market value. Aggregate debt service requirements of notes payable through 2013 and thereafter are as follows:

	Principal	**Interest**	**Total**
2009	$420,000	$1,421,520	$1,841,520
2010	7,307,876	740,053	8,047,929
2011	1,563,125	514,457	2,077,582
2012	7,624,852	223,330	7,848,182
2013	1,210,126	138,076	1,348,202
2014-2016	1,704,021	111,676	1,815,697
Total	$19,830,000	$3,149,112	$22,979,112

Notes payable activity for the years ended December 31, 2008 and 2007 was as follows:

December 31, 2006	**Additions**	**Reductions**	**December 31, 2007**	**Amounts Due Within One Year**
$21,745,315	$-0-	($1,585,315)	$20,160,000	$732,723

December 31, 2007	**Additions**	**Reductions**	**December 31, 2008**	**Amounts Due Within One Year**
$20,160,000	$ -0-	($330,000)	$19,830,000	$420,000

Note 11: Net Assets

The Authority's Net Assets are categorized as follows:

- Invested in capital assets, net of related debt
- Restricted
- Unrestricted

Invested in Capital Assets, Net of Related Debt includes capital assets net of accumulated depreciation used in the Authority's operations as well as capital assets that result from the Authority's real estate development and operating lease activities. Restricted assets include net assets that have been restricted in use in accordance with State law, such as the Public School Facilities loan program, noted in Note 4. Unrestricted assets include all net assets not included above. The changes in Net Assets during 2008 and 2007 are as follows:

	Invested in Capital Assets Net of Debt	Restricted	Unrestricted	Totals
Net Assets December 31, 2006	$43,582,656	$45,688,363	$718,316,417	$807,587,436
Change in net assets	10,427,951	(7,228,431)	(65,039,797)	(61,840,277)
Net Assets December 31, 2007	54,010,607	38,459,932	653,276,620	745,747,159
Change in net assets	4,643,717	(7,220,091)	(12,266,928)	(14,843,302)
Net Assets December 31, 2008	$58,654,324	$31,239,841	$641,009,692	$730,903,857

Note 12: Commitments and Contingencies

(a) Loan and Bond Guarantee Programs

The Authority has a special binding obligation regarding all guarantees to the extent that funds are available in the guarantee accounts as specified in the guarantee agreements. Guarantees are not, in any way, a debt or liability of the State.

(1) Economic Development Fund

The guarantee agreements restrict the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt (exposure and commitments) to Worth (the amount on deposit and available for payment) ratio is greater than 3 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the specific guarantee program account.

Principal payments on guaranteed loans and bonds reduce the Authority's exposure. At December 31, 2008, the Authority's Debt and Worth was composed of the following:

	Port District Program	Community Economic Development Program
Total Debt	$2,261,499	$29,756
Total Worth	$18,639,894	$9,219,133

(2) Economic Recovery Fund

The guarantee agreements restrict the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt to Worth ratio is greater than 5 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the guarantee program account. Principal payments on guaranteed loans and bonds reduce the Authority's exposure. At December 31, 2008, Debt was $18,739,791 and Worth was $65,419,671, with a ratio of 0.29 to 1.

(3) Economic Growth Composite Bond Program

The Guarantee Agreement relating to Economic Growth Composite Bonds requires the Authority to establish, in trust, a Cash Collateral Account. This obligation to deliver funds to the trustee is a general obligation of the Authority.

To the extent guarantee payments of principal on the bonds cannot be recovered through collateral liquidation, loan restructure, etc., the Authority's aggregate composite exposure is permanently reduced. At December 31, 2008, aggregate exposure and the cash collateral balance are both $596,619.

(4) New Jersey Business Growth Fund

The Authority guarantees between 25% and 50% of specific, low-interest loans to New Jersey companies, made by one of it's preferred lenders, with a maximum aggregate exposure to the Authority not to exceed $10 million and, at no time will the Authority pay more than $10 million, net, of guarantee demands. At December 31, 2008, aggregate exposure and related worth within the Business Growth Fund account are both $10,000,000.

(b) Loan Program Commitments and Project Financings

At December 31, 2008, the Authority has $25,372,991 of loan commitments not yet closed or disbursed and $90,932,508 of project financing commitments.

(c) New Markets Tax Credit Program

On December 28, 2005, the Authority loaned $31,000,000 to a limited liability company ("company"), to facilitate their investment in a certified community development entity ("entity") whose primary mission is to provide loan capital for commercial projects in low-income areas throughout New Jersey. The company also received an equity investment from a private corporation ("corporation"). The company then invested the combined proceeds in the entity, which was awarded an allocation in Federal tax credits under the New Markets Tax Credit Program.

During 2007, the Authority made two additional New Markets commitments. On September 24, 2007 the Authority facilitated a transaction in which $3,500,000 in credits were allocated (no Authority funds were utilized). On September 26, 2007, the Authority loaned $20,296,000 to another company with terms similar to the first transaction.

During 2008, the Authority closed three additional New Markets commitments. A total of $37,000,000 in credits were allocated (no Authority funds were utilized).

As part of the six agreements, the corporation will claim the Federal tax credits in exchange for their investment. Claiming these credits carries the risk of recapture, whereby an event occurs that would negate the credit taken, causing it to be returned with interest. Based on the agreements between the Authority and the respective companies, the Authority will provide a guaranty to the corporation against adverse consequences caused by a recapture event. As of December 31, 2008, the aggregate exposure to the Authority for all six transactions described above is $43,418,485. The Authority has determined the likelihood of paying on the guaranty, at this time, is remote.

Note 13: Litigation

The Authority is involved in several lawsuits that, in the opinion of the management of the Authority, will not have a material effect on the accompanying financial statements.

Note 14: Employee Benefits

(a) Public Employees Retirement System of New Jersey ("PERS")

The Authority's employees participate in the PERS, a cost sharing multiple-employer defined benefit plan administered by the State. The Authority's contribution is based upon an actuarial computation performed by the PERS. Pursuant to the Pension Security Legislation Act of 1997, the issuance of bonds permitted the pension benefit obligation to be fully funded from 1998 to 2004. Beginning in 2005, the Authority was assessed a portion of its normal contribution, which will increase each year until 2009, when 100% of the normal contribution will be assessed, and for each year thereafter. For the years ending December 31, 2008 and 2007, the Authority was assessed $549,444 and $303,700, or 80% and 60% of it's normal contribution, respectively. No contribution was required in 2004. Employees of the Authority are required to participate in the PERS and contribute 5% of their annual compensation. The payroll for employees covered by PERS for the years ending December 31, 2008 and 2007 was $11,114,716 and $9,333,073, respectively.

The general formula for annual retirement benefits is the final average salary divided by 55, times the employee's years of service. Pension benefits fully vest upon reaching 10 years of credited service. Members are eligible for retirement at age 60 with no minimum years of service required. Members who have 25 years or more of credited service may select early retirement without penalty at or after age 55 and receive full retirement benefits. The PERS also provides death and disability benefits. All benefits are established by State statute.

The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for the PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

(b) Postemployment Health Care and Insurance Benefits

The Authority sponsors a single employer postemployment benefits plan that provides benefits in accordance with State statute, through the State Health Benefits Bureau, to it's retirees having 25 years or more of service in the PERS and are at least 47 years of age or to employees approved for disability retirement. Health benefits and prescription benefits provided by the plan are at no cost to the retiree. Upon turning 65 years of age, a retiree must utilize Medicare as their primary coverage, with State Health Benefits providing supplemental coverage. In addition, life insurance is provided at no cost to the Authority and the retiree in an amount equal to 3/16 of their average salary during the final 12 months of active employment.

Pursuant to GASB Statement No. 45 ("GASB 45"), *Accounting & Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Authority obtained an actuarially determined calculation for this obligation, and has established and funded a trustee administered account to meet it.

The Authority's annual other postemployment benefits ("OPEB") cost for the plan is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. This represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year, and to amortize any unfunded actuarial liability (UAAL) or excess over a period not to exceed 30 years. The Authority elected to amortize the UAAL over one year in 2006. The Authority's annual OPEB cost for the years ended December 31, 2008 and 2007, and the related information for the Plan are as follows (dollar amounts in thousands):

	2008	2007
Annual required contribution (ARC)	$ 633	$ 634
Contributions made	4,528	9,071
Decrease in net OPEB obligation	(3,895)	(8,437)
Net OPEB Obligation - beginning of year	4,219	12,656
Net OPEB Obligation - end of year	$ 324	$4,219

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for fiscal years 2008, 2007 and 2006 were as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/08	$633	100.0%	$324
12/31/07	$634	100.0%	$4,219
12/31/06	$12,851	1.5%	$12,656

As of December 31, 2008, the actuarial accrued liability for benefits was $13,317,213, of which none was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was $11,114,716, and the ratio of unfunded actuarial accrued liability to the covered payroll was 0%.

To fund its OPEB obligation, the Authority has set aside monies (plan assets) in a bank account administered by a Trustee. As of December 31, 2008, the balance was $13,363,945 and interest earnings on the account were $370,933 in 2008. The plan assets are valued at fair value.

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrence of future events, such as employment, mortality, and healthcare costs. Amounts determined regarding the funded status of the plan and the annual required contributions of the Authority are subject to continual revision as actual results are compared with past expectations and new estimates are made regarding the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the January 1, 2006, actuarial valuation the projected unit credit actuarial cost method was used. In this method benefits are attributed from date of hire to the date of decrement. In the actuarial assumptions no investment return was cited as there were no plan assets. The healthcare cost trend assumed in the actuarial valuation included an initial annual healthcare cost trend rate of 10% annually, decreasing by 1% per year to an ultimate rate of 5% effective 2012 and thereafter. Both rates included a 4% inflation assumption.

Required Supplemental Information

Funding Status and Funding Progress. The funding status of the plan as of December 31, 2008, and the two preceding years was as follows (actuarial valuation date 1/1/06):

	2008	2007	2006
Actuarial accrued liability (AAL)	$13,317,213	$12,994,000	$12,656,316
Actuarial value of plan assets	13,363,945	8,775,228	-0-
Unfunded actuarial accrued liability/(asset) (UAAL)	($46,732)	$4,218,772	$12,656,316
Funded ratio (actuarial value of plan assets/AAL)	100.4%	67.5%	0%
Covered payroll (active plan members)	$11,114,716	$9,333,073	$8,596,556
UAAL as a percentage of covered payroll	0%	45.2%	147.2%

Note 15: Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Authority recorded current liabilities in the amount of $713,250 and $497,840 as of December 31, 2008 and 2007, respectively. The liability as of the balance sheet date, is the value of employee accrued vacation time and vested estimated sick leave benefits that are probable of payment to employees upon retirement. The vested sick leave benefit to retirees for unused accumulated sick leave is calculated at the lesser of ½ the value of earned time or $15,000. The payment of sick leave benefits, prior to retirement, is dependent on the occurrence of sickness as defined by Authority policy; therefore, such non-vested benefits are not accrued.

II. Government Auditing Standards Section

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
A Mercadien Group Company

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Members of the Authority
New Jersey Economic Development Authority

We have audited the financial statements of New Jersey Economic Development Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the year ended December 31, 2008, and have issued our report thereon dated March 12, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

<u>Internal Control Over Financial Reporting</u>

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

PENNSYLVANIA OFFICE:
86 BUCK ROAD
HOLLAND, PA 18966
TEL 215-355-4860
FAX 215-825-8110

P.O. Box 7648 • Princeton, NJ 08543-7648 • 609.689.9700 • Fax 609.689.9720
www.mercadien.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

Internal Control Over Financial Reporting (Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as described above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Members of the Authority, management, others within the Authority, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

[illegible], PC
Certified Public Accountants

March 12, 2009

MEMORANDUM

TO: Members of the Board

FROM: Caren Franzini, Chief Executive Officer

DATE: April 14, 2009

RE: InvestNJ Business Grant Program

Request:

The Members are requested to approve amendments to the rules implementing the InvestNJ Business Grant Program, N.J.A.C. 19:31-5. EDA staff worked with the Treasury Department to identify how the process could be made more efficient while preserving the public policy objectives of affirmative action.

The proposed amendments (attached) are intended to streamline existing reporting requirements under the EDA's affirmative action regulations to advance the InvestNJ Program, which is designed to assist businesses impacted as a result of the current economic crisis, while also meeting the goals of the State's affirmative action policies.

The streamlined procedures, as proposed, shall apply to the InvestNJ Program to the extent that a grantee/applicant contemplates that the acquisition of eligible capital investments will involve entering into a construction contract, wherein the EDA is not party the construction contract.

Specifically, the EDA will require the grantee/applicant, rather than submitting monthly project workforce reports, to file certifications that it has required its contractor(s) to take good faith efforts to ensure equal opportunity employment for women and minority workers and that all project workforce records are up to date and on file at the business' office.

In instances where a construction contract was already executed between the grantee/applicant and its contractor before the grantee/applicant has applied to EDA for assistance under the InvestNJ Program, the proposed amendments allow for side-letter agreements in lieu of construction contract re-negotiation.

Finally, the proposed amendments waive the requirement that a construction contract entered into as a result of receiving benefits under the InvestNJ Program shall contain a ten percent retainage requirement specific to affirmative action in the Addendum to Construction Contract or side-letter agreement.

Recommendation:

The Members approve the amendments to the rules implementing the InvestNJ Business Grant Program and authorize staff to submit to the Office of Administrative Law for publication in the New Jersey Register. The Authority will initiate the processing of applications with applicants at risk if the rules are not adopted as proposed herein.

Caren S. Franzini

Attachment

Prepared By: Jacob Genovay/Fred Cole

DRAFT

OTHER AGENCIES
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Authority Assistance Programs
InvestNJ Business Grant Program
Proposed Amendments: N.J.A.C. 19:31-5

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

____

Authority: N.J.S.A. 34:1B-1 et seq./P.L. 2008, c. 112.

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

Proposal Number: PRN 2009-

Submit written comments by ____________________ to:

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

The agency proposal follows:

Summary

In accordance with P.L. 2008, c. 112, the New Jersey Economic Development Authority ("EDA" or "Authority") adopted new rules to implement the requirements of the InvestNJ Business Grant Program Act enacted to provide financial assistance, on an expedited basis, to businesses facing severe fiscal challenges as a result of the current national economic crisis.

Accordingly, the proposed amendments are intended to streamline existing reporting requirements under the EDA's affirmative action regulations to the extent that the grantee/applicant contemplates that the acquisition of eligible capital investments or hiring of new employees will involve entering into a construction contract.

In such instances, the EDA will require the grantee/applicant to file certifications that it has required its contractor(s) to take good faith efforts to ensure equal opportunity employment for women and minority workers and that all project workforce records are up to date and on file. Specifically, the contractor(s) and subcontractor(s) of each InvestNJ grantee/applicant shall be required to establish their own system of tracking employment of minority and women workers and shall preserve these project workforce records for two years from the completion date of the project and must permit the EDA (or its designated agent) and the grantee/applicant complete access to all project workforce records.

Also, if a construction contract has already been executed between the grantee/applicant and its contractor before the grantee/applicant has applied to EDA for assistance under the InvestNJ Program, the EDA will allow the grantee/applicant to execute a side-letter agreement stating that the contractor(s) agree(s), and will cause its subcontractor(s) to comply with the EDA's affirmative action regulations and payroll and project workforce records requirements contained herein.

Finally, the proposed amendments waive the requirement that a construction contract entered into as a result of receiving benefits under the InvestNJ Program, shall contain a ten percent retainage requirement specific to affirmative action in the Addendum to Construction Contract or side-letter agreement.

Social Impact

The proposed amendments will have a positive social impact by ensuring the delivery of immediate economic stimulus intended to support community investment and growth of the State's economy during the current economic crisis.

Economic Impact

The proposed amendments support the goals of the InvestNJ Program which provides $120 million to stimulate capital investment and job creation in New Jersey. The EDA has received approximately 1,000 applications for the InvestNJ Program, many of which are from small businesses, and the proposed amendments are designed to minimize unnecessary administrative constraints from being imposed on businesses receiving one-time, short-term financial assistance from the State of New Jersey, while taking steps to meet the public policy intent of the State's affirmative action goals.

Federal Standards Statement

A Federal standards analysis is not required because the proposed amendments are not subject to any Federal requirements of standards.

Jobs Impact

The proposed amendments are intended to ensure the success of the InvestNJ Program, which provides incentives for businesses to create and retain jobs. To date, companies that have applied for the job creation component of the program report that 23,582 new jobs will be created; and, through the $94 million requested through the capital investment component, other companies may retain an additional 205,155 existing jobs.

Agriculture Industry Impact

The proposed amendments may have a positive impact on the agriculture industry of the State of New Jersey, wherein farm-based businesses are eligible for capital investment and/or job creation funding under the InvestNJ Program.

Regulatory Flexibility Statement

The proposed amendments reduce affirmative action reporting requirements on small businesses, as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., qualifying for financial benefits under the InvestNJ Business Grant Program. Under InvestNJ, qualifying companies are relieved of submitting monthly project workforce reports to EDA and instead, will be required to file certifications that its contractor(s) have made efforts to ensure equal opportunity employment for women and minority workers and that all project workforce records are up to date and on file. However, any contractor(s) and subcontractor(s) of each InvestNJ grantee/applicant shall be required to track employment of minority and women workers and shall preserve such project workforce records for two years from the completion date of the project.

The proposed amendments also enable grantee/applicants to execute side-letter agreements with any contractor(s) regarding compliance with the EDA's affirmative action regulations rather than renegotiate existing executed construction contracts. Additionally, the EDA is waving the requirement that a construction contract entered into as a result of receiving a grant under the InvestNJ Program shall contain a ten percent retainage requirement specific to affirmative action.

Smart Growth Impact

The proposed amendments will not impact the achievement of smart growth and implementation of the State Development and Redevelopment Plan.

Housing Affordability Impact

The proposed amendments will not impact the amount or cost of housing units, including multi-family rental housing and for-sale housing, in the State.

Smart Growth Development Impact

The proposed amendments will not impact the number of housing units or result in any increase or decrease in the average cost of housing Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan.

Full text of the special adopted and concurrent proposed amendments follow:

19:31-5.8 Affirmative action and prevailing wage

(a) The Authority's [affirmative action requirements P.L. 1979, c. 303 (*N.J.S.A. 34:1B-5.4*) and] prevailing wage requirements P.L. 2007, c. 245 (*N.J.S.A. 34:1B-5.1*) will apply to both components of the InvestNJ Business Grant Program.

(b) The Authority's affirmative action requirements P.L. 1979, c. 303 (*N.J.S.A. 34:1B-5.4*) will apply to both components of the InvestNJ Business Grant Program as follows:

1. Project workforce reports do not need to be submitted to the Authority. The grantee/applicant's contractors and subcontractors must establish their own system of tracking employment of minority and women workers. Grantee/applicants shall be responsible for the performance of their contractors and subcontractors under this section. Contractors and subcontractors must preserve such records for two years from the completion date of the project and must permit the Authority (or its designated agent) and the grantee/applicant complete access to all project workforce records. Grantee/applicants must certify with each Authority disbursement request that all required project workforce records are up to date and on file.

2. In the event a construction contract has been executed between the grantee/applicant and its contractor before the grantee/applicant has applied to the Authority for assistance under this program, the Authority will not require the construction contract to be amended to include the InvestNJ Addendum to Construction Contract available on the EDA's website at www.njeda.com/affirmativeaction/investnj, provided the grantee/applicant and the contractor execute a side-letter agreement stating that the contractor agrees, and will cause its subcontractors to agree the following:

i. that it will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex;

ii. that it will pay prevailing wage;

iii. that it will prepare and preserve accurate payroll and project workforce records; and

iv. that it will adhere to the Authority's affirmative action regulation contained in N.J.A.C. 19:30-4, except as amended herein.

3. There will be no 10% retainage requirement specific to affirmative action in the InvestNJ Addendum to Construction Contract or side-letter agreement. Final approval and disbursement of grant funds will be made upon the issuance of a written notice by the Authority's Office of Affirmative Action that it has received all documentation required hereunder and under the Authority affirmative action regulations, N.J.A.C. 19:30-4, except as modified herein, and has determined that based on such documentation, the grantee/applicant is in compliance with the requirements of the program.

4. A summary of the compliance requirements concerning affirmative action under this program can be found on the Authority's Internet webpage at: www.njeda.com/affirmativeaction/investnj.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Printing Services – Customer Solutions

DATE: April 14, 2009

Request:

The Members are requested to approve entering into contracts with Capital Printing Corporation, AJ Images Inc., and Garrison Printing Co. to provide printing services for the New Jersey Economic Development Authority (Authority) and the Business Retention and Attraction Division (BRAD). A Request for Qualifications and Proposal (RFQ/P) was posted on March 10, 2009 to provide a variety of printing services to the Authority and the BRAD Marketing Department. These printing services are for Authority and BRAD marketing materials used to promote the State and our financing products to potential Customers. Currently, Marketing must seek three (3) quotes for every print order. Under this process, additional cost is incurred for the estimating time; printer quality varies; and overall projects take longer to produce.

The cost of the proposed printing services contract is estimated to be approximately two hundred and thirty thousand ($230,000) dollars per year (EDA and BRAD) for a total estimated expenditure of six hundred and ninety thousand ($690,000) should the Authority choose to exercise both extension options. The amount for the printing services is included in the approved 2009 EDA and BRAD budgets.

Based on a thorough review of the proposals, the Evaluation Committee recommends to award by item based on the highest and second highest ranked proposers – price and other factors considered. The attached chart indicates award as primary and secondary vendors for each 9 out of 10 groups of items identified in the RFQ/P language. If the primary vendor is unable to complete and deliver the print project as specified in the RFQ/P, the print project would then be awarded to the secondary vendor. No award is recommended for the group identified as 'Signs and Banners' in the RFQ/P.

RFQ/P for Printing Services:

The Authority issued a Request for Qualifications and Proposals (RFQ/P), in March 2009, on behalf of the Authority and BRAD for printing services. The Authority's objectives were to cut print cost and the cost of outside agency time and improve turn-around of each printed project.

The RFQ/P was duly advertised, posted on both the Authority's website (www.njeda.com) and the State's Business Portal site (www.NewJerseyBusiness.gov) and distributed to potentially interested Bidders, identified by the Division, via broadcast e-mail. An Informational pre-bid conference was held on March 13, 2009 during which the RFQ/P specifications were reviewed with interested proposers and questions and answers were addressed and documented. Four (4) firms attended in person, while five (5) firms chose to participate via teleconference. In response to this solicitation, four (4) proposals were received. An Evaluation Committee (the "Committee") comprised of cross-functional Authority staff reviewed the four (4) proposals. Pursuant to the RFQ/P, the Committee reviewed the four (4) proposals submitted. Committee members then scored and ranked each proposal.

As stated above, based on a thorough review of the proposals, the Evaluation Committee recommends to award contracts to Capital Printing Corporation, AJ Images Inc., and Garrison Printing Co. - price and other factors considered as indicated on the attached chart.

Recommendation:

The Members' approval is requested to enter into contracts with Capital Printing Corporation, AJ Images Inc. (woman-owned Business), and Garrison Printing Co. for a one (1) year term, with two (2) one (1) year extension options, to be exercised at the sole discretion of the Authority, at the same prices, terms and conditions, to provide these printing services. Pricing, as indicated in *"Fee Schedule – Hourly Rates,"* shall remain firm throughout the term of the contracts and any extensions, thereto. The contracts also allow for the scope of work and budget allocation to be reduced at any time at the sole discretion of the Authority. The final contracts will be subject to approval of the Chief Executive Officer and the Attorney General's Office.

Prepared by Beth Marotta

2009-RFQ/P-011 - PRINTING
PRIMARY & SECONDARY AWARDS by GROUPS of ITEMS

Group Description:	Items #	Proposers				
FOLDERS	1 thru 9		A J Images	Capital	Garrison	Stuyvesant
	1					
	2					
	3		Secondary	**Primary**		
	4					
	5					
	5A		**Primary**		Secondary	
	6					
	7		Secondary	**Primary**		
	8					
	9					
BROCHURES	10 - 18					
	10					
	11					
	12					
	13					
	14		Secondary	**Primary**		
	15					
	16					
	17					
	18					
BOOKLETS	19 - 21					
	19					
	20		Secondary	**Primary**		
	21					
SELL SHEETS	23-26					
	23					
	24		Secondary	**Primary**		
	25					
	26					
DIRECT MAILERS	27-34					
	27					
	28					
	29					
	30		Secondary	**Primary**		
	31					
	33					
	34					
INVITATIONS	35 - 37A					
	35			Secondary		
	35A			NO SECONDARY AWARD will be made; No Quote Provided by Other 3 Proposers for Item 35A		
	36		**Primary - Items 35 - 37A**	Secondary		
	37					
	37A				Secondary	
NEWSLETTERS	38 - 44					
	38					
	39					
	40					
	41		**Primary**	Secondary		
	42					
	43					
	44					
BUCK SLIPS	45-47					
	45					
	46		Secondary	**Primary**		
	47					
BROCHURES - BRAD	48-51					
	48					
	49		Secondary	**Primary**		
	50					
	51					

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

SUBJECT: NJEDA/School Facilities Construction Bonds
2009 Series AA Bonds
2009 Series A Notes

DATE: April 14, 2009

BACKGROUND

On January 13, 2009, the Members approved the adoption of the Twenty-First Supplemental School Facilities Construction Bond Resolution (the "Twenty-First Supplemental Resolution") authorizing the issuance in calendar year 2009 of one or more series of the 2009 School Facilities Construction Bonds (the "2009 Series Bonds") and one or more series of the 2009 School Facilities Construction Notes (the "2009 Series Notes") in lieu of or in anticipation of the issuance of Bonds, in an aggregate principal amount not to exceed $1.2 billion.

On January 21, 2009, the Authority issued the 2009 Series Z Schools Facilities Construction Bonds in the principal amount of $175 million. The Bonds were issued as serial and term bonds with fixed interest rates ranging from 3% to 5.9% with final maturity in 2034. Banc of America Securities LLC served as senior manager and DEPFA First Albany Securities LLC, Jackson Securities and Morgan Keegan & Company, Inc., as co-managers. A portion of the Series Z Bonds is insured by Assured Guaranty.

The next series of funding for the Schools Facilities Construction Projects is underway in accordance with the previous authorization provided by the Twenty-First Supplemental Resolution. The Authority intends to issue a series of bond anticipation notes in the amount of $250 million ("2009 Series A Notes") by a competitive or a negotiated sale and a series of fixed rate bonds in the amount of $200 million ("2009 Series AA Bonds") by a negotiated sale.

Professionals for the 2009 Series Bonds were selected in compliance with Executive Order No. 26. Through Treasury's competitive RFP/RFQ process the following professionals were chosen: JP Morgan as senior managing underwriter and Jefferies First Albany, a division of Jefferies & Company, Inc., as co-senior manager for the 2009 Series AA Bonds and the 2009 Series A Notes in the event of a negotiated sale. Powell Capital Markets, Inc., Financial Advisor, Wolff & Samson, Bond Counsel, and US Bank as Trustee, previously approved under the Twenty-First Supplemental Resolution, will continue to serve in these roles for the 2009 Series AA Bonds and the 2009 Series A Notes.

APPROVAL REQUEST

Although most of the actions necessary to issue the 2009 Series AA Bonds and 2009 Series A Notes were authorized under the Twenty-First Supplemental Resolution, the Members are asked to approve the Twenty-Second School Facilities Construction Bond Resolution (the "Twenty-Second Supplemental Resolution") to authorize the appointment of JP Morgan Securities Inc. as senior managing underwriter and Jefferies First Albany, a division of Jefferies & Company, Inc. as co-senior manager with respect to the 2009 Series AA Bonds and the 2009 Series A Notes in the case of a negotiated sale of the 2009 Series A Notes; and to authorize the refinancing of the principal of the proposed 2009 Series A Notes with additional notes or bonds in calendar year 2010 (the "2010 Series Obligation"). The Twenty-First Supplemental Resolution only authorizes refinancing of series notes or refunding of series bonds in calendar year 2009. Because the 2009 Series A Notes will mature in 2010, the Members are asked to authorize the refinancing of the principal of the 2010 Series Obligation now in order to ensure the marketability of the 2009 Series A Notes.

The 2010 Series Obligation (to refinance the principal of the 2009 Series A Notes only) may be issued as fixed rate and/or variable interest rate bonds, as determined by an Authorized Officer of the Authority in consultation with the State Treasurer. The final maturity of any 2010 Series Obligation as bonds will not exceed 30 years and the true interest cost for fixed rate bonds will not exceed 8% and the maximum interest rate on any variable interest rate bonds will not exceed 12%.

The 2010 Series Obligation may also be issued as fixed interest rate notes at a true interest cost not to exceed 6% and a final maturity not to exceed three (3) years. If the 2010 Series Obligation is issued as notes, the principal amount of such notes will be payable in full on the maturity date (unless earlier redeemed pursuant to redemption provisions, if any, of the 2010 Series Obligation) from amounts appropriated for payment under the State Contract or from proceeds of other notes or bonds issued under the Act.

The Members are also requested to authorize a competitive or negotiated sale of the 2010 Series Obligation. In event of a competitive sale, approval of a notice of sale and summary notice of sale is requested; in the event of a negotiated sale, approval of a bond purchase agreement or note purchase agreement; and in addition, approval of forms of continuing disclosure agreements for bonds and for notes and approval of the form of preliminary official statement.

Additionally, the Members are being asked to approve an amendment to Section 402(b) of the Twenty-First Supplemental Resolution concerning certain credit rating parameters for interest rate swap agreement restructurings. Under current market conditions, it is possible for the Authority to restructure the net cash flows received from existing swap counterparties under current existing Swap Agreements (as defined in Section 101 of the General Resolution) by entering into new 2009 Swap Agreements (as defined in the Twenty-First Supplemental Resolution) with swap counterparties which reverse a portion of the existing Swap Agreement. Interest rate swap agreements of this type (i.e. fixed interest rate receiver swaps) reduce the potential credit exposure of the Authority to that existing swap counterparty. The amendment to

Section 402(b) of the Twenty-First Supplemental Resolution to the credit rating parameters is intended to allow for 2009 Swap Agreements to be entered into for, among other purposes, to reduce the credit exposure of the Authority to existing swap counterparties under existing Swap Agreements.

RECOMMENDATION

Based upon the above description, the Members are requested to approve the adoption of the Twenty-Second Supplemental Resolution authorizing (i) the use of the aforementioned professionals in connection with the issuance of the 2009 Series AA Bonds in the estimated aggregate principal amount of $200 million and the 2009 Series A Notes, in the estimated aggregate principal amount of $250 million, (ii) authorize the refinancing of the principal of the proposed 2009 Series A Notes with additional notes or bonds in calendar year 2010; and (iii) authorize Authority staff to take all necessary actions incidental to the issuance of the 2010 Series Obligation; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office.

Prepared by: Teresa Wells

BOND RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

SUBJECT: NJEDA/School Facilities Construction Bonds
2004 Series N

DATE: April 14, 2009

On May 23, 2005, the Authority closed on $677,465,000 School Facilities Construction Refunding Bonds, Series 2005 Series N to restructure and advance refund all or a portion of the outstanding School Facilities Construction Bonds Series A, C, F, G & I (the "Refunded Bonds"). As is typical in an advance refunding, a portion of the proceeds of the 2005 Series N Bonds was deposited into an escrow fund with Wachovia Bank, National Association, as the escrow agent for the payment of the principal, interest, and redemption premium, if any, of the Refunded Bonds when due and payable.

As part of the State's ongoing financial management of its overall portfolio of Schools Facilities Construction Bonds, advice was sought on the restructuring of the investment of the Escrow Fund for the Refunded Bonds.

Attached please find a memorandum from the Office of Public Finance outlining the actions requested to be approved by the Members in connection with this transaction, including the approval of the Twenty-Third Supplemental School Facilities Construction Bond Resolution.

Any and all actions are subject to the consent of the State Treasurer and final review and approval of the documentation by the Attorney General's Office and Bond Counsel.

Members of the Office of Public Finance, the Attorney General's Office and Bond Counsel will be present at the meeting to answer any questions you may have on this matter.

Prepared by: Teresa Wells

MEMORANDUM

TO:	Caren Franzini, Chief Executive Officer John Rosenfeld, Director, Program Services New Jersey Economic Development Authority
FROM:	Nancy B. Feldman, Director James M. Petrino, Deputy Director Matthew Donahue, Manager New Jersey Office of Public Finance
SUBJECT:	Escrow Restructuring, School Facilities Construction Refunding Bonds 2005 Series N
DATE:	April 7, 2009

Given current market conditions there is an opportunity for the New Jersey Economic Development Authority ("EDA") to achieve savings by restructuring the escrow funded by School Facilities Construction Refunding Bonds, 2005 Series N (the "2005 Series N Bonds"). Currently, the escrow funded by the 2005 Series N Bonds (the "Series N Escrow") contains U.S. Treasury Obligations - State and Local Government Series ("SLGS") treasury bonds. The Office of Public Finance currently proposes selling the SLGS back to the U.S. Treasury and purchasing open market direct U.S. Treasury full faith and credit Strips, or other Defeasance Securities (as defined in the Resolution) permissible under the School Facilities Construction Bond Resolution adopted by the EDA on February 13, 2001, as amended and supplemented (the "Resolution") and the Escrow Deposit Agreement entered into in connection with the bonds refunded with the proceeds of the 2005 Series N Bonds (the "Refunded Bonds"). This proposed transaction is referred to herein as the "Escrow Restructuring". Subject to market conditions, the EDA will be able to sell the SLGS at a higher price than the price at which the new securities are purchased while not weakening the security of the assets in the Series N Escrow.

The global financial crisis has motivated investors to purchase the most liquid securities backed by the full faith and credit of the U.S. government. This flight to safety and liquidity by investors has pushed up the prices of the SLGS that are held in the Series N Escrow. By selling the SLGS at a premium and replacing them with less liquid securities of comparable credit quality that are being sold at a discount, the EDA can realize savings of up to $4.3 million. $4.3 million is the maximum allowable savings under IRS regulations.

The Office of Public Finance recommends applying the savings to the payment of the costs of the transaction with the remaining proceeds applied to the payment of future debt service on the 2005 Series N Bonds.

The risks of this transaction include a non-delivery of replacement securities after the SLGS have been sold leaving the escrow pledged to the Refunded Bonds un-invested. The Office of Public Finance believes that as a result of the proposed structure of the bid documents, this risk is minimal. The Office of Public Finance also recommends that the transaction not be accepted if net proceeds fall below $1 million. A similar transaction is in process for another Authority, the New Jersey Transportation Trust Fund Authority.

Samuel A. Ramirez and Company was selected from the State's pool of investment bankers established by the State through a competitive RFP/RFQ process and in accordance with the rules governing the pool to assist the State and the EDA with this transaction as restructuring agent. Wolff & Samson, P.C. has been selected as bond counsel for this transaction.

Depending upon market conditions, the restructuring is anticipated to occur as soon as the Minutes from the April 14th EDA board meeting are approved by the Governor

The Members of the EDA are being asked to approve the Twenty-Third Supplemental School Facilities Construction Bond Resolution ("Twenty-Third Supplemental Resolution") which authorizes, among other things, the following actions and delegations related to this transaction:

- Authorized Officers of the Authority are each authorized to implement the Escrow Restructuring, subject to the conditions that the net cash savings to the EDA from the Escrow Restructuring ("Net Proceeds") shall be at least $1,000,000.
- On the date of the Escrow Restructuring transaction, the Authorized Officers of the Authority are authorized to file a request for redemption of the SLGS currently in the Series N Escrow Account with the United State Treasury and to purchase open-market United States Treasury Obligations ("Replacement Securities") and replacement SLGS.
- The appointment of Samuel A. Ramirez and Company as restructuring agent.

Additional authorizations which the Members of the Authority are being asked to approve in the Twenty-Third Supplemental Resolution include:

- directing the Escrow Agent to purchase zero coupon SLGS with the amounts received on maturity of the Replacement Securities until such amounts are need to pay debt service on the Refunded Bonds
- filing material event notices with the Nationally Recognized Municipal Securities Information Repositories which describe the substitution of escrow securities
- taking the actions required under the Escrow Deposit Agreement in connection with the Escrow Restructuring
- paying transaction costs in the amounts authorized under the Twenty-Third Supplemental Resolution
- applying the balance of the Net Proceeds from the Escrow Restructuring to pay future debt service on the 2005 Series N Bonds.

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

APPLICANT: Duke Farms Foundation P25743

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

PROJECT LOCATION: 80 Route 206 South Hillsborough Township (N) Somerset County

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

Established in 1996, the Duke Farms Foundation, a 501(c)(3) not-for-profit entity, owns and manages a 2,740-acre estate in Hillsborough, New Jersey, which is known as "Duke Farms." Duke Farms was developed by tobacco and hydropower magnate James Buchanan Duke (founder of dissolved American Tobacco Company, which was a predecessor of American Tobacco Company/BAT, R. J. Reynolds, Liggett & Myers Tobacco Company and Lorillard; and founder of Southern Power Company, a predecessor of Duke Energy Corporation; and also they lent their family name to Duke University with large endowments) beginning in 1893.

By the time James Buchanan Duke died in 1925, he had transformed more than 2,000 acres of farmland and woodlots into an extraordinary landscape. He excavated 9 lakes, constructed some 45 buildings, and built nearly 2½ miles of stone walls and more than 18 miles of roadways. He also installed approximately 35 fountains and populated his park with countless pieces of sculpture. Doris Duke adapted her father's greenhouses to create display gardens that she opened to the public in 1964. In the late 1960s and early 1970s, she purchased small 19th century farms along the western boundary of the estate. Duke Farms receives funding from the Doris Duke Charitable Foundation.

Duke Farms offers a wide range of opportunities to appreciate nature. Today, visitors can take unique tours featuring different aspects of Duke Farms, as well as take part in a number of educational programs and recreational activities.

Duke Farms is undertaking an environmental stewardship, environmental education and public access project. The project includes renovation of their greenhouses, an environmental learning center and education center, and an existing historic building for use as a visitor center; restoration of meadows, lakes, and wooded areas; reconfiguration of office spaces; establishment of organic farming areas; and creation of additional public biking and walking paths along with overall infrastructure improvements for the farm. All work will be guided by LEED standards (The Leadership in Energy and Environmental Design for Green Building Rating System) with the goal of a LEED Platinum rating.

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

APPROVAL REQUEST:
Authority assistance will enable the applicant to renovate buildings and greenhouses and to make grounds, landscape and infrastructure improvements at Duke Farms plus pay the cost of issuance.

FINANCING SUMMARY:

BOND PURCHASER: Morgan Stanley (Underwriter)

AMOUNT OF BOND:	$30,000,000 Series 2009A - Tax-Exempt Bond	$30,000,000 (maximum) Series 2009B - Tax-Exempt Bond
TERMS OF BOND:	Up to 40 years term; bullet maturity; variable rate; initially with a daily reset feature, which will be convertible to weekly; interest rate not to exceed 12% (estimated variable rate as of 04/03/2009 is 0.25%)	Up to 40 years term; callable after Year 10; bullet maturity; fixed interest rate not to exceed 7% (estimated rate as of 04/03/2009 is 5.25%). Series 2009B will not be secured with the Letter of Credit

ENHANCEMENT: (L/C - Northern Trust Company, The - 3.0 Yr.)

PROJECT COSTS:

Renovation of existing building	$24,430,000
Construction of roads, utilities, etc.	$13,500,000
Interest during construction	$8,046,631
Engineering & architectural fees	$5,626,000
Other-precntr/exhbt	$3,600,000
Purchase of equipment & machinery	$2,000,000
Contingency	$1,767,344
Finance fees	$830,025
Legal fees	$150,000
Accounting fees	$50,000
TOTAL COSTS	$60,000,000

JOBS: At Application 53 Within 2 years 5 Maintained 0 Construction 1,138

PUBLIC HEARING: 04/14/09 (Published 03/30/09) **BOND COUNSEL:** McManimon & Scotland
DEVELOPMENT OFFICER: P. Ceppi **APPROVAL OFFICER:** D. Sucsuz

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

APPLICANT: Family Service of Burlington County, New Jersey P25363

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

PROJECT LOCATION: Various Statewide (N) Multi Count

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

Family Service of Burlington County, New Jersey, a 501(c)(3) organization established in 1962, provides behavioral health and wellness services to adults, children and families in nine counties throughout southern and central New Jersey. Family Service has over 60 programs that focus on community integration, integrated substance abuse treatment, strengthening families, preventing hospitalization and improving long term outcomes. Besides counseling and support services, Family Service provides programs for adoption support, teenage parents programs, day programs for developmentally disabled adults with special needs, partial care mental health services and group homes services. Family Service employs over 850 full and part-time employees to provide its services.

Authority assistance via a $1,600,000 tax-exempt bond (Appl. P7368) enabled the applicant to acquire a one story, campus style building of 43,188 sq. ft. on 5.5. acres for use as a comprehensive community mental health facility in Mount Holly and to refinance a conventional loan on its Mount Laurel facility. The 1994 Bond was part of the Economic Growth Composite Bond Issue with National Westminister Bank, now Bank of America, providing the letter of credit, with fixed interest rates ranging from 4.5% to 6.375% due 8/1/2014.

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 approximately $3,417,000 outstanding on several existing conventional loans with Liberty Bell Bank and Beneficial Savings used to finance or refinance the acquisition and improvement of group homes, permanent supportive apartment facilities and office buildings and to pay costs of issuance. The conventional mortgage loans range in interest rates of 4.5% to 6.75% for 30 years.

This Application is being presented in conjunction with Appl. P25802 to refund the approximately $493,000 outstanding balance of the 1994 Bond, for a total tax-exempt bond financing not to exceed $4,000,000.

FINANCING SUMMARY:

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

AMOUNT OF BOND: $3,497,000 est. (Part of $4,000,000 tax-exempt bond with Appl. P25802)

TERMS OF BOND: 25 years; Variable interest rate based on the tax-exempt equivalent of 1-month LIBOR plus 200 basis points, subject to call option on the 10th and 20th anniversaries. On the closing date, the Applicant will enter into a 10 yr. swap to an indicative fixed rate of 4.11%.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	$3,417,000
Closing Costs	$80,000
TOTAL COSTS	$3,497,000

JOBS: At Application 200 Within 2 years 10 Maintained 0 Construction 0

PUBLIC HEARING: 04/14/09 (Published 03/27/09) **BOND COUNSEL:** Archer & Greiner

DEVELOPMENT OFFICER: H. Friedberg **APPROVAL OFFICER:** T. Wells

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: Family Service of Burlington County, New Jersey P25802

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

PROJECT LOCATION: 770 Woodlane Road Mount Holly Township (T/UA) Burlington

GOVERNOR'S INITIATIVES:

( ) Urban Fund (X) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

Family Service of Burlington County, New Jersey, a 501(c)(3) organization established in 1962, provides behavioral health and wellness services to adults, children and families in nine counties throughout southern and central New Jersey. Family Service has over 60 programs that focus on community integration, integrated substance abuse treatment, strengthening families, preventing hospitalization and improving long term outcomes. Besides counseling and support services, Family Service provides programs for adoption support, teenage parents programs, day programs for developmentally disabled adults with special needs, partial care mental health services and group homes services. Family Service employs over 850 full and part-time employees to provide its services.

Authority assistance via a $1,600,000 tax-exempt bond (Appl. P7368) enabled the applicant to acquire a one story, campus style building of 43,188 sq. ft. on 5.5. acres for use as a comprehensive community mental health facility in Mount Holly and to refinance a conventional loan on its Mount Laurel facility. The 1994 Bond was part of the Economic Growth Composite Bond Issue with National Westminister Bank, now Bank of America, providing the letter of credit, with fixed interest rates ranging from 4.5% to 6.375% due 8/1/2014.

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.

REFUNDING REQUEST:

Authority assistance will enable the Applicant to refund the approximately $493,000 outstanding balance of the 1994 Bond and to pay costs of issuance.

This Application is being presented in conjunction with Appl. P25363 to refinance approximately $3,417,000 outstanding on several existing conventional loans, for a total tax-exempt bond financing not to exceed $4,000,000.

FINANCING SUMMARY:

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

AMOUNT OF BOND: $503,000 est. (Part of $4,000,000 tax-exempt bond with Appl. P25363)

TERMS OF BOND: 25 years; Variable interest rate based on the tax-exempt equivalent of 1-month LIBOR plus 200 basis points, subject to call option on the 10th and 20th anniversaries. On the closing date, the Applicant will enter into a 10 yr. swap to an indicative fixed rate of 4.11%.

ENHANCEMENT: N/A

PROJECT COSTS:

Principal amount of bond to be refunded	$493,000
Closing Costs	$10,000

TOTAL COSTS	$503,000

PUBLIC HEARING: 04/14/09 (Published 03/27/09) **BOND COUNSEL:** Archer & Greiner
DEVELOPMENT OFFICER: H. Friedberg **APPROVAL OFFICER:** T. Wells

AMENDED BOND RESOLUTIONS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM

APPLICANT: New Jersey-American Water Company, Inc. P23612

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

PROJECT LOCATION: Various Statewide (N) Multi Count County

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

New Jersey-American Water Company, Inc., ("NJAWC") incorporated in 1988, is a wholly-owned subsidiary of American Water Works Company, Inc., the largest investor-owned U.S. water and wastewater utility company, with headquarters in Voorhees, N.J. NJAWC is a regulated public utility corporation, engaged in the production, treatment and distribution of water and collection of sewage within its defined service territory within the State of New Jersey. NJAWC's service territory includes portions of the following counties: Atlantic, Burlington, Camden, Cape May, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Union and Warren. Within its territory, NJAWC serves approximately 590,250 water customers and approximately 27,000 sewer customers in 177 municipalities.

The NJAWC and the former Elizabethtown Water Co. which was merged into NJAWC in 2006, have been long-standing EDA applicants since 1979 totalling over $500 million in tax exempt bond financing. The outstanding bond financings which are the subject of this refunding request are:

	CLOSED	AMOUNT	PURPOSE
P9561	6/6/97	$50,000,000	Construct Treatment Plant in Franklin Twp. Somerset Co.
P13334	12/13/01	$50,525,000	Refunding of bonds issued in 1989, 1990, & 1991 for construct/renovate/upgrade treatment & water facilities in various municipalities within 7 counties
P13325	12/13/01	$ 9,225,000	Upgrade Treatment Plant in Franklin Twp., Somerset Co.
P13325s	5/30/02	$35,000,000	Upgrade treatment plants in Somerset, Mercer and Union Counties

This project qualifies for Authority assistance as an Exempt Public Facility (water treatment) under Section 142(a)(4) of the Internal Revenue Code of 1986 as amended and is exempt from the $20 million capital expenditure limitation.

REFUNDING REQUEST:

Authority assistance will enable the Applicant to refund the outstanding balance of the existing Water Facilities Bonds of Elizabethtown Water Company Projects: 1997 Series A and B, 2001 Series A and B and 2002 Series A, outlined above. The difference between the bond amount and project costs will be funded with Applicant's equity. BPU approval of the proposed refunding was received on August 20, 2008.

FINANCING SUMMARY:

BOND PURCHASER: Morgan Stanley (Senior Manager)

AMOUNT OF BOND:	$134,225,000 (Tax-exempt bond) Series A	$10,500,000 (Tax-exempt bond) Series B
TERMS OF BOND:	30 years (max.); Fixed interest rate not to exceed 9%, indicative rate as of 4/2/2009 is 7.25% (AMT)	30 years (max.); Fixed interest rate not to exceed 9%, indicative rate as of 4/2/2009 is 6.2% (N-AMT)

ENHANCEMENT: N/A

PROJECT COSTS:

Principal amount of bond to be refunded	$144,725,000
Finance fees	$937,500
Legal fees	$100,000
Accounting fees	$10,000
TOTAL COSTS	$145,772,500

PUBLIC HEARING: 04/14/09 (Published 03/31/09) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: R. Fischer **APPROVAL OFFICER:** T. Wells

PRELIMINARY RESOLUTIONS

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

APPLICANT: DVAV LLC P25825

PROJECT USER(S): Cosmetic & Perfume Filling & Packaging, Inc * * - indicates relation to applicant

PROJECT LOCATION: 30 Englehard Dr Monroe Township (N) Middlesex

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

DVAV LLC is a limited liability corporation formed in 2008 to acquire real estate for its operating company, Cosmetic & Perfume Filling & Packaging, Inc. ("CPFPI"). CPFPI, which began operating in 1991, provides filling and packaging services for perfumes and deodorant. Its fragrance services include blending, chilling, filtering and color matching. The company employs 125 full-time employees in its 90,000 sq. ft. building in Bloomfield, NJ.

CPFPI's Bloomfield location does not fit with its growth plan and the company wants to expand its operations with a larger facility. The business has a contract to purchase a 200,000 sq ft building on 15.3 acres of land in Monroe, NJ that will help the company expand its product line to include creams, lotions, and shampoo and will mean the hiring of an additional 145 employees.

APPROVAL REQUEST:

Authority assistance will enable the applicant to acquire, renovate, and equip a 200,000 sq. ft. building on 15.3 acres of land in Monroe, NJ. In addition to the tax exempt bond, the company is seeking a direct fixed asset loan from the NJEDA in the amount of $1,250,000.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	$10,500,000
Purchase of equipment & machinery	$2,000,000
Renovation of existing building	$1,500,000
Legal fees	$34,000
Finance fees	$33,000
Accounting fees	$33,000
TOTAL COSTS	$14,100,000

JOBS: At Application 125 Within 2 years 145 Maintained 0 Construction 45

PUBLIC HEARING:

BOND COUNSEL: Wolff & Samson

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: K. McCullough

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

APPLICANT: Fantasy Furniture, Inc. and/or an LLC/REHC to be formed P26092

PROJECT USER(S): Fantasy Furniture, Inc. * * - indicates relation to applicant

PROJECT LOCATION: 1460 Chestnut Avenue Hillside Township (T/UA) Union

GOVERNOR'S INITIATIVES:

( ) Urban Fund (X) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

Incorporated in 1995, Fantasy Furniture, Inc. is a custom manufacturer of cabinets, credenzas and built-in furniture of all kinds for high end commercial, office and residential uses. Some of its clients are the contractors, designers and architects of luxury hotel and construction developments and retail store display fitters (visual merchandising) in New York and New Jersey. Fantasy Furniture, Inc., owned by Georghe Stavila, is also doing business under the names "GW Manufacturing" and "George Visual". It is expected that a real estate holding company will be formed to hold the title to the project location.

Fantasy Furniture, Inc. started out as a kitchen cabinetry and millwork facility. Today it can prototype, design, engineer and manufacture all types of cabinets, visual merchandising and built-in furniture under one roof utilizing the latest equipment such as precision CNC routers, molding machines, edge banders and panel saws. Fantasy Furniture, Inc. has grown quickly in a relatively short period of time. It has outgrown its current rented 30,000 sf manufacturing facility in Ridgewood, New York. Fantasy Furniture, Inc. is currently employing about 25 people in Ridgewood, New York. The company expects to grow to employ about 35 positions within two years of moving to New Jersey.

APPROVAL REQUEST:

Authority assistance will enable the acquisition and renovation of a 58,000 sq. ft. facility on 1.78 acres along with new machinery for use in manufacturing operations plus pay the cost of issuance.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	$3,600,000
Purchase of equipment & machinery	$350,000
Renovation of existing building	$150,000
Legal fees	$20,000
Finance fees	$20,000
Accounting fees	$20,000
TOTAL COSTS	$4,160,000

JOBS: At Application 0 Within 2 years 35 Maintained 0 Construction 5

PUBLIC HEARING:

BOND COUNSEL: Wolff & Samson

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: D. Sucsuz

DIRECT LOANS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - DIRECT LOAN PROGRAM

APPLICANT: ACLS Pleasantville, Inc. P25412

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

PROJECT LOCATION: 7 N. Franklin Boulevard Pleasantville City (T/UA) Atlantic

GOVERNOR'S INITIATIVES:

( ) Urban Fund (X) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

ACLS Pleasantville, Inc. ("ACLS Pleasantville"), is a provider of commercial laundry services primarily to the Borgata Hotel and Casino.

ACLS Pleasantville is a member of a much larger group of companies that provide commercial laundry services to the hospitality industry called Atlantic City Linen Supply, Inc., and Related Entities ("ACLS"). ACLS is comprised of six related companies which include Atlantic City Linen Supply, Inc., ACLS New England, Inc., ACLS Pleasantville, Inc., ACLS Wardrobe, Inc., ACLS Real Estate Investments, LLC., and ACLS Realty Holdings of New England, LLC.

This project involves the purchase of commercial laundry equipment by ACLS Pleasantville, Inc.

APPROVAL REQUEST:

Approval of a $575,414 direct loan is requested.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: $575,414

TERMS OF LOAN: Fixed for five years at the time of closing at the five-year US Treasury plus 50 basis points with a floor of 3.00%. Five-year term, fully amortizing.

PROJECT COSTS:

Purchase of equipment & machinery	$1,150,828
TOTAL COSTS	$1,150,828

JOBS: At Application 144 Within 2 years 45 Maintained 0 Construction 0

DEVELOPMENT OFFICER: J. Kenyon **APPROVAL OFFICER:** D. Lawyer

LOAN GUARANTEES

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - GUARANTEE PROGRAM

APPLICANT: Boscov's Inc. P25750

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

PROJECT LOCATION: Boscov's Shore Mall Egg Harbor City (T) Atlantic

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

Boscov's, Inc. ("Boscov's" or the "Company") is the largest independently owned department store in the Unites States. The Company was founded in 1911 with the first store located in Reading, Pennsylvania. In 1965, Albert Boscov became CEO of the Company and grew the business to 39 stores located throughout the Mid-Atlantic states of Pennsylvania, New Jersey, Maryland, New York, and Delaware. In 2005, Mr. Boscov retired and sold all his ownership interest in the Company.

This project involves the acquisition of Boscov's by a group of individuals which includes the previous CEO, Albert Boscov, investor Edwin Lakin, and a host of friends and family.

APPROVAL REQUEST:

A $1,000,000 (33.33%) ten-year guarantee of a $3,000,000 Atlantic County HUD loan is requested.

FINANCING SUMMARY:

LENDER: Atlantic County

AMOUNT OF LOAN: $3,000,000 bank loan with a 33.33%, not to exceed $1,000,000 ten year Authority guarantee.

TERMS OF LOAN: Permanent financing fixed at the prevailing HUD rate (5.00% indicative) at closing for ten years. Interest only for two years followed by principal and interest payments in amounts adequate to fully repay the balance in eight years.

PROJECT COSTS:

Gordon Brothers	$39,608,000
Bankruptcy payoff	$26,870,000
Working capital	$23,448,835
Creditor settlement	$16,200,000
TOTAL COSTS	$106,126,835

JOBS: At Application 681 Within 2 years 62 Maintained 681 Construction 0

DEVELOPMENT OFFICER: L. Wallick **APPROVAL OFFICER:** D. Lawyer

STATEWIDE LOAN POOL PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM

APPLICANT: 1301 Forest Grove Road LLC P25697

PROJECT USER(S): Triad Advisory Services * * - indicates relation to applicant

PROJECT LOCATION: 1301 West Forest Grove Road Vineland City (T/UA) Cumberland

GOVERNOR'S INITIATIVES:

( ) Urban Fund (X) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

1301 Forest Grove Road LLC is a real estate holding company formed to purchase commercial real estate for the use of Triad Advisory Services, a related entity. Triad Advisory Services is a consulting firm representing both commercial and municipal clients. Company specialties are urban planning, development and strategic planning, and grant writing and implementation of the grants.

APPROVAL REQUEST:

Approval is requested for a $700,000 participation in a $1,400,000 loan; proceeds to be utilized to purchase commercial real estate currently utilized by the operating company.

FINANCING SUMMARY:

LENDER: Capital Bank

AMOUNT OF LOAN: $1,400,000 loan with a 50% ($700,000) EDA participation.

TERMS OF LOAN: 3 year loan based on a 25 year amortization. Bank rate of 7.25% fixed.

TERMS OF PARTICIPATION: Three year loan with payments based on a 25 year amortization. EDA financing provided at UST + 1.0% (with a 3% floor) or Prime -2.0% (with a 2% floor).

PROJECT COSTS:

Acquisition of R/E	$1,473,000
Office Fitout	$144,000
Finance fees	$1,250
TOTAL COSTS	$1,618,250

JOBS: At Application 16 Within 2 years 10 Maintained 0 Construction 0

DEVELOPMENT OFFICER: J. Kenyon **APPROVAL OFFICER:** K. Tolly

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM

APPLICANT: Metro Packaging & Imaging, Inc. & Metro Imaging West, Inc. P25779

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

PROJECT LOCATION: 5 Haul Road Wayne Township (N) Passaic

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

Founded in 1964, Metro Packaging & Imaging, Inc. is a manufacturer of folding cartons and have locations throughout the US. Metro Imaging West, Inc. performs pre-press services for similar customers on the West Coast. These companies went through a legal ownership structure change effective 1/1/08 with Armand de Torres now holding 100% of the shares. Sales are primarily to large multinational businesses in the packaged food industry. Metro leases a 72,625 square foot facility in Wayne from PB Tower, LLC (an entity related to Metro via identical ownership) and this entity was assisted via tax-exempt financing for the building purchase in 2001 (P # 13154 a $4,815,000 bond supported by a Sun letter of credit with a balance of $3.5 million as of 3/1/09).

APPROVAL REQUEST:

$2,168,000 term loan from Sun National Bank with a 50% ($1,084,000) EDA participation under the Statewide Loan Pool Program to be used to purchase equipment (namely an Alpina Gluing machine, Paper Roll-to-sheet Cutting machine and two forklifts). Simultaneously being presented for approval under P # 25847 is a $2,400,000 term loan from Sun National Bank with a 25% ($600,000) EDA participation under the Main Street Assistance Program to be used to term out a portion of their working capital line of credit.

FINANCING SUMMARY:

LENDER: Sun National Bank

AMOUNT OF LOAN: $2,168,000 bank loan with a $1,084,000 (50%) Authority participation.

TERMS OF LOAN: Fixed at 5 year FHLB + 300 bp with a floor of 6.75% *. Interest only until 12/31/09 thereafter 108 equal monthly payments of principal and interest to fully repay the loan. Term and amortization are approximately 9.5 years.

TERMS OF PARTICIPATION: Fixed at closing at the then 5 year UST + 50 bp for five years with a floor of 3.00% (or floating at Prime minus 3% with a floor of 2%). Rate reset at the five-year anniversary at a similar index. Interest only until 12/31/09, thereafter 108 equal monthly payments of principal and interest to fully repay the loan. Term and amortization are approximately 9.5 years

PROJECT COSTS:

Purchase of equipment & machinery	$2,268,000
Finance fees	$1,250
TOTAL COSTS	$2,269,250

JOBS: At Application 125 Within 2 years 12 Maintained 125 Construction 0

DEVELOPMENT OFFICER: D. Johnson **APPROVAL OFFICER:** M. Conte

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - MAIN STREET ASSISTANCE PROGRAM PROGRAM

APPLICANT: Metro Packaging & Imaging, Inc. & Metro Imaging West, Inc. P25847

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

PROJECT LOCATION: 5 Haul Road Wayne Township (N) Passaic

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

Founded in 1964, Metro Packaging & Imaging, Inc. is a manufacturer of folding cartons and have locations throughout the US. Metro Imaging West, Inc. performs pre-press services for similar customers on the West Coast. These companies went through a legal ownership structure change effective 1/1/08 with Armand de Torres now holding 100% of the shares. Sales are primarily to large multinational businesses in the packaged food industry. Metro leases a 72,625 square foot facility in Wayne from PB Tower, LLC (an entity related to Metro via identical ownership) and this entity was assisted via tax-exempt financing for the building purchase in 2001 (P # 13154 a $4,815,000 bond supported by a Sun letter of credit with a balance of $3.5 million as of 3/1/09).

APPROVAL REQUEST:

$2,400,000 term loan from Sun National Bank with a 25% ($600,000) EDA participation under the Main Street Assistance Program to be used to term out a portion of their working capital line of credit. Simultaneously being presented for approval under P # 25779 is a $2,168,000 term loan from Sun National Bank with a 50% ($1,084,000) EDA participation under the Statewide Loan Pool Program to be used to purchase equipment (namely an Alpina Gluing machine, Paper Roll-to-sheet Cutting machine and two forklifts)

FINANCING SUMMARY:

LENDER: Sun National Bank

AMOUNT OF LOAN: $2,400,000 with a 25% ($600,000) Authority participation.

TERMS OF LOAN: Fixed at 5 year FHLB + 450 bp with a floor of 8.25% *. Principal to be repaid in equal monthly installments noted hereafter ($33,300 in 2009, $66,700 in 2010, $200,000 in 2011, $700,000 in 2012 and $800,000 in 2013. Term and amortization are approximately 4.5 years.

TERMS OF PARTICIPATION: 5% fixed. Term and amortization are 4.5 years.

PROJECT COSTS:

Working capital	$2,400,000
Finance fees	$1,250
TOTAL COSTS	$2,401,250

JOBS:	At Application	Within 2 years	Maintained	Construction
	0	0	0	0
Jobs on Related 25779	125	12	125	0

DEVELOPMENT OFFICER: D. Johnson **APPROVAL OFFICER:** M. Conte

FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

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

APPLICANT: The Reinvestment Fund P24902

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

PROJECT LOCATION: TBD Locations Unknown (N) Unknown

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

The Reinvestment Fund, Inc. ("TRF") is a national innovator capitalizing distressed communities and stimulating economic growth for low and moderate income families. TRF's investment in homes, schools and businesses reclaim and transform neighborhoods, driving economic growth and improving lives throughout the mid-Atlantic region. Since its inception in 1985, TRF has made over $800 million in community investments.

APPROVAL REQUEST:

TRF is seeking $3 million loan from the FCED as part of an aggregate pool of $20 million to be made available for supermarket development throughout NJ. Project is linked to P 24728 simultaneously being presented for approval for a $1 million FCED loan to TRF specifically for supermarket projects located in the City of Newark.

FINANCING SUMMARY:

LENDER: Fund for Community Economic Development

AMOUNT OF LOAN: $3,000,000

TERMS OF LOAN: Rate fixed at 2%. Interest only for the first five years, then five years of P & I. 10 year term and amortization.

PROJECT COSTS:

Loan Funding	$3,000,000
Finance fees	$30,500
TOTAL COSTS	$3,030,500

JOBS: At Application 0 Within 2 years 200 Maintained 0 Construction 0

DEVELOPMENT OFFICER: M. Abraham **APPROVAL OFFICER:** M. Conte

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

APPLICANT: The Reinvestment Fund P24728

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

PROJECT LOCATION: TBD Newark City (T/UA) Essex

GOVERNOR'S INITIATIVES:

(X) Urban Fund ( ) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

The Reinvestment Fund, Inc. ("TRF") is a national innovator capitalizing distressed communities and stimulating economic growth for low and moderate income families. TRF's investment in homes, schools and businesses reclaim and transform neighborhoods, driving economic growth and improving lives throughout the mid-Atlantic region. Since its inception in 1985, TRF has made over $800 million in community investments.

APPROVAL REQUEST:

TRF is seeking $1 million FCED loan to be coupled with other funding sources to form a $5 million pool of funds to be made available for supermarket development for projects located in the City of Newark. This project is related to P 24902 being simultaneously presented for approval for a $3 million FCED loan to lender for TRF's statewide supermarket initiative.

FINANCING SUMMARY:

LENDER: Fund for Community Economic Development.

AMOUNT OF LOAN: $1,000,000

TERMS OF LOAN: Fixed at 2%. Interest-only for the first five years, then five years of principal and interest. 10-year term and amortization.

PROJECT COSTS:

Loan Funding	$1,000,000
Finance fees	$10,500
TOTAL COSTS	$1,010,500

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

DEVELOPMENT OFFICER: M. Abraham **APPROVAL OFFICER:** M. Conte

CAMDEN ECONOMIC RECOVERY BOARD

TO: Members of the Authority

FROM: Caren Franzini
Chief Executive Officer

DATE: April 14, 2009

RE: M & M Development, LLC
Coopers Hill Housing Development
$3,584,260 Soft Loan – P20891

Request:

The Members of the Authority are asked to approve the request of M & M Development, LLC (M & M) to modify the applicant name and the scope of the project. M & M is requesting the borrower be changed to Coopers Hill Housing Development, LLC. M & M principals, Maria Yglesias and Maria Del Mar Lopez, have formed this Limited Liability Company, specifically for Phase 1A and 1B of the project. In addition, M & M is seeking to amend Phase 1B, that will consist of a 25 unit newly constructed four story mid-rise condominium building with 13 one-bedroom units and 12 two-bedroom units in the Cooper Lanning section of the Cooper Plaza Neighborhood Redevelopment Area of Camden. Originally the project called for 27 units.

Background

On March 25, 2008, the ERB approved a $2,972,832 soft loan to M & M Development LLC (M & M) for financing on the Coopers Hill Housing Development Project (Coopers Hill). The 94-unit housing project consisted of 79 market rate and 15 affordable home-ownership units.

The ERB soft loan was earmarked to subsidize the market rate units and to fund a portion of the infrastructure costs with prevailing wages paid exclusively for these expenses. Upon further review of the project budget, it was determined that prevailing wages for certain other costs needed to be factored into the project, resulting in additional costs. In addition, 6 housing units were added to the project, for a total of 100 units.

On July 29, 2008 the Members of the ERB approved an amendment to the scope of the project and increased the ERB soft loan by $611,428 to $3,584,260 to support Phase I A and IB and allow an exception to Section 7 of the ERB Guide to Program funds to allow funding to exceed the $60,000 per unit maximum by $7,628. On August 12, 2008, the Members of the Authority also approved the modification.

MAILING ADDRESS: | PO Box 990 | TRENTON, NJ 08625-0990
SHIPPING ADDRESS: | 36 WEST STATE STREET | TRENTON, NJ 08625 | 609.292.1800 | e-mail: njeda@njeda.com | www.njeda.com

project and increased the ERB soft loan by $611,428 to $3,584,260 to support Phase I A and IB and allow an exception to Section 7 of the ERB Guide to Program funds to allow funding to exceed the $60,000 per unit maximum by $7,628. On August 12, 2008, the Members of the Authority also approved the modification.

The project has 3 phases, Phase 1A, Phase 1B and Phase II. The ERB Soft Loan is for Phases 1A and 1B only.

Project Update

On July 30, 2008 M & M entered an Option Agreement with the Camden Redevelopment Agency ("CRA") for the purpose of purchasing the property for this project site. When the principals applied to HMFA for CHOICE financing for the project, they were advised to create a separate entity and did so under Coopers Hill Housing Development, LLC. As such, the Option Agreement with CRA requires a formal amendment to reflect the project agreement between the CRA and Coopers Hill Housing Development, LLC. The developer and the CRA are amenable to executing this amended agreement to ensure complete compliance with CHOICE requirements. The CRA will be seeking approval for execution of this amendment at its Board's next regularly scheduled meeting in March. HMFA is further conditioning its commitment to this project subject to receipt of the executed amended Option Agreement.

M & M is now requesting the project be amended to have Cooper's Hill Housing Development LLC as the borrower and include a 25 unit condominium building vs. a 27 unit condo building. The reason for the reduction in the number of units is the result of the City of Camden Zoning Board disallowing the original plan for a five story building, saying the structure was above the height and density restrictions. As such, the project had to be restructured. The approved project consists of a garage on the ground floor, a fitness center, community room and 7 units on the second floor, with 9 units each on the third and fourth floors. There is also a recycling center on each floor.

The 25 condominium units each range from 740 to 1,022 square feet with 1 and 1.5 bathrooms. Two 1-bedroom units shall be affordable to households with incomes at or less than 50% of area median, one 2-bedroom unit shall be affordable to a household with an income at or less than 60% of area median, and one 2-bedroom unit shall be affordable to a household with an income at or less than 80% of area median. Ten 2-bedroom units and eleven 1-bedroom units shall be emerging market.

To support the take out of the bridge financing, HMFA is requesting the EDA commitment be amended to specify that $1,406,781 will be allocated to Phase IB and the balance of $2,177,479 be allocated to Phase IA.

Original Budget:

Uses of Funds (*Phases IA and IB*)

Acquisition		$ 305,883
Construction and Site Preparation		
Residential Structures	$10,506,753	
Demolition	175,000	
Building Permits	130,500	
Environmental	225,000	
Site Improvements	1,359,110	
Surety & Bonding	400,000	
Utility Connections & Permits	336,000	
Contractor Fee	1,023,000	$14,155,363
Construction Contingency		707,768
Developer Fee		1,176,000
Professional Fees and Other Soft Costs		
Appraiser	$ 15,000	
Architect	275,000	
Attorney	205,259	
Construction Cost Certificate/Audit	24,000	
Engineer	30,000	
Environmental Consultant	18,000	
Historical Consultant	5,000	
Soil Investigation	5,000	
Surveyor	71,500	
Marketing Expenses/Advertising	313,900	
HAS Fee of $500/affordable unit	5,000	
Security	65,000	$ 1,042,659
Carrying and Financing Costs		
Inspections	$10,000	
Interest Costs	692,000	
Points & Bank Fees	178,587	
Property Insurance	40,000	
Real Estate Taxes	47,000	
Title Insurance and Recording	62,000	$ 1,029,587
TOTAL		**$18,417,260**

Sources of Funds – Construction (*Phases IA & IB*)

HMFA CHOICE Subsidy	$ 5,670,000
Equity	630,000
Construction Loan – Lender	3,678,500
Construction Loan – CHOICE	3,678,500
Developer Fee	1,176,000
Construction Loan - HMFA (Bridge of ERB Soft Loan)	3,584,260
TOTAL	**$18,417,260**

Sources of Funds – Permanent (*Phases IA & IB*)

Sales Proceeds	$ 8,533,000
HMFA CHOICE Permanent Subsidy	6,300,000
ERB Soft Loan	3,584,260
TOTAL	**$18,417,260**

Revised Budget for Phase 1B

Development Budget

Acquisition		$ 63,492
Construction and Site Preparation		
Residential Structures	$ 3,771,239	
Demolition	75,000	
Building Permits	40,500	
Environmental	50,000	
Site Improvements	370,087	
Surety & Bonding	150,000	4,456,826
Contractor Fee	378,830	
Construction Contingency	222,841	
Developer Fee	424,000	1,025,671
Professional Fees and Other Soft Costs		
Appraiser	$ 5,000	
Architect	125,000	
Attorney	132,759	
Construction Cost Certificate/Audit	8,000	
Engineer	15,000	
Environmental Consultant	5,000	
Professional Planner	5,000	
Soil Investigation	14,587	
Surveyor	25,000	
Marketing Expenses/Advertising	171,000	
HAS Fee of $500/affordable unit	2,000	
Security	25,000	533,346
Carrying and Financing Costs		
Inspections	$ 5,000	
Interest Costs	197,000	
Points & Bank Fees	65,000	
Property Insurance	20,000	
Real Estate Taxes	13,000	
Title Insurance and Recording	30,000	
Utility Connections & Permits	120,000	
Soft Costs contingency	20,000	470,000
TOTAL		**$6,549,335**

<u>Sources of Funds – Construction (*Phase IB only*)</u>

HMFA CHOICE Subsidy	$2,250,000
Equity	612,534
Construction Loan – Lender	1,856,020
Developer Fee	424,000
Construction Loan - HMFA (Bridge of ERB Soft Loan)	1,406,781
TOTAL	**$6,549,335**

<u>Sources of Funds – Permanent Financing (*Phase 1B only*)</u>

Sales	$2,642,554
CHOICE Subsidy	2,500,000
ERB Soft Loan	1,046,781
	$6,549,335

Note: The above budget is detailing Phase 1B only. Revised numbers will be provided once the Borrower is ready to begin Phase 1A

Sales Price(s):	2 Low Income	$ 53,350
	1 Moderate Income	$ 83,302
	1 Moderate Income	$112,000
	11 EMU	$123,414
	10 EMU	$126,550

If the lead lender's subsequent appraisal and sales comparables should support a higher price for the 10 units than the currently-shown $126,550, the HMFA will allow the corresponding price to be increased for these 10 units, not to exceed $138,425.

Security and Repayment

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

Disbursement of Funds

The ERB funds will be disbursed to Coopers Hill Housing Development, LLC and HMFA after the completion of each phase of the project and upon issuance and receipt of all of the permanent Certificates of Occupancies.

HMFA will provide the developer with a bridge loan in the amount of $1,406,781 to be used during construction of Phase IB. A letter of intent to reimburse the HMFA upon the project's completion is being requested in addition to the Disbursement Agreement between the EDA and HMFA to be executed upon HMFA's Board approval of the project.

Recommendation

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

The Members of the ERB approved this project at its meeting on March 24, 2009.
Accordingly, the Members of the Authority are asked to approve the request of M & M Development, LLC (M & M) to modify the applicant name to Coopers Hill Housing Development, LLC for Phase IA and I B of the project and amend the scope of Phase IB that will consist of a 25 unit newly constructed four story mid-rise condominium building with 13 one-bedroom units and 12 two-bedroom units in the Cooper Lanning section of Camden.

Caren S. Franzini

Prepared By:

Vivian Pepe
Business Development Officer

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

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

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

Private Loan:
Estate of James Vincent.. **$8,000**

Private Grants:
Nurul M. Momin **$171,598**
JoseFa Ramaroson **$104,610**
William Schwartz **$129,029**
Westmoor Gardens, Inc. (Site B).. **$ 11,103**

Total UST funding for April 2009.. **$424,340**

Prepared by: Lisa Petrizzi

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK PROGRAM

APPLICANT: Estate of James Vincent P25255

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

PROJECT LOCATION: 1117 5th Ave. Asbury Park City (T/UA) Monmouth

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

The Estate of James Vincent is seeking to remediate the residence located at 1117 5th Avenue in Asbury Park so that the property can be sold. A 550 gallon leaking underground storage tank has already been removed from the site. There is approximately $16,000 of further costs for various remedial actions including excavation and sampling. NJDEP has determined that $8,000 of the project costs are technically eligible.

Approval is requested for an $8,000 loan with a 3-year term. No payments will be required during the three-year term as interest will be accrued and capitalized. Full repayment is due upon sale of the property or maturity of the loan. This structure is requested since the Estate does not have income and intends to sell the property when the environmental issues have been resolved.

APPROVAL REQUEST:

Approval is requested for an $8,000 loan as proposed.

FINANCING SUMMARY:

LENDER: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF LOAN: $8,000

TERMS OF LOAN: 3.25% interest. 3-year term. No monthly payments will be required during the three-year term. Interest will be accrued and capitalized. Full repayment is due upon sale of the property or maturity of the loan.

PROJECT COSTS:

Upgrade,Closure,Remediation	$8,000
NJDEP oversight cost	$800
EDA administrative cost	$250
TOTAL COSTS	$9,050

APPROVAL OFFICER: S. Brady

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Nurul M. Momin P24638

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

PROJECT LOCATION: 224 N. Arizona Ave. Atlantic City (T) Atlantic

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

Nurul M. Momin is a homeowner seeking to remove a leaking 275-gallon residential #2 heating oil underground storage tank (UST) and perform the required remediation and soil delineation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of $171,598 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $17,160 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT$171,598

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	$171,598
NJDEP oversight cost	$17,160
EDA administrative cost	$250
TOTAL COSTS	$189,008

APPROVAL OFFICER: D. Sucsuz

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: JoseFa Ramaroson P25991

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

PROJECT LOCATION: 370 East Freehold Rd. Freehold Township (N) Monmouth

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

JoseFa Ramaroson is a homeowner seeking to remove a leaking 550 gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank will be decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of $104,610 to perform the approved scope of work at the project site.

The NJDEP oversight fee of $10,461 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $104,610

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	$104,610
NJDEP oversight cost	$10,461
EDA administrative cost	$250
TOTAL COSTS	$115,321

APPROVAL OFFICER: K. McCullough

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: William Schwartz P25804

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

PROJECT LOCATION: 853 Miller Ave. Jackson Township (N) Ocean

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

William Schwartz is a homeowner who received a grant in the amount of $78,933 in October 2008 (P23297) to remove a leaking residential #2 heating oil underground storage tank (UST) and perform the required remediation. It was determined that additional soil remediation was needed. The NJDEP has determined that the supplemental project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of $129,029 to perform the approved scope of work at the project site, for a total funding to date of $207,962.

The NJDEP oversight fee of $12,903 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT $129,029

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	$129,029
NJDEP oversight cost	$12,903
EDA administrative cost	$250
TOTAL COSTS	$142,182

APPROVAL OFFICER: D. Sucsuz

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK GRANT

APPLICANT: Westmoor Gardens, Inc. (Site B) P24781

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

PROJECT LOCATION: 155 West St. Englewood City (N) Bergen

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

Westmoor Gardens, Inc., a not-for-profit 501(c)(3) organization, received an initial grant in the amount of $17,564 in March 2008 under P20410 and supplemental grants in the amount of $92,726 in June 2008 under P22108 and $25,642 in December 2008 under P23709 to perform the closure and installation of an underground storage tank (UST) and perform the required remediation. The tank was decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible, to perform further remedial activities and monitoring well installation and sampling.

Certifications provided by the not-for-profit applicant meets the requirements for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of $11,103 to perform the approved scope of work at the project site, for a total funding to date of $147,035.

The NJDEP oversight fee of $1,110 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: $11,103

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

PROJECT COSTS:

Upgrade,Closure,Remediation	$11,103
NJDEP oversight cost	$1,110
EDA administrative cost	$500
TOTAL COSTS	$12,713

APPROVAL OFFICER: L. Petrizzi

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

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

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

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

Below is a summary of the Delegated Authority approvals processed by Program Services for the period March 01, 2009 to March 31, 2009

Summary:

	# of Grants	$ Amount
Leaking tank grants awarded	105	$2,018,524
Non-leaking tank grants awarded	225	$551,018

Applicant	Description	Grant Amount	Awarded to Date
Belfiore, John (P25638)	Initial grant for upgrade, closure and remediation	$6,152	$6,152
Bellotti, Nicholas and Kathleen (P25595)	Initial grant for upgrade, closure and remediation	$15,255	$15,255
Benko, Victor (P24874)	Initial grant for upgrade, closure and remediation	$83,854	$83,854
Benner, Spencer & Co., Inc. (P25458)	Initial grant for upgrade, closure and remediation	$26,185	$26,185
Berkowicz, Chris (P24178)	Initial grant for upgrade, closure and remediation	$14,986	$14,986
Beuthe, Catherine (P25436)	Initial grant for upgrade, closure and remediation	$4,671	$4,671
Borowski, Anthony S. (P25301)	Initial grant for upgrade, closure and remediation	$1,210	$1,210
Branch, Dwight D. (P22623)	Initial grant for upgrade, closure and remediation	$9,205	$9,205
Brooks, Kenneth (P25356)	Initial grant for upgrade, closure and remediation	$6,942	$6,942
Brown, Thomas (P24247)	Initial grant for upgrade, closure and remediation	$54,957	$54,957

Applicant	Description	Grant Amount	Awarded to Date
Bucko, Andrzej (P25239)	Initial grant for upgrade, closure and remediation	$20,702	$20,702
Butler, Susan (P24679)	Initial grant for upgrade, closure and remediation	$17,265	$17,265
Cain, Esperanza B. (P25030)	Initial grant for upgrade, closure and remediation	$4,411	$4,411
Caruolo, Anthony (P25227)	Initial grant for upgrade, closure and remediation	$3,859	$3,859
Church of Our Lady of Providence (P25781)	Initial grant for upgrade, closure and remediation	$88,592	$88,592
Columbus Baptist Church (P24718)	Initial grant for upgrade, closure and remediation	$12,762	$12,762
Cook, Eugene (P25251)	Initial grant for upgrade, closure and remediation	$10,574	$10,574
Costigan, Patrick (P24871)	Initial grant for upgrade, closure and remediation	$31,455	$31,455
Culligan, Cheryl J. (P25238)	Initial grant for upgrade, closure and remediation	$5,967	$5,967
De Jesus, Godofredo (P25788)	Initial grant for upgrade, closure and remediation	$19,665	$19,665
DeCristofaro, Bernard (P26052)	Initial grant for upgrade, closure and remediation	$3,250	$3,250
DeFrino, Steven (P25813)	Initial grant for upgrade, closure and remediation	$5,387	$5,387
Del Tufo, Agostino (P25386)	Initial grant for upgrade, closure and remediation	$38,821	$38,821
Denti, James (P24523)	Initial grant for upgrade, closure and remediation	$5,973	$5,973
DiPietrantonio, Natalie (P25232)	Initial grant for upgrade, closure and remediation	$86,572	$86,572
Dikun, Douglas and Mary (P25441)	Initial grant for upgrade, closure and remediation	$10,956	$10,956
Duffy, Raymond (P25357)	Supplemental grant for upgrade, closure and remediation	$1,716	$12,891
Dugan, William (P24375)	Initial grant for upgrade, closure and remediation	$18,744	$18,744
Fama, James (P24633)	Initial grant for upgrade, closure and remediation	$54,640	$54,640
Farulla, Robert (P25440)	Initial grant for upgrade, closure and remediation	$4,029	$4,029
Fascenda, Donna F. (P25304)	50% Initial grant for upgrade, closure and remediation	$2,042	$2,042
Focco, Stella (P24733)	Initial grant for upgrade, closure and remediation	$3,700	$3,700
Force, Christine (P25253)	Initial grant for upgrade,	$18,342	$18,342

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Fraterman, Hans and Lorraine (P25240)	Initial grant for upgrade, closure and remediation	$19,843	$19,843
Fuardo, Carl (P25604)	Initial grant for upgrade, closure and remediation	$1,763	$1,763
Fullmer, Mary (P25139)	Initial grant for upgrade, closure and remediation	$16,322	$16,322
Gabrielson, Eric (P24870)	Initial grant for upgrade, closure and remediation	$5,203	$5,203
Gaiser, Robert and Joyce (P24721)	50% Initial grant for upgrade, closure and remediation	$4,455	$4,455
Gamble, Mary (P25334)	Initial grant for upgrade, closure and remediation	$8,853	$8,853
Geiger, Paul (P25649)	Initial grant for upgrade, closure and remediation	$4,699	$4,699
Goncalves, Carlos (P25602)	Initial grant for upgrade, closure and remediation	$11,780	$11,780
Gorman, Mary (P25599)	Initial grant for upgrade, closure and remediation	$84,423	$84,423
Grispart, Lawrence and Dorothy (P24759)	Initial grant for upgrade, closure and remediation	$4,070	$4,070
Grove, Jeffrey (P25308)	Initial grant for upgrade, closure and remediation	$4,499	$4,499
Guadagnino, Thomas (P25220)	Initial grant for upgrade, closure and remediation	$10,539	$10,539
Holmes, Jo Anne (P25650)	Initial grant for upgrade, closure and remediation	$13,415	$13,415
Jay, Rozalia (P25296)	Initial grant for upgrade, closure and remediation	$5,538	$5,538
Jensen, Robert (P24637)	Initial grant for upgrade, closure and remediation	$13,530	$13,530
Karner, Susan (P25770)	Initial grant for site remediation	$7,519	$7,519
Kugler, Vincent and Alison (P25639)	Initial grant for upgrade, closure and remediation	$60,925	$60,925
Kuncharia, Jochan (P25446)	Initial grant for upgrade, closure and remediation	$19,188	$19,188
Kunz, Lillian (P25389)	Initial grant for upgrade, closure and remediation	$10,410	$10,410
Lamb, Donald (P25747)	Initial grant for upgrade, closure and remediation	$8,428	$8,428
LeBouthillier, Denis (P25320)	Initial grant for upgrade, closure and remediation	$11,230	$11,230
Lee, Se Kweon (P25432)	Initial grant for upgrade, closure and remediation	$25,065	$25,065

Applicant	Description	Grant Amount	Awarded to Date
Lima, Joanne (P25594)	Initial grant for upgrade, closure and remediation	$10,430	$10,430
Lin, Christie (P25025)	Initial grant for upgrade, closure and remediation	$20,803	$20,803
Lucas, Kathryn (P24982)	Initial grant for upgrade, closure and remediation	$3,000	$3,000
Lutte, Joanne (P23550)	Initial grant for upgrade, closure and remediation	$28,956	$28,956
Martins, Antonio (P25430)	Initial grant for upgrade, closure and remediation	$16,160	$16,160
McGonigle, Daniel (P24089)	Initial grant for upgrade, closure and remediation	$9,252	$9,252
Mendel, Catherine and Robert (P25655)	Initial grant for upgrade, closure and remediation	$4,600	$4,600
Meyer, Patrick (P25316)	Supplemental grant for upgrade, closure and remediation	$46,679	$306,144*
Muzyka, Jane (P24372)	Initial grant for upgrade, closure and remediation	$14,578	$14,578
Noble, Keith (P25445)	Initial grant for upgrade, closure and remediation	$14,436	$14,436
O'Connell, Michael (P25439)	Initial grant for upgrade, closure and remediation	$5,799	$5,799
Ott, Deborah A. (P25236)	Initial grant for upgrade, closure and remediation	$16,277	$16,277
Panchenko, Josephine (P25455)	Initial grant for upgrade, closure and remediation	$3,750	$3,750
Pappas, Ethel M. (P25598)	Initial grant for upgrade, closure and remediation	$14,435	$14,435
Pasquito, Nick (P24096)	Initial grant for upgrade, closure and remediation	$61,012	$61,012
Patel, Dushyant (P24976)	Initial grant for upgrade, closure and remediation	$15,540	$15,540
Pranke, Austin V. (P25789)	Initial grant for upgrade, closure and remediation	$8,124	$8,124
Pugliese, Anthony C., Jr. (P24973)	Initial grant for upgrade, closure and remediation	$4,987	$4,987
Quaglietta, Gloria (P25354)	Initial grant for upgrade, closure and remediation	$13,824	$13,824
Quilla, Peter (P24278)	Supplemental grant for upgrade, closure and remediation	$36,805	$254,205*
Radice, William (P24527)	Initial grant for upgrade, closure and remediation	$42,937	$42,937
Read, Shirley (P25331)	Initial grant for upgrade, closure and remediation	$3,511	$3,511
Reilly, Peter (P25429)	Initial grant for upgrade,	$87,527	$87,527

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Reily, Mary (P24730)	Initial grant for upgrade, closure and remediation	$10,687	$10,687
Richards, Carolyn (P25385)	Initial grant for upgrade, closure and remediation	$13,302	$13,302
Rivera, Victor (P24626)	Initial grant for upgrade, closure and remediation	$52,172	$52,172
Rodriguez, Jose and Maribel (P24649)	Initial grant for upgrade, closure and remediation	$7,220	$7,220
Runo, Henry and Debra (P25656)	Initial grant for upgrade, closure and remediation	$4,565	$4,565
Sandau, Ann (P24546)	Initial grant for upgrade, closure and remediation	$10,997	$10,997
Scaturro, John (P25295)	Initial grant for upgrade, closure and remediation	$12,139	$12,139
Scuderi, Thomas (P24857)	Initial grant for upgrade, closure and remediation	$48,800	$48,800
Second Baptist Church of Long Branch (P25145)	Initial grant for upgrade, closure and remediation	$31,936	$31,936
Sienkiewicz, Mary (P23804)	Initial grant for upgrade, closure and remediation	$16,758	$16,758
Smith, James D. (P25431)	Initial grant for upgrade, closure and remediation	$40,730	$40,730
Spence, Mary (P25359)	Initial grant for upgrade, closure and remediation	$4,153	$4,153
Stead, Kathleen (P25473)	Initial grant for site remediation	$14,998	$14,998
Stoia, Alfonse (P25029)	Initial grant for upgrade, closure and remediation	$13,579	$13,579
Todaro, Kathleen (P25352)	Initial grant for upgrade, closure and remediation	$3,865	$3,865
Tomsey, Garry and Donna (P24956)	Initial grant for upgrade, closure and remediation	$12,413	$12,413
Torres, George (P24646)	Initial grant for upgrade, closure and remediation	$65,450	$65,450
Vagnoni, Jr., Edward J. (P25428)	Initial grant for upgrade, closure and remediation	$20,524	$20,524
Veneri, James and Maureen (P24168)	Supplemental grant for upgrade, closure and remediation	$3,092	$34,223
Vester, Carol (P25448)	Initial grant for upgrade, closure and remediation	$31,335	$31,335
Wagner, Lance (P24975)	Initial grant for upgrade, closure and remediation	$16,892	$16,892
Westmoor Gardens, Inc. (P24780)	Supplemental grant for upgrade, closure and remediation	$11,103	$183,286*

Applicant	Description	Grant Amount	Awarded to Date
Site A			
Westmoor Gardens, Inc. (P24782) Site C	Supplemental grant for upgrade, closure and remediation	$11,103	$82,468
Westmoor Gardens, Inc. (P24784) Site E	Supplemental grant for upgrade, closure and remediation	$11,103	$187,790*
Wiley, Kenneth (P25947)	Initial grant for upgrade, closure and remediation	$9,658	$9,658
Williams, Dave (P24859)	Initial grant for upgrade, closure and remediation	$3,700	$3,700
Zywicki, Elizabeth (P25358)	Initial grant for upgrade, closure and remediation	$8,290	$8,290
105 Grants	**Total Delegated Authority funding for Leaking applications.**	**$2,018,524**	

Abaya, Carol (P25892)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Abbate, Richard J. and Debee R. (P26108)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Adams, Kenneth and Patricia (P26006)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Adinolfi, Thomas and Cerreta, Karen (P25603)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Alnemy, William J. Jr. and Tara (P25882)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Amari, Gloria (P25259)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Antunes, Nelson and Marie G. Vargas (P26015)	Grant to remove an underground storage tank and install an above ground storage tank	$2,300	$2,300
Armstrong, Douglas (P25940)	Grant to remove an underground storage tank and install an above ground storage tank	$2,887	$2,887
Balzano, Anthony and Karen (P25536)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Baranowski, Mark A. and Donna M. (P25634)	Grant to remove an underground storage tank and install an above ground storage tank	$2,996	$2,996

Applicant	Description	Grant Amount	Awarded to Date
Barrantes, Ricardo (P25180)	Grant to remove an underground storage tank	$1,200	$1,200
Beattie, Jonathan (P25611) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	$2,494	$2,494
Benjamin, William A. and Carlis (P25340) Tank A	Grant to remove an underground storage tank	$1,200	$1,200
Berard, Barbara (P25610)	Grant to remove an underground storage tank and install an above ground storage tank	$2,814	$2,814
Berka, Howard J. and Linda R. (P25858)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Bertani, Mario and Catherine (P25756)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Best, Dorothy J. (P25622)	Grant to remove an underground storage tank and install an above ground storage tank	$2,500	$2,500
Bishop, Mark and Estelle (P25271)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Black, Norma (P25400)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Boonstra, Henry and Theresa (P25204)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Branz, Bernhard and Joann (P25666)	Grant to remove an underground storage tank and install an above ground storage tank	$2,857	$2,857
Buckley, Frank J. (P25636)	Grant to remove an underground storage tank and install an above ground storage tank	$2,820	$2,820
Bull, Carol (P25877)	50 % grant to remove an underground storage tank and install an above ground storage tank	$1,500	$1,500
Burrows, Angela F. (P24612)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Bushoven, James R. and Amanda L. (P25490)	Grant to remove an underground storage tank	$1,200	$1,200
Campanella, Antonio and Florence (P25267) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Campanella, Antonio and	Grant to remove an underground	$3,000	$3,000

Applicant	Description	Grant Amount	Awarded to Date
Florence (P25268) Tank B	storage tank and install an above ground storage tank		
Capaccio, Marietta (P25090)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Carrel, Charles and Anne (P25563)	Grant to remove an underground storage tank and install an above ground storage tank	$2,390	$2,390
Catino, Diann (P25177)	Grant to remove an underground storage tank	$1,200	$1,200
Caufield, Robert and Christine (P25902)	Grant to remove an underground storage tank and install an above ground storage tank	$2,800	$2,800
Cereso, Palmo (P25632)	Grant to remove an underground storage tank	$1,200	$1,200
Ciuppa, Sr. Thomas P. and Ellen G. (P26077)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Civitano, Lena (P25486)	Grant to remove an underground storage tank	$1,200	$1,200
Cladek, Frances E. (P26007)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Clark, Gregory (P24988)	Grant to remove an underground storage tank	$1,095	$1,095
Cline, Dennis (P25572)	Grant to remove an underground storage tank	$1,200	$1,200
Cohen, Gerald S. (P25672)	50 % grant to remove an underground storage tank and install an above ground storage tank	$1,500	$1,500
Colby, Thomas K. and Debra L. (P25930)	Grant to remove an underground storage tank and install an above ground storage tank	$2,762	$2,762
Comment, Raymond (P25095)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Conner, Wilbur C. (P24959)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Corbo, Donna (P25864)	Grant to remove an underground storage tank	$1,200	$1,200
Cruel, Emilia M. (P26001)	Grant to remove an underground storage tank	$1,200	$1,200
Czyzyk, Mary (P25724)	Grant to remove an underground storage tank and install an above ground storage tank	$2,963	$2,963

Applicant	Description	Grant Amount	Awarded to Date
Daily, Scott and Jennifer (P26036)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Daniels, Bill and Sheri (P25716)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
DeFabrizio, Michael and Joy (P26022)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
DeMarzio, Johnn R. (P25543)	Grant to remove an underground storage tank	$1,200	$1,200
DePuyt, Christopher J. and Kristen N. (P25692)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Dela Pena, Joel and Cristina (P25761)	Grant to remove an underground storage tank	$1,200	$1,200
Delgado, Jose and Karen (P25893)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
DenHeyer, Leonard and Carol (P24324)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
DiStasio, Jennifer (P25939)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Dolan, Mary Ellen (P26051)	Grant to remove an underground storage tank	$1,200	$1,200
Donnelly, Mary E. (P25099)	Grant to remove an underground storage tank and install an above ground storage tank	$2,925	$2,925
Drastura, Lillian (P24403)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Dringus, Philip and Gloria A. (P25742)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Fahey, James and Leslie (P25775)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Fellows, Janet and Charles (P25569)	Grant to remove an underground storage tank	$1,200	$1,200
Ferretti, John A. and Jo-Carole (P25822)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Fireman, Richard Charles and Diane Marie (P25277)	Grant to remove an underground storage tank and install an above ground storage tank	$2,787	$2,787

Applicant	Description	Grant Amount	Awarded to Date
Firth, Russell T. (P25618)	Grant to remove an underground storage tank and install an above ground storage tank	$2,400	$2,400
Flanagan, Loretta (P25723)	Grant to remove an underground storage tank	$885	$885
Flesher, John Mark and Donna (P25621)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Francis, Randi (P25422)	Grant to remove an underground storage tank	$1,200	$1,200
Frid, Freddy and Amy Joy (P25520)	Grant to remove an underground storage tank and install an above ground storage tank	$2,752	$2,752
Gagliano, Richard and Drusilla (P25566)	Grant to remove an underground storage tank	$1,200	$1,200
Garvin, Michael J. and Mary C. (P25677)	Grant to remove an underground storage tank	$1,200	$1,200
Gattuso, John and Carla Jardim (P25884)	Grant to remove an underground storage tank and install an above ground storage tank	$2,746	$2,746
Goncalves, Amil and Lindora (P25613)	Grant to remove an underground storage tank	$1,040	$1,040
Gondek, Paul Chester and Monica Dobash (P25874)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Gotchel, Richard (P25718)	Grant to remove an underground storage tank	$1,200	$1,200
Gray, Helen B. (P25727) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	$2,891	$2,891
Guallpa, Luis (P25960)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Gullstrand, Gregory (P26111)	Grant to remove an underground storage tank and install an above ground storage tank	$2,951	$2,951
Gumul, Jan and Madelyne (P25866)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Haggis, Louis T. and Lisa A. (P25887)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Haller, William D. III and A. Elizabeth (P25904)	Grant to remove an underground storage tank and install an above ground storage tank	$2,875	$2,875
Halsey, Jackie L. and Joan E. (P25725)	Grant to remove an underground storage tank and install an above	$2,300	$2,300

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Hassold, JoAnn and Todd (P25560)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Hickey, Thomas and Janet (P25477)	Grant to remove an underground storage tank	$1,200	$1,200
Hodapp, Joseph (P26034)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Hoffman, Fred H. and Edith (P25823)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Jamin, William (P25050)	Grant to remove an underground storage tank	$1,200	$1,200
Johnsen, Brian and Allison (P25535)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Johnson, Linus A. (P25417)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Kapral, Paul and Janet L. (P25767)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Karlsen, Borghild (P25615)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Kastner, Danielle (P25952)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Keltgen, Robert (P25361)	Grant to remove an underground storage tank	$1,200	$1,200
Keppel, J. Daniel (P25555)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Kerr, Tom (P25479)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Kleschick, Charles and Lisa (P25925)	Grant to remove an underground storage tank	$1,200	$1,200
Klosowsky, Reid A. and Jana R. (P25552)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Kontos, Stelio and Dawn (P25760)	Grant to remove an underground storage tank and install an above ground storage tank	$2,400	$2,400
Kotch, Steve and Julie (P25875)	Grant to remove an underground storage tank and install an above	$2,880	$2,880

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Krause, Richard J. (P25565)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Lacovara, John Rene and Barbara (P26002)	Grant to remove an underground storage tank	$1,200	$1,200
Law, Matthew and Julie (P25899)	Grant to remove an underground storage tank	$1,200	$1,200
Lettieri, Eliseo and Patricia (P25674)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Lewis, Ellen J. (P25311)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Liberman, Yitzchok and Rivky (P25537)	Grant to remove an underground storage tank and install an above ground storage tank	$2,886	$2,886
Lindner, Joanne (P25691)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Lockwood, Moira (P24470)	Grant to remove an underground storage tank	$1,200	$1,200
Long, Kenneth and Donna (P25043)	Grant to remove an underground storage tank	$1,200	$1,200
Longano, Agnes C. (P25588)	Grant to remove an underground storage tank	$1,200	$1,200
Lopez, Elaine (P25533)	Grant to remove an underground storage tank	$1,200	$1,200
Lukich, Charles P. and Linda (P25668)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Lund, Robert and Karen (P25934)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
MacMillan, Robert and Joanne (P25680)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Maceyak, April and Edward, Jr. (P25774)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Maldonado, Jesus J. (P25897)	Grant to remove an underground storage tank	$1,200	$1,200
Malek, Magdi F. and Bella B. (P25714)	Grant to remove an underground storage tank and install an above ground storage tank	$2,877	$2,877
Malinski, David A. and Maria M. (P25889)	Grant to remove an underground storage tank and install an above	$3,000	$3,000

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Maragulia, Andrew and Kirby (P25862)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Margalef, George (P25817)	Grant to remove an underground storage tank and install an above ground storage tank	$2,450	$2,450
Martin, Darryl and Roxanne (P25496)	Grant to remove an underground storage tank	$1,100	$1,100
Marzocca, John and Rita (P25274)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
McCall Jr., Phillip H. and Gwendolyn R. (P25908)	Grant to remove an underground storage tank and install an above ground storage tank	$2,871	$2,871
McCarty, Jr., Eugene R. (P26080)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
McMahon, John R. and JoAnn M. (P26072)	Grant to remove an underground storage tank and install an above ground storage tank	$2,400	$2,400
Mellon, Harry and Frederika Reimmer (P25670)	50 % grant to remove an underground storage tank	$600	$600
Merceron, Neal and Sherl (P25694)	Grant to remove an underground storage tank and install an above ground storage tank	$1,985	$1,985
Morrow, Donna M. (P25071)	Grant to remove an underground storage tank and install an above ground storage tank	$2,400	$2,400
Muldowney, Angela (P25701)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Noto, Sharon and Philip (P25492)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Novitch, Margaret (P25635)	Grant to remove an underground storage tank and install an above ground storage tank	$2,897	$2,897
O'Brien, Patricia A. (P25620)	Grant to remove an underground storage tank	$1,100	$1,100
O'Hara, Roxanne (P25959)	Grant to remove an underground storage tank and install an above ground storage tank	$2,496	$2,496
Ogrinz, Emil and Dorothy (P25305)	Grant to remove an underground storage tank and install an above ground storage tank	$2,100	$2,100
Olters, Miriam (P25525)	Grant to remove an underground	$1,200	$1,200

Applicant	Description	Grant Amount	Awarded to Date
	storage tank		
Owens, Hazel E. (P25518)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Palmer, Joyce (P25558)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Papa, Philomena and Ralph (P25260)	Grant to remove an underground storage tank and install an above ground storage tank	$2,900	$2,900
Parascand, Leonard and Erica (P25617)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Parker, Dagmar M. (P25487)	Grant to remove an underground storage tank and install an above ground storage tank	$2,527	$2,527
Penn, Darrell and Grace (P26027)	Grant to remove an underground storage tank and install an above ground storage tank	$2,836	$2,836
Petrus, Michael and Jeannette (P25693)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Piccitto, Christine and Michael (P25736)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Picerno, Ernie and Diana (P25821)	Grant to remove an underground storage tank	$1,200	$1,200
Pinches, Roger and Patricia (P25172)	50 % grant to remove an underground storage tank and install an above ground storage tank	$1,500	$1,500
Plaza, Thomas P. and Pamela M. (P25673)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Podsvirow, Nadezda (P25375)	Grant to remove an underground storage tank and install an above ground storage tank	$2,400	$2,400
Post, Daniel H. and Carolyn (P25950)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Powers, James and Louise (P25548)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Pruchnicki, Peter B. (P25495)	Grant to remove an underground storage tank	$1,200	$1,200
Quinones, Teresa (P25712)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000

Applicant	Description	Grant Amount	Awarded to Date
Rajala, David and Karen (P25730)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Redeemer Lutheran Church (P25778)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Reilly, Paul (P25706)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Reinalda, Kathleen and Heidi Bauer (P25081)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Reuter, Jeffrey F. and Linda E. (P25741)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Rey, Henry and Marion (P25901)	Grant to remove an underground storage tank and install an above ground storage tank	$2,567	$2,567
Rinaldi, Lisa M. and Robert P. (P26040)	Grant to remove an underground storage tank	$1,200	$1,200
Rinckhoff, Annette and William (P25709)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Rivera, Joanne and Omar (P25516)	Grant to remove an underground storage tank	$1,200	$1,200
Rodenhi, Thomas M. and Elaine A. (P25553)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Roux, Clara Yvonne (P26003)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Ruscil, Eleanore (P25909)	Grant to remove an underground storage tank	$1,200	$1,200
Samuels, Cheryll (P25776)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Sauer, Nancy and Shawn (P25348)	Grant to remove an underground storage tank	$1,200	$1,200
Savacool, Joel D. and Debra A. Paotti (P25073)	Grant to remove an underground storage tank and install an above ground storage tank	$2,797	$2,797
Schnitzler, Eric and Irene (P24567)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Schoen, Daniel D. and Susan C. (P25894)	Grant to remove an underground storage tank and install an above ground storage tank	$2,980	$2,980

Applicant	Description	Grant Amount	Awarded to Date
Schukin, Jay and Robbin (P25547)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Scott, Everett and Carolyn (P25942)	Grant to remove an underground storage tank	$1,200	$1,200
Serben, Michael J. and Anna B. (P25913)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Shabinaw, Donna and Kenneth (P25755)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Shellock, Robert B. and Dawn E. (P25206)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Shoonmaker, William and Lisa (P25715)	Grant to remove an underground storage tank	$1,200	$1,200
Singh, Peter and Tanmohanie (P26075)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Sirni, Margaret and Anthony (P25574)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Slocum, William and Janice (P25720)	Grant to remove an underground storage tank	$1,200	$1,200
Smarr, Stephen and Mary O'Halloran-Smarr (P25896)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Smirnov, Alexandr and Svetlana (P25713)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Smith Jr., Gerald E. (P25876)	Grant to remove an underground storage tank	$1,200	$1,200
Smith, Verna (P24853)	Grant to remove an underground storage tank	$1,200	$1,200
Smotritsky, Yelena (P26106)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Smyth, Christopher and Melody (P25906)	Grant to remove an underground storage tank	$1,200	$1,200
Snider, Almon D. and Judith K. (P25545)	Grant to remove an underground storage tank and install an above ground storage tank	$2,750	$2,750
Sojka, Charles A. and Kathleen E. (P25754)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Solomon, Stuart (P25879)	Grant to remove an underground storage tank and install an above	$2,400	$2,400

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Sonsiadek, John J. and Gilda B. (P25929)	Grant to remove an underground storage tank and install an above ground storage tank	$2,910	$2,910
Southwood Baptist Church (P25704)	Grant to remove an underground storage tank	$1,200	$1,200
Spinnler, Arthur J. and Margaret A. (P25734) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	$2,815	$2,815
Stahl, Christopher and Allison (P25914)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Stegerwald, Marianne (P25217)	50 % grant to remove an underground storage tank and install an above ground storage tank	$1,490	$1,490
Steinecke, Helen (P25686)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Strand, Thomas L. and Clare (P25870)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Sudal, Frank P. and Catherine C. (P25397)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Sulovski, Wendy (P25616)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Sutula, Judith (P25571) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Sweeney, Lori J. (P25753)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Szigethy, Neil M. and Martha (P25685)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Tabeek, Shafik A. (P25707)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Tang, Wubin and Li (P26062)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Taylor, Janice (P25711)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Tello, Domenic H. (P25226)	Grant to remove an underground storage tank	$1,200	$1,200

Applicant	Description	Grant Amount	Awarded to Date
Tenneson, John C. (P25682)	Grant to remove an underground storage tank	$1,200	$1,200
Toris, John and Patricia B. (P24617)	50 % grant to remove an underground storage tank and install an above ground storage tank	$1,500	$1,500
Torpey, Janet (P25689)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Torrise, Bettina (P25768)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Ubushin, Nudla (P26069)	Grant to remove an underground storage tank	$1,200	$1,200
Unis, Paul (P26045)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Unitarian Universalist Congregation of Monmouth (P25564)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Untisz, Joe and Alisa (P25895)	Grant to install an above ground storage tank	$3,000	$3,000
Vah Glahn, Madeline (P25534)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Vanderwal, Marinus J. and Renee-Simoons (P25766)	Grant to remove an underground storage tank	$1,200	$1,200
Varga, David and Clare M. (P25764)	Grant to remove an underground storage tank and install an above ground storage tank	$2,650	$2,650
Ventura, Jorge and Sandra (P25102)	Grant to remove an underground storage tank	$1,200	$1,200
Viggiano, Louis and Andrea C. (P25891)	Grant to remove an underground storage tank and install an above ground storage tank	$2,750	$2,750
Vittorio, Kimberly A. and Michael C. (P25499)	Grant to remove an underground storage tank and install an above ground storage tank	$2,600	$2,600
Vodarsik, John L. and Sue A. (P25758)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Wallace, Craig S. and Gail (P25816)	Grant to remove an underground storage tank and install an above ground storage tank	$2,842	$2,842
Wanamaker, Sr., Homer E. and Deborah L. (P25995)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000

Applicant	Description	Grant Amount	Awarded to Date
Wang, Ron Ming and Shirley S. (P25681)	Grant to remove an underground storage tank	$1,200	$1,200
Watson, Mark H., Jr. and Julie E. (P25920)	Grant to remove an underground storage tank and install an above ground storage tank	$2,650	$2,650
Wendell, Thomas and Stephanie (P25684) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	$2,790	$2,790
Wilson, Diana M. (P25757)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Witschi, Melvin (P25937)	Grant to remove an underground storage tank	$1,200	$1,200
Wowkanyn, Mary (P25528)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Zabita, Rosalie C. (P26050)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Zorzi, William and Esther I. (P26019)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
Zusack, Nancy (P25871)	Grant to remove an underground storage tank and install an above ground storage tank	$2,892	$2,892
diZefalo, Eugene and Joan (P25769)	Grant to remove an underground storage tank and install an above ground storage tank	$3,000	$3,000
225 Grants	**Total Delegated Authority funding for Non-Leaking applications.**	**$551,018**	

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

Caren S. Franzini

Prepared by: Lisa Petrizzi, Finance Officer

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Hazardous Discharge Site Remediation Fund Program

The following municipal projects have been approved by the Department of Environmental Protection for grants to perform preliminary assessment, site investigation remedial investigation activities, and remedial action activities. The scope of work is described on the attached project summaries.

Municipal Grants:

Borough of Carteret (Carteret Sewage Treatment Plt) **$104,320**
Borough of Red Bank (Former Incinerator) **$249,254**
Sayreville Economic Redevelopment Agency.......... **$5,000,000**
City of Vineland (U-Pull It/Recyclers, Inc.).......... **$115,023**

Total HDSRF funding for April 2009 .... $5,468,597

Prepared by: Lisa Petrizzi

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

APPLICANT: Borough of Carteret (Carteret Sewage Treatment Plt) P25585

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

PROJECT LOCATION: 339 Roosevelt Avenue Carteret Borough (T/UA) Middlesex

GOVERNOR'S INITIATIVES:

( ) Urban Fund (X) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

The project site, identified as Blocks 6.1, Lot 1 is the former Caterina Sewage Treatment Plant which has potential environmental areas of concern (AOC's). The Borough of Carteret owns the project site and has satisfied Proof of Site Control. The Borough has received its Brownfields Development Area (BDA) designation from the NJDEP. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for residential properties and waterfront park.

According to amended legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects within a BDA.

NJDEP has approved this request for Preliminary Assessment (PA), Remedial Investigation (RI) and Remedial Action (RA) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. The grant has been calculated off 75% of the RA costs ($17,817) and adding the PA costs ($4,231), RI costs ($72,788) and oversight costs ($9,484).

APPROVAL REQUEST:

The Borough of Carteret is requesting grant funding to perform PA, RI and RA in the amount of $104,320 at the Carteret Sewage Treatment Plant.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT $104,320

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	$72,788
Remedial Action	$23,757
NJDEP oversight cost	$9,484
Preliminary assessment	$4,231
EDA administrative cost	$500
TOTAL COSTS	$110,760

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Borough of Red Bank (Former Incinerator) P25955

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

PROJECT LOCATION: Sunset Avenue Red Bank Borough (N) Monmouth

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

The project site, identified as Block 84, Lot 64 is a former municipal landfill and incinerator facility which has potential environmental areas of concern (AOC's). The Borough of Red Bank owns the project site and has satisfied Proof of Site Control. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for recreation.

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

APPROVAL REQUEST:

The Borough of Red Bank is requesting grant funding to perform PA, SI and RI in the amount of $249,254 at the Former Incinerator project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: $249,254

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	$162,433
Site investigation	$59,162
NJDEP oversight cost	$22,659
Preliminary assessment	$5,000
EDA administrative cost	$500
TOTAL COSTS	$249,754

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Sayreville Economic Redevelopment Agency (Former National P26463

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

PROJECT LOCATION: 100 Chevalier Avenue Sayreville Borough (N) Middlesex

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND:

Sayreville Economic Redevelopment Agency ("SERA") received a grant in the amount of $1,242,103 in October 2008 under P23276 to perform Remedial Investigation (RI) and a grant approval in the amount of $3,757,897 in December 2008 under P24787 to perform Remedial Action (RA) at the project site. The project site, consisting of 400 acres over various parcels has no current operations at the site, but historically has been used for industrial production and processing. Soil and groundwater contamination has been identified. SERA owns the project site and has satisfied Proof of Site Control and received Brownfield Development Area (BDA) designation. It is the Agency's intent, upon completion of the environmental investigation activities, to redevelop the project site as a mixed-use community including office, retail and residential space along with various recreational opportunities.

NJDEP has approved this request for Remedial Action (RA) on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. According to the Legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of RA for projects within a BDA. The total annual amount alloweded for a municipality, county or redevelopment entity that contains a BDA is $5,000,000 per calendar year. This grant will exhaust this limit for SERA for 2009.

APPROVAL REQUEST:

SERA is requesting grant funding to perform RA in the amount of $5,000,000 at the Former National Lead project site, for a total funding to date of $10,000,000.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT $5,000,000

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	$18,330,795
EDA administrative cost	$500
TOTAL COSTS	$18,331,295

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: City of Vineland (U-Pull It/Recyclers, Inc.) P25997

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

PROJECT LOCATION: 1255 West Landis Avenue Vineland City (T/UA) Cumberland

GOVERNOR'S INITIATIVES:

( ) Urban Fund (X) Other Urban ( ) Edison ( ) Core

APPLICANT BACKGROUND:

The project site, identified as Blocks 525 and 528, Lots 12, 13 and 2, 3, 4 is a former auto salvage yard which has potential environmental areas of concern (AOC's). The City of Vineland currently owns the project site and has satisfied Proof of Site Control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site for commercial development.

According to amended legislation, a municipality, county or redevelopment entity may qualify for 25% of the RA costs up to $250,000 who propose a remedial action that uses an innovative technology, or for the implementation of a limited restricted use remedial action or an unrestricted use remedial action.

NJDEP has approved this request for Remedial Investigation (RI) and Remedial Action (RA) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. The grant has been calculated by adding the RI costs ($101,713), 25% of the RA costs ($2,854) and the oversight costs ($10,456).

APPROVAL REQUEST:

The City of Vineland is requesting grant funding to perform RI & RA in the amount of $115,023 at the U-Pull It/Recyclers, Inc. project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT $115,023

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	$101,713
Remedial Action	$11,414
NJDEP oversight cost	$10,456
EDA administrative cost	$500
TOTAL COSTS	$124,083

APPROVAL OFFICER: L. Petrizzi

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

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

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

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

Applicant	Description	Grant Amount	Awarded to Date
Township of Hammonton (Wescoat Property) P25953	Initial grant to perform preliminary assessment and site investigation to redevelop for recreation/open space	$13,848	$13,848
City of Vineland (Blackwater Industrial Park) P25324	Initial grant to perform preliminary assessment and site investigation to redevelop for industrial development	$63,222	$63,222
City of Vineland (West Oak Road Site) P24881	Initial grant to perform preliminary assessment and site investigation to redevelop for conservation	$68,987	$68,967
3 Grant	**Total Grant Funding for March 2009**	**$146,057**	

Caren S. Franzini

Prepared by: Lisa Petrizzi, Finance Officer

EDISON INNOVATION FUND

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - EDISON INNOVATION FUND PROGRAM

APPLICANT: TimeSight Systems, Inc. P25328

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

PROJECT LOCATION: 16000 Horizon Way, Suite 800 Mount Laurel Township (N) Burlington

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban (X) Edison ( ) Core

APPLICANT BACKGROUND:

Formed in 2004, TimeSight Systems ("TimeSight" or the "Company") has developed a solution to address a growing trend of increased storage requirements of high resolution video used in the video surveillance industry. The Company's solution, referred to as the TimeSight Video Lifecycle Management ("VLM"), is the industry's only product capable of compressing images on disk over time according to criteria set by the end user. The result is a storage platform that shrinks data as it becomes older and less relevant, as time decreases an end user's risk of needing forensic-quality video.

APPROVAL REQUEST:

A $1,000,000 investment from the Edison Innovation Fund is recommended.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: $1,000,000

TERMS OF LOAN: Five-year term at a fixed interest rate of 6.00%. During the first year, the loan will not require any principal or interest payments. Interest during this period will accrue and will be capitalized. Interest only payments will then commence for the following six months. The remaining 42 months will require equal principal plus interest payments in amounts adequate to fully repay the investment.

PROJECT COSTS:

Growth Capital	$1,000,000
Finance Fees	$10,000
TOTAL COSTS	$1,010,000

JOBS: At Application 18 Within 3 years 58 Maintained 0 Construction 0

DEVELOPMENT OFFICER: M. Wiley **APPROVAL OFFICER:** D. Lawyer

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

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

APPLICANT: ANTs Software, Inc P26404

PROJECT LOCATION: 10000 Midlantic Drive Mount Laurel Township (N) Burlington County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
ANTs Software, Inc. (ANTs), was originally formed in January 1979, and is currently headquartered in Burlingame, California. The applicant is engaged in the development and marketing of the ANTs Compatibility Server (ACS), a middleware technology that would allow customers to migrate applications between major database systems as if it were still communicating with the original database. In March 2009, the applicant and IBM Corporation entered into a Global Reseller Agreement for IBM to sell and support all ANTs manufactured products. In May 2008, ANTs acquired Inventa Technologies, Mt. Laurel, NJ, a beneficiary of the NJ Technology Business Tax Certificate Transfer Program since 2003. ANTs currently outsources software manufacturing (300 jobs) to India, with its Professional Services group based in Mt. Laurel and additional sales offices in Atlanta & Cleveland. The Company's shares trade on the OTC Bulletin Board under the stock symbol ANTS.OB. ANTs is economically viable.

MATERIAL FACTOR:
ANTs is seeking a BEIP grant to support the creation of 800 new jobs as a result of the IBM agreement. Under consideration is consolidating global operations and expanding in either Mt. Laurel, Pennsylvania, or New York, or acquire the engineering operation in India and expand offshore. The project cost is estimated to exceed $3.9 million. A favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to consolidate and expand all operations in New Jersey.

APPROVAL REQUEST: **PERCENTAGE:** 80%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage ANTs Software, 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: $ 24,736,000
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 37

ELIGIBLE BEIP JOBS: **Year 1** 350 **Year 2** 450 **Base Years Total =** 800

ANTICIPATED AVERAGE WAGES: $100,000

ESTIMATED PROJECT COSTS: $3,900,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $30,920,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $21,644,000

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

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: California

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: P. Bagga **APPROVAL OFFICER:** M. Krug

Applicant : ANTs Software, Inc **Project # : P26404**

FORMULA EVALUATION

Criteria		Score
1. Location:	**Mount Laurel Township**	**N/A**
2. Job Creation	**800**	**5**
	Targeted : X Non-Targeted : ______	
3. Job at Risk:	**37**	**1**
4. Industry:	**Advanced computing**	**2**
	Designated : X Non-Designated : ______	
5. Leverage:	**3 to 1 and up**	**2**
6. Capital Investment:	**$3,900,000**	**2**
7. Average Wage:	**$ 100,000**	**4**
	TOTAL:	**16**

Bonus Increases (up to 80%):

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

Total Bonus Points: **30 %**

Total Score :

Total Score per formula:	**16 = 45 %**
Construction/Renovation :	**5 %**
Bonus Increases :	**30 %**
Total Score (not to exceed 80 %):	**80 %**

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

APPLICANT: Group One Trading, LP P25663

PROJECT LOCATION: TBD Locations Unknown (N) Unknown County

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban ( ) Edison (X) Core

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Group One Trading, LP was established in August of 1989 by five options traders that pooled their experience and resources to form a privately held trading group so that they could achieve economies of scale and spread their risk over a considerable capital base. Today, Group One is one of the largest proprietary option trading firms in the country. The company owns specialist posts on the American Stock Exchange, Philadelphia Stock Exchange, Chicago Board Options Exchange and the NYSE ARCA OX Exchange. Headquartered in New York and Chicago, Group One makes markets in over 1,900 equities and options. The company is economically viable.

MATERIAL FACTOR:

Group One is seeking a BEIP grant to support the relocation of 90 employees from Manhattan to New Jersey. The alternative is relocating to another office building within Manhattan. The company has indicated that a favorable decision by the Authority to award a BEIP grant is a material factor in the applicant's decision to move to New Jersey.

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 Group One Trading, LP 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: $ 4,500,000
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: **Year 1** 60 **Year 2** 30 **Base Years Total =** 90

ANTICIPATED AVERAGE WAGES: $350,000

ESTIMATED PROJECT COSTS: $4,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $19,026,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $28,539,000

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

CONSTRUCTION: ( ) Yes (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: J. Colon **APPROVAL OFFICER:** K. McCullough

Applicant : Group One Trading, LP   Project # : P25663

FORMULA EVALUATION

Criteria		Score
1. Location:	Locations Unknown	N/A
2. Job Creation	90	2
Targeted : ______	Non-Targeted : X	
3. Job at Risk:	0	0
4. Industry:	Financial services	2
Designated : X	Non-Designated : ______	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	$4,000,000	2
7. Average Wage:	$ 350,000	4
	TOTAL:	12

Bonus Increases (up to 80%):

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

Total Bonus Points: 0 %

Total Score :

Total Score per formula:	12 = 40 %
Construction/Renovation :	0 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	40 %

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

APPLICANT: IPC Systems, Inc. & IPC Networks Services, Inc. P26238

PROJECT LOCATION: 430 Mountain Avenue Berkeley Heights Township Union County

GOVERNOR'S INITIATIVES:

( ) Urban Fund ( ) Other Urban (X) Edison ( ) Core

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

IPC Systems, Inc. (IPC) and IPC Networks Services, Inc. (Services), wholly owned subsidiaries of IPC Systems Holding Corp, are the leading global providers of mission-critical communications solutions for banks and brokerage firms. The applicants provide global network services for clients through their own private secure network, connecting more than 200 cities across six continents, and advanced Voice over Internet Protocol (VoIP) technology to more than 40 countries. IPC, headquartered in New York City, has over 1,200 employees in full-service offices in Europe, Asia, Australia, and the U.S. The applicants are economically viable.

The Authority approved a BEIP grant (P18806) for IPC, which closed on December 18, 2007, based on relocating 149 jobs from New York City to Jersey City. To date the applicant has created 126 jobs, and received $304,979.

MATERIAL FACTOR:

IPC Systems, Inc. and IPC Networks Services, Inc. are seeking a BEIP grant to support creating 55 new jobs to expand their engineering group, to be housed in Berkeley Heights. At present, the engineering group is located in Fairfield, CT, where additional space is available to support the job growth. Project costs are estimated to be $612,000. A favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to expand in New Jersey.

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 IPC Systems, Inc. & IPC Networks Services, Inc. to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: $ 1,275,450
(not to exceed an average of $50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 126

ELIGIBLE BEIP JOBS: **Year 1** 55 **Year 2** 0 **Base Years Total =** 55

ANTICIPATED AVERAGE WAGES: $100,000

ESTIMATED PROJECT COSTS: $612,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $2,125,750

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $1,913,175

PROJECT IS: (X) Expansion ( ) Relocation

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: P. Ceppi **APPROVAL OFFICER:** M. Krug

Applicant : IPC Systems, Inc. & IPC Networks Services, Inc.   Project # : P26238

FORMULA EVALUATION

Criteria		Score
1. Location:	Berkeley Heights Township	N/A
2. Job Creation	55	2
	Targeted : X Non-Targeted : ____	
3. Job at Risk:	0	0
4. Industry:	Electronic device technology	2
	Designated : X Non-Designated : ____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	$612,000	1
7. Average Wage:	$ 100,000	4
	TOTAL:	11

Bonus Increases (up to 80%):

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

Total Bonus Points: 20 %

Total Score :

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

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

APPLICANT: Neuro Diagnostic Devices Inc P26088

PROJECT LOCATION: To be determined Locations Unknown (N) Unknown County

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:
Neuro Diagnostic Devices Inc is a medical device company which was founded by neurosurgeon, Dr. Samuel Neff in 2004, to address important unmet needs in the neurosurgical market. The company's lead product, ShuntCheck™, is an aid to the detection of cerebrospinal fluid ("CSF") in implanted CSF shunts and is the only product capable of directly and non-invasively assessing shunt function in patients with hydrocephalus ("water on the brain"). ShuntCheck consists of a handheld biodisplay unit and a single-use, disposable sensor. The product is FDA cleared and was launched to the market in the 4th quarter of 2008. The Company is economically viable.

MATERIAL FACTOR:
Neuro Diagnostic Devices is seeking a BEIP grant to offset the costs of relocating from Buck County, Pennsylvania to New Jersey. The alternative is to remain at its current location in Pennsylvania. The Company has indicated the BEIP grant is a material factor to relocated to NJ.

APPROVAL REQUEST: **PERCENTAGE:** 35%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Neuro Diagnostic Devices 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: $ 71,137
(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** 7 **Year 2** 3 **Base Years Total =** 10

ANTICIPATED AVERAGE WAGES: $70,000

ESTIMATED PROJECT COSTS: $70,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 $203,250

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 $233,737

PROJECT IS: ( ) Expansion (X) Relocation Trevose PA

CONSTRUCTION: (X) Yes ( ) No

PROJECT OWNERSHIP HEADQUARTERED IN: Pennsylvania

APPLICANT OWNERSHIP: (X) Domestic ( ) Foreign

DEVELOPMENT OFFICER: P. Lutes **APPROVAL OFFICER:** T. Wells

Applicant : Neuro Diagnostic Devices Inc Project # : P26088

FORMULA EVALUATION

Criteria		Score
1. Location:	Locations Unknown	N/A
2. Job Creation	10	1
	Targeted : X Non-Targeted : ____	
3. Job at Risk:	0	0
4. Industry:	Medical device technology	2
	Designated : X Non-Designated : ____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	$70,000	0
7. Average Wage:	$ 70,000	3
	TOTAL:	8

Bonus Increases (up to 80%):

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

Total Bonus Points: 0 %

Total Score :

Total Score per formula:	8 = 30 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	35 %

BOARD MEMORANDUMS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Foundry Street Development, LLC
Newark, NJ
$529,614 Hazardous Discharge Site Remediation Fund Loan

Request:
Extend the loan term up to a total of 10 years from original closing date of 12/29/04 at Department of Environmental Protection's ("DEP"s) request to provide time for additional environmental work to be done on the site. If remediation is completed sooner, the property will be sold and the loan will be paid in full.

Background:
Foundry Street Development, LLC ("Foundry") was formed to acquire, remediate and resell a 6-acre site that was formerly used by Ashland Chemical Company. In 2004, EDA provided a $636,000 HDSRF loan to supplement $628,000 in equity to fund environmental expenses.

The loan was structured with 2 years interest only payments and principal repayment due at the time of the property sale or at maturity, whichever occurred earlier. The loan, which originally matured in 2007, was extended until 02/01/09 due to additional work required. At present, remediation has not been completed and underground water investigation and treatment is still required on site. The DEP has asked the EDA to extend the term of the loan up to a maximum of 10 year term allowed under the HDSRF program.

Recommendation:
Extend the term of the HDSRF loan term up to a total of 10 years at current rate of 5% to allow completion of the environmental remediation of an industrial site in Newark.

Prepared by: Natalia Nagovsky

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: SightLogix, Inc.
Princeton, NJ
$701,494 Edison Innovation Fund Investment

Request:
Approve a second 6-month principal moratorium through October 31, 2009 to allow time for the Company to raise additional capital to fund operations.

Background:
Founded in 2003, SightLogix ("SL") develops and markets a series of intelligent cameras for outdoor security systems.

On April 11, 2006, EDA approved a $750,000 Edison Innovation Fund investment to assist SL with working capital and key employee hires. The investment closed July 21, 2006, and is fully disbursed. The investment was structured with 6 months of capitalized interest, followed by 18 months interest only payments with principal payments to begin in August 2008.

In 2008 SL was awarded a $1.6 million contract with the United States Department of Homeland Security ("DHS") through its Commercial Equipment Direct Assistance Program ("CEDAP") to offer its security cameras to municipalities not currently eligible for funding through other DHS grant programs.

In September 2008, the company requested its first 6-month principal moratorium to preserve cash to fund inventory and accounts receivable expected from the CEDAP contract. In November 2008, Staff approved the initial 6-month principal moratorium effective November 2008, with payments to resume on April 1, 2009. In consideration for this deferral EDA filed a UCC lien on Intellectual Property.

In December 2008 staff consented to SL securing an $800,000 in additional unsecured shareholder loans to fund inventory for the CEDAP and KAUST purchase orders. In return the Company agreed to repay $127,000 of deferred principal and resume principal payments by April 1, 2009.

While SL received purchase orders from the CEDAP program as expected and additionally secured a $603,000 perimeter security contract for the King Abdul University of Science and Technology ("KAUST") in Saudi Arabia, collections on those receivables have been slow.

Given the timing of the collections, the Company's already weak liquidity position and its need to preserve cash, especially due to the absence of availability of investment interest from the venture capital markets, management has requested another payment deferral.

In exchange for the 6-month moratorium, SL will pay $75,000 of the $127,000 payment that was technically due on April 1.

Although receipt of this reduced payment is less than the company had agreed to pay in December, given that the Company had asked EDA to entirely forego any payment and provide a 2-year payment moratorium, staff did successfully negotiate what it believes is a fair payment and reduced the moratorium period from 2 years to 6 months. Reducing the moratorium period provides time for SL to collect receivables and pursue additional capital while allowing EDA to closely monitor the Company's progress against plan.

Recommendation:
Consent to a 6-month principal moratorium through October 31 in exchange for a $75,000 payment.

By approving this request, EDA will support SL's efforts to conserve cash while ensuring that some EDA funds are returned to allow new investment in technology companies. Approval will allow the Company time to raise equity in a difficult capital markets environment and help to fund operations which will support the value of EDA's investment in the Company.

Prepared by: Heather M. Coccia

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Steel Fab Realty, LLC
Edison, NJ
$10,000,000 New Markets Tax Credits Loan (NMTC)

Request:
Consent to Capital One Bank securing up to $400,000 in interest rate swap exposure ahead of EDA's second mortgage on the subject property. In return, EDA will receive the corporate guarantees of affiliated companies Steel Shark Holdings and Galaxy Metal.

The interest rate swap is part of a modification to the bank loan that will result in an approximate 2.25% reduction in the interest rate for the Borrower.

Background:
Formed in 1973, Super Stud Building Products, Inc., and Superior Steel Studs, Inc., and Affiliates (Super Stud) collectively operate as a manufacturer of steel structural framing products. Steel Fab Realty, LLC is the real estate holding company formed in 2006 to purchase an 183,000 sq. ft. facility in Edison, NJ. The project involved the purchase and renovation of the building into a state of the art manufacturing facility and 6,000 square feet of office space. The total project costs of $20.4 million included the purchase price of the building ($13.1 million), renovations ($2.75 million), purchase of new equipment ($2.7 million) and relocation and soft costs ($1.9 million).

In December 2006, the Members approved a $10MM NMTC loan for the purchase of the facility. Capital One Bank provided a $10MM construction loan for renovations, new equipment and other project costs, Renovations are complete and the company moved into the facility as of December 31, 2008. The Astoria, NY facility is currently under contract of sale and is expected to close in March 2010.

Recently, the Bank and Borrower renegotiated the terms of the mortgage from a fixed rate of 5.75% to floating at LIBOR + 150 bps fixed via an interest rate swap (estimated at 3.50%). This represents annual debt service reduction of approximately $149M. Additionally, Bank has shortened the maturity of their loan to 5 years which is co-terminus with the NMTC Loan, while maintaining the 20 year amortization. Capital One has required that the swap be secured similar to the term loan and has requested a subordination from the EDA. In exchange for our consent staff negotiated with the bank to cap the interest rate swap exposure at $400M. Any potential exposure exceeding this amount would be subordinate to the NMTC loan.

Recommendation:

Consent to subordinating EDA's NMT loan to $400M in interest rate swap exposure is recommended to reduce the cost of the senior debt and to continue supporting a NJ company to maintain 159 manufacturing jobs, including 120 relocated from their New York operations.

Prepared by: Mansi Naik

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Waterfront Dental Center, PC, Andy-O Properties, LLC
and Alesia J. Johnson (co-borrowers)
Camden, New Jersey
New Jersey Development Authority ("NJDA") Loan: **$56,834**

Request:
Extend the NJDA loan maturity from 12/01/08 to 04/01/2013.

Background:
In 2003, the NJDA provided an $80,000 loan to Dr. Alesia Johnson to purchase an existing dental practice. Waterfront Dental Center is a minority and woman-owned business that provides essential dental services to an at risk population under served population.

The NJDA loan was supplemented with financing from Cooperative Business Assistance Corporation's ("CBAC") participating banks ($80,000) and an $80,000 direct loan from CBAC secured pari-passu with NJDA. All loans were based upon 5-year term/15-year amortization. CBAC's loan and the NJDA loan matured in 1Q 2008 and were extended by staff under operating approval until 12/01/08 pending receipt financial statements. Both 2007 and 2008 financial statements have since been received and CBAC has approved 5-year extension for both loans at a reduced interest rate of 5.75% and a 20-year amortization, subject to the EDA approving an extension.

The members are asked to approve this second maturity extension as required in our Delegated Policies approved by the members last month.

Recommendation:

Extend the maturity on the NJDA loan through 4/1/2013 to continue partnering with CBAC to support this minority business in Camden.

Prepared by: Natalia Nagovsky

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Lafayette Yard Community Development, LLC ("LYCDC")
Lafayette Yard Marriott
Trenton, New Jersey
$2 million Local Development Financing Fund ("LDFF") Loan
$500,000 Capital City Redevelopment Corporation ("CCRC") Loan

Request:
Restructure the terms of EDA's $2 million LDFF loan and recommend the restructure of the $500,000 CCRC loan to its Board. Both loans will be restructured with a principal and interest moratorium through December 31, 2009 then 6 months of interest only beginning January 1, 2010 through June 30, 2010, then monthly payments of principal and interest payments over a 20 year term @ 5% with 5 year optional renewals at the anniversary dates of years 5, 10 and 15. Consent of both organizations is required to restructure the debt and/or to extend the maturity at the renewal dates.

Background:
LYCDC was formed in 1999 by the City of Trenton to develop a 199 room flagship Marriott Hotel on 3.7 acres of contiguous lots owned by the City, State and Parking Authority in downtown Trenton. Amenities include 11,300 sf of conference space, a full service restaurant, catering and a 600 parking space garage adjacent to the hotel.

In March 1999, EDA members approved a $2 million LDFF loan and recommended a $500,000 loan to CCRC's Board to supplement $41.1 million in a combination of bonds, State grants and City funding to construct this $43.6 million hotel project.

EDA's $2 million LDFF loan and CCRC's $500,000 loan were approved solely to support the public purpose elements of creating construction and permanent jobs and enhancing development of Trenton's downtown area through bringing a flagship hotel to the City. Both the EDA and CCRC Boards were advised at the time of approval that the project did not meet established underwriting guidelines as the hotel demonstrated insufficient cash flow during the early years of the project to service the proposed debt.

Since opening its doors, the hotel has struggled to meet its projections. Weekday usage of conference rooms and hotel rooms is favorable due to business event bookings, but weekend bookings have been only fair. High operating expenses, resulting from the pro-rated sharing of costs with other larger destination Marriott hotels have compounded below average earnings and have contributed to the hotel's negative earnings since inception.

Recognizing its challenges, LYCDC began exploring terminating its management agreement with Marriott. After several years of unsuccessful negotiations with Marriott to terminate the agreement to effectuate cost savings to improve overall operations and cash flow, a decision was made to sell the hotel.

In late 2004 LYCDC engaged Jones-Lange-LaSalle to appraise the hotel. Because the Jones Appraisal valued the sales price of the hotel significantly below the cost to build as well as the remaining debt, it was evident at that time that the hotel could not be sold without significant state subsidy to bridge the gap. Meetings were held throughout 2005 and 2006 between Treasury, EDA and the City to evaluate the options. Concurrently, LYCDC meetings were held with prospective private sector buyers to sell the hotel.

In early 2007, Concord Hospitality Enterprises Company, an experienced operator, expressed interest in acquiring the hotel and garage. When Concord emerged, EDA worked with Treasury to formulate a proposal to restructure and subsidize the bond debt with PILOT payments received by EDA from the State for rental payments on the Human Services facility. Shortly after a tentative agreement to defease the bonds were reached at the State level, Concord withdrew its offer to buy the hotel.

In order to cure the payment default on the bonds (non-payment of the 2007 principal payments) and to provide cash flow relief on the loans until an alternate buyer for the hotel could be secured, EDA and the State agreed to partially defease the bonds.

In February 2008, the Members approved the partial defeasance of the 2001 bonds. The new state $18,250,000 bonds included $16 million to defease bonds, $2.2 million in debt service payments for the 2007 and April 2008 debt service and issuance costs.

Also approved in February 2008 was an 18 month principal and moratorium on the $2 million LDFF loan and the $500,000 CCRC loan, retroactive to January 1, 2007 and continuing through December 31, 2008.

In July 2008 LYCDC successfully terminated its operating agreement with Marriott Corporation and replaced the operating entity with the Waterford Group, an experienced management firm of 24 hotels in 8 states inclusive of 14 Marriott locations. Waterford's success model is built around a regional team approach to managing its locations.

Shortly after signing with Waterford, LYCDC introduced Jeffrey Zeiger to Waterford. Jeffrey Zeiger, who is local to the area and has over 25 years of experience in the hospitality industry in New Jersey, was hired by Waterford in September.

Since joining Waterford, Zeiger has made great strides in advancing the hotel's operations. Zeiger has instituted an aggressive direct local marketing campaign and has increased revenues steadily even in the weak economic climate.

While it is clear that the hotel's operations are still challenged, for the first time since the hotel opened, operations are tracking in a positive direction. Jeff Zeiger and Waterfront are committed to working not only with the City but also with State and local government entities to ensure timely reporting, diligent follow-up and candid conversations about the progress surrounding the hotel.

Given the changes implemented by LYCDC and Waterfront to move the project in a positive direction, it is recommended to the respective boards of EDA and CCRC that restructure the payments on the loans to provide cash flow relief to support the efforts of this project. The terms of the restructured 2007 bonds will remain in place and will not be affected by restructure of the loans recommended herein.

Recommendation:

Restructure the terms of the $2 million LDFF loan and the recommend restructuring the terms of $500,000 CCRC loan to its Board as follows:

Principal and interest moratorium on both loans through December 31, 2009 followed by 6 months of interest only payments from January 1, 2010 through June 30, 2010 with monthly principal and interest payments to commence on July 1, 2010 at 5% over a 20 year term with 5 year optional renewals at the 5, 10 and 15 year anniversary dates, subject to the approval by both organizations.

Approval by both the boards of EDA and CCRC are required to effectuate the restructured terms.

Prepared by: Lisa Coane

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Covance, Inc.
Business Employment Incentive Grant ("BEIP")

Request:
Consent to the modification and settlement of Covance, Inc.'s BEIP grant without sliding scale recapture. In exchange, Covance will retain an average of 750 W-2 employees in New Jersey for the next 4 years. If the company's employment falls below 750 (but remains above 600) Covance will extend its commitment to remain in New Jersey with 750 employees for an additional year. The company will submit annual reports to EDA through the remainder of the grant term and will pay a settlement fee equal to 10% of the BEIP sliding scale recapture ($93,776) upon execution of the settlement agreement.

Background:
Covance, Inc. is a world-leading contract research organization provider of integrated product development services to the pharmaceutical, biotechnology and medical device industries.

In April 1997, the Members approved a 10 year, 80% BEIP Grant for Covance based on the company's new employment commitment ("NEC") to create 200 new jobs above its then base employment of 750 jobs. The company met its Minimum Eligibility Threshold (MET) of 75 new jobs in 1998. The company grew through 2002 and received BEIP awards annually.

In 2003, the company began facing challenges from a slow down in the pharmaceutical industry and increasing competition from offshore entities. To remain competitive, Covance suspended its job growth and streamlined its operations by outsourcing approximately 100 jobs to a contract service provider. The contract employees continue to work full time at the project site.

As a result of industry and operational changes, Covance was unable to meet its MET. Company officials met with EDA staff in 2004 to fully disclose these issues. Covance was given two years to meet their MET. The company was unable to resume growth and was noticed that the grant was to be terminated. Staff initially asked that the termination include the sliding scale repayment of grant proceeds.

The company has since asked EDA not to seek repayment due to the company's continuing commitment to retain an average of 750 jobs in New Jersey. Additionally, Covance has demonstrated its future commitment to New Jersey by renewing its lease through 2014.

Covance has further represented to EDA that its inability to fully meet the job growth requirements under its BEIP was due to industry and general economic downturns beyond its control and that recapture of the grant would be punitive considering that the company continues to retain a significant work force in New Jersey.

Covance indicates that its operational streamline will position the company to continue to resume growth in New Jersey in the future. Without modification and settlement, Covance has indicated it would strongly consider relocating its operations out of New Jersey to another state where other incentives are more attractive.

Conclusion:
Covance met the terms of its BEIP grant agreement from 1998 - 2002 and received grant awards during each of those years as a result of its job growth.

While the company has not been able to maintain its MET since 2003 and has not received monetary awards since that time, Staff believes that the there are mitigating factors that support modifying the grant without recapture:

1) The primary intent of recapture was to penalize companies that did not fulfill their BEIP obligations as a result of moving some or all of their New Jersey jobs out of the state.

2) Covance currently has approximately 700 jobs in New Jersey and is in process of increasing its New Jersey workforce through additional hirings. Covance also maintains additional on site jobs that it creates through a contract provider.

3) Covance pledges its employment levels will not fall below 600 and that it will retain an average of 750 jobs over the next 4 years. In the event that Covance's average employment falls below 750 during the next 4 years, the company will extend its commitment to stay in New Jersey and employ 750 employees for an additional year.

4) Covance has demonstrated its future commitment to New Jersey by extending its lease until 2014.

Recommendation:
Based on the foregoing, the Members are asked to approve the modification and settlement of Covance's BEIP without sliding scale recapture.

In exchange, Covance will certify it will employ an average of 750 jobs over the next four years and will continue required reporting to substantiate same. In the event that the company's average employment falls below 750 but remains above 600 during the next 4 years, Covance will extend its commitment to stay in New Jersey and retain 750 jobs for an additional year. The company will be also be required to pay EDA a settlement fee equal to 10% ($93,877) upon acceptance of the settlement agreement.

Prepared by: Lisa Coane

New Jersey Economic Development Authority

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Board of Trustees of the Passaic County Elks Cerebral Palsy Center
Clifton, NJ
$2,700,000 Tax Exempt Bond (P14955)

Request:
Consent to an interest rate modification from a fixed interest rate based on 5-year US Treasuries plus 1.58% to a floating interest rate of one month LIBOR + 300 basis points. The Center and TD Bank will concurrently enter into an interest rate swap to reduce debt service on the Bond.

Background:
Board of Trustees of the Passaic County Elks Cerebral Palsy Center ("Center") is a not-for-profit organization that provides medical, therapeutic and educational services for orthopedically disabled children from age 3 to adult. The Center serves public school students from 7 surrounding counties.

On May 13, 2003, the Members approved a stand-alone tax-exempt bond in the original amount of $2,700,000 (the Bond) which closed July 31, 2003. Proceeds were used to finance the acquisition of land and an existing building. The 20-year bond was purchased by Commerce Bank which has since been acquired by TD Bank. *This bond is a conduit financing for which the Authority has no credit exposure.*

Interest is currently fixed at the 5-year Treasury rate plus 1.58% with rate resets each five years at TD Bank's discretion. Rather than reset the interest rate to 5.08% in August 2008, TD Bank and the Center have agreed to modify the rate to one-month LIBOR + 300 basis points floating. The parties will enter into an interest rate swap for either 5 or 10 years at the Center's option. At an indicative rate of 4.45% for the 5-year swap, annual debt service savings will be approximately $13,000. At a 10 year swap rate of 4.79% annual savings are $6,000.

McManimon & Scotland, L.L.C., bond counsel to the Authority, has reviewed this request and opined that the tax-exempt status of the bond will not be affected as a result of this modification.

Recommendation:
The members are asked to consent to changing the interest rate from a fixed rate to one month LIBOR plus 300 bp floating rate on this tax-exempt bond to reduce debt service requirements for this not-for-profit organization.

Prepared By: Nancy C. Meyers

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Delegated Authority Approvals – 1st Quarter 2009
For Informational Purposes Only

Below is a summary of the Delegated Authority approvals prepared by Portfolio Services during for the 1st Quarter of 2009:

Project Name	EDA Exposure	Action
Reldata Incorporated	$1,000,000	Consent to $500M bridge loan from Grazia, Reldata's largest investor, of which $250M will be senior to EDA's debt. Funding a milestone after the 1 year disbursement period and 6 month principal payment moratorium.
Dynamic Mobile Data Systems, Inc.	$250,000	Write off with recourse of Edison Innovation Fund Loan to software developer. Company was unable to generate sufficient sales and ceased operations.

Prepared by: Jon Maticka and Daniel Weick

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

SUBJECT: Participating and Preferred Lender Bank Evaluation Criteria
(For Informational Purposes Only)

Background:

Over the years, the Authority has developed partnerships and relationships with banks throughout the state. This gives us the opportunity to participate in projects and leverage our resources. We accomplish this through our Statewide Loan Pool Program (SLP) and Preferred Lender Program (PLP). Our past practice has been to do a review of the requesting bank. We feel it is now necessary to establish more robust criteria and a refined process which will be used in our evaluation of these requests. With the recent increase in the number of requests from banks, many of which are newly formed, Credit Underwriting and Business Development, with input from the Department of Banking and Insurance, have developed the following information that will be considered in this process.

STATEWIDE LOAN POOL PROGRAM - PARTICIPATING LENDER CRITERIA:

The bank should be in operation for at least 3 years and have operations in New Jersey. The bank should provide a description of the commercial lending (% of amount and number of transactions) that has been done in New Jersey.

The bank should provide annual report-10K for past three years. It should be considered "well capitalized" by the FDIC, profitable and should not have been under any formal enforcement action by the FDIC or any other governing body.

If the bank is not currently active in New Jersey, the bank should provide a description of the bank's plan for doing business in New Jersey.

The bank should provide a list and resumes of key credit officers and executives.

The bank should provide a copy of its credit policy or a description of its key components, as well as three complete underwriting samples of commercial loans (C&I loans). The bank should describe its approval and loan review process as well as their work out process.

We will also look at the bank's commercial loan portfolio in terms of number of loans, dollar amount and percentage of total loan portfolio, industry mix and any concentrations, service area, the delinquency rate on the commercial portfolio, percentage of non-performing assets, and amount of charge offs.

The bank should also provide information about its experience with loan participations as the lead bank or as a participant, which should include information on its ability to service loans and the banks that are their participants.

Our experience with SLP banks will be tracked on an ongoing basis and may result in staff recommendation to the bank to request PLP status.

PREFERRED LENDER PROGRAM CRITERIA:

To obtain Preferred Lender status, a bank should be a current participating lender with the Authority. The participating bank criteria discussed above will be used for this review, therefore an update of that information will be requested.

A review will be done of our experience with the bank, which will include the number of projects to date, the quality of the underwritings submitted, and the experience Portfolio Services has had with the bank in terms of remitting payments, reporting, and the handling of modifications. If it is not currently a participating bank, but has been in operations for a significant amount of time, a bank could be considered for PLP status and the above stated information will be utilized.

PLP banks will be reviewed on a bi-annual basis to both evaluate our experience and identify opportunities for enhancements and improvements to our working relationships.

Prepared by: S. Mania

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 14, 2009

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

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

New Jersey Business Growth Fund:

1) AJP Properties, LLC (P26212), located in Mount Holly Township, Burlington County, was founded as a real estate holding company that owns the project property. The operating company, J & A Party Rentals was purchased in 1995 when the company was known as J & A d/b/a Ocean Tents. J & A is a full service party rental business that rents items such as tents, tables and chairs, event furniture, linens, etc., and operates from two NJ locations. PNC Bank approved a $612,000 loan with a five-year, 50% guarantee, not to exceed $306,000. Loan proceeds will be used to refinance the existing mortgage. The company currently has six employees and plans to create an additional seven new jobs over the next two years.

2) Atlantic Cardiology, LLC (P26025), located in Neptune Township, Monmouth County, was established in 2006, and specializes in cardiology tests, care and treatment. Currently, the company operates out of three NJ locations. PNC Bank approved a $2,000,000 loan with a five-year, 50% guarantee, not to exceed $1,000,000. Loan proceeds will be used to purchase property and consolidate into one location. The company currently has four employees and plans to create twenty new jobs over the next two years.

3) BGA Properties, LLC (P25846), located in Flemington Borough, Hunterdon County, was established as a real estate holding company for the project user. The operating company, Magna Power Electronics, Inc., was founded in 1981 as a research and development consultant, and evolved into a design and prototyping custom power supplies and magnetic components fabricator. PNC Bank approved a $2,000,000 loan with a five-year, 50% guarantee, not to exceed $1,000,000. Loan proceeds will be used to refinance the existing mortgage. The company currently has 35 employees and plans to create an additional 25 new positions within the next two years.

MAILING ADDRESS: | PO BOX 990 | TRENTON, NJ 08625-0990

SHIPPING ADDRESS: | 36 WEST STATE STREET | TRENTON, NJ 08625 | 609.292.1800 | e-mail: njeda@njeda.com | www.njeda.com

4) Chibar Investments, LLC (P26174), located in Cape May City, Cape May County, was founded in 1997, and is the real estate holding company that owns the project property. The operating company, Craig House, Inc., operates a nine room bed and breakfast from the project property location. PNC Bank approved a $370,000 loan with a five-year, 50% guarantee, not to exceed $185,000. Loan proceeds will be used to refinance an existing mortgage. The company currently has three employees and plans to create an additional four new positions within the next two years.

5) Greener Corporation (P26020), located in Beachwood Borough, Ocean County, was formed in 1964 as a manufacturer of cutting and sealing equipment. PNC Bank approved a $366,300 loan with a five-year, 25% guarantee, not to exceed $91,575. Loan proceeds will be used to purchase equipment. The company currently has 30 employees.

6) Naftali Millinery LLC (P26056), located in Teaneck Township, Bergen County, was established in 1999 as a designer and distributer of ladies hats to retailers in Canada and US. PNC Bank approved a $115,200 loan with a five-year, 25% guarantee, not to exceed $28,800. Loan proceeds will be used to purchase machinery. The company is relocating from Canada to New Jersey and plans to create an additional six new positions within the next two years.

Preferred Lender Program:

1) McKella 280 Inc. (P25748), located in Pennsauken Township, Camden County, was formed in 2008 to provide graphic design, internet, digital imaging, printing, finishing, and custom software services. Susquehanna Bank approved a $2,000,000 loan contingent upon a $500,000 (25%) Authority participation and a five-year, 25% guarantee on the bank's $1,500,000 loan balance, not to exceed $375,000. Loan proceeds will be used to refinance the existing debt obligation. Currently, the company has ten employees and plans to create another ten new jobs over the next two years.

2) Superior Powder Coating, Inc. (P25653), located in Elizabeth City, Union County, was established in 1989 as a contract metal finisher specializing in powder coating steel products for customers in the Northeastern US. Capital One Bank approved a $500,000 loan contingent upon a five-year, 50% participation, not to exceed $250,000. Loan proceeds will be used to purchase equipment. The company currently has 106 employees and plans to create an additional 26 new positions over the next two years.

Fast Start Direct Loan Program:

1) SAV Eatery LLC (P25279), located in Lodi Borough, Bergen County, owns and operates two Dunkin' Donuts locations in New Jersey. The NJEDA approved a $196,000 loan to be used to purchase commercial property on which a third location will be opened. The company currently has 24 employees and plans to create an additional ten new positions over the next two years.

NJ Main Street Program:

1) McKella 280 Inc. (P25848), located in Pennsauken Township, Camden County, was formed in 2008 to provide graphic design, internet, digital imaging, printing, finishing, and custom software services. Susquehanna Bank approved a $1,200,000 line of credit with a one-year, 20.8% guarantee, not to exceed $250,000. Line of credit proceeds will be used for working capital. Currently, the company has ten employees and plans to create another ten new jobs within the next two years.

New Jersey Business Growth Fund - Modification:

1) Nicholas and Peggy Sue Juliano (P25460), located in Lacey Township, Ocean County, was approved in January 2009 for a 25 % guarantee of a $720,000 PNC Bank loan. The applicant asked PNC to increase the loan amount to $732,000 because the balance information used during their underwriting on the refinance was incorrect. This will increase the EDA exposure from $180,000 to $183,000. All other terms and conditions remain unchanged.

Camden ERB:

1) ABR Consultants, LLC (P25845), located in Camden City, Camden County, was established in 2006 as an engineering firm specializing in design and project management, consultation, inspection, investigation, planning, evaluation and supervision in the civil, environmental and traffic engineering disciplines. The company was approved for a $24,172 Business Lease Incentive Grant. Loan proceeds will be used for working capital. Currently the company has eight employees and plans to create an additional seven new jobs within the next two years.

Prepared by: S. Mania

REAL ESTATE

New Jersey Economic Development Authority

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini

RE: Retail Lease Extension – Laboratory Corporation of America Holdings (Lab Corp). Renaissance Place at Trenton Office Complex
For Informational Purposes Only

DATE: April 14, 2009

Summary

This is to make the Board aware of a lease modification for Lab Corp., an existing Trenton Office complex retail tenant.

Background

In September, 2008, the Board approved a lease extension for Lab Corp. The original approval covered a two-year lease extension from January 1, 2009 through December 31, 2010, and incorporated a 3% rental increase. Lab Corp did not sign the Third Lease Extension Agreement at that time. Lab Corp has been a tenant in good standing at Renaissance Place since 1997.

In December, 2008, Lab Corp requested that their rent remain unchanged for 2009, the first year of the 2-year lease renewal. They acknowledged the increase of the base rent by 3% for the second year. They expressed concern with the current economic environment. The NJEDA staff completed the lease extension on the terms requested by Lab Corp.

Caren S. Franzini
Chief Executive Officer

Prepared by: Diane Wong

THIRD LEASE EXTENSION AGREEMENT

THIS THIRD LEASE EXTENSION AGREEMENT, made the _______ day of ___________________, 2009 (the "Third Lease Extension Agreement") is by and between LABORATORY CORPORATION OF AMERICA HOLDINGS ("Tenant"), and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY ("Landlord").

WHEREAS, the Tenant and the Landlord entered into a certain Lease Agreement made as of September 23, 1997, a Lease Term Extension Agreement made as of January 1, 2005, and a Second Lease Term Extension Agreement made as of January 1, 2007 (collectively the "Lease"); and

WHEREAS, the Landlord and Tenant wish to further extend the term of the Lease as more fully set forth below.

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties amend the Lease as follows:

1. The term of the Lease shall be extended for a period beginning on January 1, 2009 and ending on December 31, 2010 (the "Third Extension Period").

2. Fixed Minimum Rent. During the Third Extension Period, TENANT shall pay to LANDLORD Fixed Minimum Rent as follows:

		Annual Fixed Rent	**Monthly Fixed Rent**
Year One	(1/1/09 - 12/31/2009)	$20,700.00	$1,725.00
Year Two	(1/1/10 - 12/31/2010)	$21,321.00	$1,776.75

3. Landlord hereby re-affirms it represents and warrants as set forth in Article XIX, Section 19.01, Paragraph (x) of the Lease, to wit: Landlord is an instrumentality of the State of New Jersey, and as such, no physician or immediate family member of a physician has an ownership or investment interest in the Demised Premises or the Retail Center, either directly or indirectly, through debt, equity or otherwise. Subject to the Landlord's public purpose of serving for the betterment of New Jersey generally, Landlord further represents that no physician or immediate family member of a physician shall receive or share directly or indirectly in the proceeds of the lease.

4. Section 20.01 of the Lease (which was added to the Lease by the Second Lease Extension Agreement) is replaced in its entirety with the following Section 20.01:

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

b) Business Entity - means:

i) a for-profit entity as follows:

A. in the case of a corporation: the corporation, any officer of the corporation, and any person or business entity that owns or controls 10% or more of the stock of corporation;

B. in the case of a general partnership: the partnership and any partner;

C. in the case of a limited partnership: the limited partnership and any partner;

D. in the case of a professional corporation: the professional corporation any shareholder or officer;

E. in the case of a limited liability company: the limited liability company and any member;

F. in the case of a limited liability partnership: the limited liability partnership and any partner;

G. in the case of a sole proprietorship: the proprietor; and

H. in the case of any other form of entity organized under the laws of this State or other state or foreign jurisdiction: the entity and any principal, officer, or partner thereof;

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

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

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

c) EO 134 – means Executive Order 134 (implemented by former New Jersey Governor James E. McGreevey on September 22, 2004) as codified by Public Law 2005, chapter 51 (N.J.S.A. 19:44A-20.13 through N.J.S.A. 19:44A-20.25) and expanded by Executive Order 117 (Gov. Corzine, September 24, 2008).

5. Except as expressly modified hereby, all terms, conditions, definitions, undertakings and covenants of the Lease shall remain in full force and effect and are in no way abrogated by this Third Lease Extension Agreement. Capitalized terms used in the within Third Lease Extension Agreement but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

6. This Third Lease Extension Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

7. If any provision of this Third Lease Extension Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or of the Lease.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have duly executed this Third Lease Extension Agreement as of the date first written above.

ATTEST:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, LANDLORD

____

By:____________________________
NAME: Caren S. Franzini
TITLE: Chief Executive Officer

ATTEST:

LABORATORY CORPORATION OF AMERICA HOLDINGS, TENANT

____

By:____________________________
NAME:
TITLE:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 14, 2009

RE: Memorandum of Understanding -- Riverfront State Prison (Camden)

Summary
I am asking the Members to approve a Memorandum of Understanding with the New Jersey Department of the Treasury, Division of Property Management and Construction ("DPMC") to facilitate the demolition and redevelopment of Riverfront State Prison in Camden.

Background
Earlier this year, the Department of Corrections announced plans to transfer remaining inmates and close Riverfront State Prison ("Riverfront") by the end of fiscal year 2009. Riverfront consists of about 175,000 sf of buildings situated on 16 acres just north of the Ben Franklin Bridge. Treasury has requested the Authority's assistance in disposing of Riverfront in a manner that will lead to redevelopment for uses that better suit the surrounding area. To that end, DPMC has requested that the Authority administer the demolition process. This work will begin with retaining an engineering firm to inventory and assess the property and to prepare documents for the Authority's issuance of a public bid to demolition contractors. DPMC will provide $200,000 in funding for our completion of this first phase of demolition work. Subject to funding, the Authority will then retain a contractor to demolish the prison. The Authority will seek grant funding for the demolition work; no Authority funds will be utilized for this project.

Upon completion of demolition, we anticipate that the State will seek to sell the property for redevelopment by the private sector, with the goal of creating jobs and tax ratables for the City of Camden. DPMC contemplates accomplishing this objective through a public request for proposals process managed by the Authority. In the event DPMC opts to pursue this approach, I will present the Members an amendment to the attached Memorandum of Understanding for their consideration at a future meeting.

The City of Camden and the Camden Redevelopment Agency support the redevelopment of the Riverfront site, and have begun the process of re-zoning the North Camden waterfront to accommodate residential, commercial and recreational uses.

Attached is the proposed Memorandum of Understanding between the Authority and DPMC for Riverfront State Prison, which is in substantially final form. The final document may be subject to revision, although the basic terms and conditions will remain consistent with the attachment. The final terms of the MOU will be subject to the approval of the Chief Executive Officer and the Attorney General's Office, as well as DPMC.

Recommendation

In summary, I ask for the Members' consent to enter into a Memorandum of Understanding with the Department of the Treasury, Division of Property Management and Construction, generally consistent with the form attached, to advance the demolition and redevelopment of Riverfront State Prison, subject to the approval of the Attorney General's Office.

Caren S. Franzini
Chief Executive Officer

Attachment

Prepared by: David E. Nuse

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding dated the ____ day of April, 2009, will confirm the mutual understanding and intention between the New Jersey Department of the Treasury, Division of Property Management & Construction ("DPMC") and the New Jersey Economic Development Authority ("EDA") regarding the planning, funding, demolition, and disposition of certain facilities for DPMC. DPMC and EDA are collectively referred to herein as the "Parties."

The New Jersey Department of Corrections ("DOC") has notified DPMC of its intention to close Riverfront State Prison (the "Improvements"), situated on approximately 16 acres of land in the City of Camden known as Block 79, Lot 13 (the "Property"), on or about June 30, 2009. DPMC seeks EDA's assistance in planning and carrying out the demolition of the Improvements and the potential subsequent sale of the Property for redevelopment purposes. The demolition of the Improvements and all associated, prerequisite Demolition Engineering Services are referred to collectively herein as the "Project."

1. **<u>DPMC's Role and Responsibilities</u>**. DPMC will be responsible for performing the following tasks under this MOU:

   a. Fund the Demolition Engineering Deposit, held by EDA, to pay for costs related to Demolition Engineering Services.
   b. Provide information, as requested by EDA or the City of Camden, to assist in rezoning the Property for redevelopment.
   c. Assist EDA in identifying and securing funding for the demolition of the Improvements by EDA.
   d. Approve the Project's:

      i. Demolition Engineering Services contract award, Plans, and budget
      ii. Demolition contract award and budget
      iii. Sources and uses statement

   e. Grant to EDA and its consultants and contractors a license to go on the Property as needed to perform Project work.

2. **<u>EDA Role and Responsibilities</u>**. EDA will be responsible for the following tasks under this MOU:

   a. <u>Contractors and Consultants</u>. It is agreed that EDA may retain and enter into agreements and contracts with consultants and contractors (including other

State agencies) to assist EDA in connection with the Project. To the extent allowable and consistent with applicable selection procedures, the Parties will jointly approve the selection of all consultants and contractors prior to contract execution; including, but not limited to, having a DPMC representative as a member of the consultant/contractor selection committees. DPMC authorizes EDA to select and engage consultants and contractors for the Project and further authorizes such consultants and contractors, subject to funding, to begin and complete work under the direction of EDA. Any and all contracts with consultants or contractors entered into by EDA in connection with the Project shall be advertised, solicited and selected by EDA in accordance with applicable procurement requirements. The general terms and conditions of such contracts shall be consistent with agreements typically entered into by EDA and shall provide for the termination by EDA, in consultation and with the consent of DPMC at any time, provided; however, indemnification and hold harmless provisions of contracts will run to the benefit of both DPMC and EDA. It is the intention of the Parties that EDA, in consultation and with the consent of DPMC, shall proceed to contract for Demolition Engineering Services upon full execution of this MOU without delay.

b. Project Schedule. EDA will prepare an estimated project schedule that includes bidding, permitting, any necessary approvals, and start/completion of demolition activities.

c. Demolition Engineering Services. The EDA will retain an engineering firm to prepare plans, specifications, and a scope of work (the "Plans") for the Project. The Plans will be used by EDA to obtain bids for the demolition of the Improvements. Demolition Engineering Services may also include surveying services, examination of title, and environmental services including, but not limited to, an NJDEP-compliant preliminary site assessment.

d. Project Budget. Following receipt of demolition bids, EDA will prepare a detailed sources and uses statement and demolition budget.

e. Demolition Funding. The EDA will seek to identify sources of funding and secure funding to complete demolition of the Improvements.

f. Demolition Services. Upon identification and deposit of sufficient funds to initiate and complete the demolition of the Improvements, EDA, with DPMC's approval, will select a demolition contractor and issue a notice of award and a notice to proceed to the selected contractor.

g. Approvals. EDA, through its consultants and contractors, will obtain any and all permits and approvals needed to complete demolition of the Improvements.

h. Compliance with Law. EDA will oversee the work of its consultants and contractors to have demolition work performed in a safe and professional manner and in accordance with any and all applicable rules, regulations, ordinances, statutes, laws and requirements of any governmental office having jurisdiction over the Project.

3. **Demolition Engineering Services Budget**. DPMC has provided EDA with $200,000 to fund estimated Demolition Engineering Services expenses (the "Demolition Engineering Deposit"). EDA believes that the Demolition Engineering Deposit is sufficient to fund Demolition Engineering Services expenses. In the event that Demolition Engineering Services expenses actually expended or incurred in connection with the Demolition Engineering Services are less than the estimated expenses, the balance of the Demolition Engineering Deposit shall be refunded to DPMC upon completion of the Demolition Engineering Services. In the event EDA anticipates expending or incurring Demolition Engineering Services expenses that will exceed the balance of the Demolition Engineering Deposit, EDA may submit a supplemental requisition request to DPMC, with appropriate documentation, which shall be either: (i) paid by DPMC to EDA within thirty (30) days of any such request; or (ii) DPMC may terminate this MOU.

4. **Demolition Budget.** Upon identification of sufficient funds in the Parties' sole judgment to initiate and complete the demolition of the Improvements, said funds (the "Demolition Deposit") will be deposited with EDA. In the event that expenses actually expended or incurred in connection with demolition of the Improvements are less than the estimated expenses, the balance of the Demolition Deposit shall be refunded upon completion of the demolition of the Improvements. In the event EDA anticipates expending or incurring expenses that will exceed the balance of the Demolition Deposit, EDA may submit a supplemental requisition request to DPMC, with appropriate documentation, which shall either: (i) be paid by DPMC to EDA within thirty (30) days of any such request; or (ii) DPMC may terminate this MOU.

5. **Compensation and Payment**.

EDA's Fees and Expenses.

i. Project Services. Subject to DPMC's approval of the final Plans, Demolition Budget, and sources and uses statement, EDA's fee to provide Project services will be six-percent (6%) of Project costs. The Project services fee shall be paid according to the percentage of project completion included in the demolition engineering and demolition draw requests.

ii. Additional Services. EDA's fee for additional services requested by DPMC during and after demolition will be governed by the fee schedule established in Section 5.i. above.

iii. Expenses. DPMC shall pay the actual cost, with no mark-up, except for EDA's fee, of EDA's expenses, which include, but are not limited to: EDA's consultant costs, contractor costs, out-of-pocket expenses and costs, insurance premiums and deductibles, and any incidental costs actually expended or incurred by EDA in connection with the Project that exceed the initial amount of the Demolition Engineering Deposit and the initial amount of the Demolition Deposit. On a monthly basis, EDA will provide DPMC with an itemized expense report setting forth the date of the expense, the vendor, the amount and the purpose of each expense as well as such other and further information DPMC may request.

iv. Deposits. The Demolition Engineering Deposit and the Demolition Deposit will be used by EDA to pay for EDA's expenses. In the event that the Demolition Engineering Deposit is insufficient to pay for the expenses, EDA will first seek to utilize the Demolition Deposit. In the event the Demolition Deposit is not funded or is fully expensed, EDA will then submit a requisition as permitted under Sections 3 or 4, as the case may be.

6. **Subsequent Agreements.** The Parties contemplate that DPMC and EDA will enter into a subsequent MOU that seeks EDA's assistance in: i) establishing criteria for the selection of a qualified purchaser/redeveloper for the Property; ii) facilitating the rezoning and/or subdivision of the Property to allow for redevelopment of the Property; and iii) managing the disposition of the Property to a redeveloper. If the Parties agree that EDA should provide further assistance, then the Parties, subject to the approval of the State Treasurer (or his designee) and the EDA's Board Members, shall enter into a subsequent agreement or an amendment to this MOU. The Parties acknowledge that the disposition of the Property will require legislation.

7. **Additional Provisions**.

a. Environmental Liability. It is expressly understood that this MOU and all subsequent, associated agreements will not obligate EDA to incur any liability for any known or unknown environmental conditions that existed at or on the Property prior to commencement of demolition of the Improvements. Subject to the limitations of the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), DPMC will hold EDA harmless for any and all environmental condition that existed at or on the Property prior to commencement of demolition of the Improvements.

b. Sufficient Funds. It is agreed that nothing in this Memorandum of Understanding shall obligate or require EDA to enter into or continue any agreement or contract for the Project or to expend EDA personnel time or other administrative costs for the Project unless sufficient funds are readily available to EDA for expenses and Fees that would be incurred in connection with the Project. EDA shall at all times have the right to terminate or discontinue any agreement, contract or work for the Project if EDA determines that sufficient funds are not readily available to EDA for the expenses and Fees that would be incurred in connection with the Project.

c. Right of Entry and License. This MOU constitutes a license from DPMC to EDA, its employees, officers, agents, consultants and contractors for access to all portions of the Improvements and the Property in order to carry out the Project.

d. Other Approvals. Each Party will obtain all applicable governmental approvals, permits, and authorizations necessary to effectuate their respective responsibilities under this MOU.

e. Commencement and Duration. Subject to receipt of the Demolition Engineering Deposit, this MOU will commence immediately upon execution by the Parties. Unless terminated earlier, this MOU shall remain in effect for three (3) years from the date and year first written above, and may be amended by a writing executed by the Parties.

f. New Jersey Law. This MOU will be governed by and construed under the laws of the State of New Jersey. Any and all claims based on contract law shall be made in accordance with and subject to the provisions of the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.). Any and all claims based on tort law shall be made in accordance with and subject to the provisions of the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.)

g. Severability. If any of the provisions of this MOU will be invalid or unenforceable, the remainder of this MOU will not be affected thereby, and every provision of this MOU will be valid and enforceable to the fullest extent permitted by law.

h. Amendments. This MOU may be amended in a writing executed by the Parties.

i. Termination. Any Party shall have the right to terminate this Memorandum of Understanding upon written notice to the other party. Upon termination, EDA shall make reasonable efforts not to incur any additional expenses or administrative costs; provided, however, EDA shall be permitted to continue to use the Demolition Engineering Deposit, the Demolition Deposit, and any supplemental amounts subsequently requisitioned to pay for any expenses or fees actually incurred in connection with the Project.

j. Notices. All notices required to be served or given hereunder shall be in writing and will be deemed given when received by personal delivery, by an overnight delivery service which issues a receipt from delivery, or three business days after having been mailed by certified mail, return receipt requested, and addressed as follows:

If to EDA: New Jersey Economic Development Authority
36 West State Street
P.O. Box 990
Trenton, New Jersey 08625-0990
Attention: David E. Nuse, Director
Real Estate Division

If to DMPC: Department of Treasury
Division of Property Management & Construction
33 W. State Street
Trenton, New Jersey 08625-0990
Attention: Steven Sutkin, Director
Division of Property Management & Construction

k. Reasonable Diligence. Each of the Parties will act with reasonable diligence for the purpose of satisfying the conditions set forth herein. However, this MOU is not intended to create a binding agreement to begin or complete the Project unless and until: Project approvals are obtained, sufficient funding is secured, and the Parties agree to proceed with the Project as provided for in this MOU.

l. Open Public Records Act. EDA will not on its own volition publish or distribute to the public information received under this MOU; however, EDA is subject to and will fully comply with the provisions of the New Jersey Open Public Meetings Act and the New Jersey Open Public Records Act and is bound by the requirements of both and relevant case law.

m. No Interpretative Presumptions. The Parties waive any statutory or common law presumption that would serve to have this document construed in favor and against either party as the drafter.

n. Titles and Headings. Titles and headings are included for convenience only and shall not be used to interpret the MOU.

[Balance of page is intentionally blank.]

The foregoing correctly reflects the Parties' understanding and intent.

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be duly executed and delivered as of the date and year first above written and by so executing, represent and warrant they have the authority to do so.

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
DIVISION OF PROPERTY
MANAGEMENT & CONSTRUCTION

______________________ By: ______________________

Attest

Steven Sutkin
Director

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

______________________ By: ______________________

Attest
David. E. Nuse
Director, Real Estate Division

Caren S. Franzini
Chief Executive Officer

The foregoing document has been reviewed and approved as to form.

Attorney General of New Jersey

By: ______________________________
Edward G. Pillsbury, Deputy Attorney General