



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: December 14, 2010
SUBJECT: Agenda for Board Meeting of the Authority December 14, 2010

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

Clean Energy Solutions

Loans/Grants/Guarantees

Incentive Programs

Board Memorandums

Real Estate

Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(7)

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 20, 2010

MINUTES OF THE SPECIAL MEETING

Members of the Authority present: Harold J. Wirths, Commissioner, Department of Labor and Workforce Development.

Present via conference call: Al Koepp, Chairman; Jim Kelly representing the State Treasurer, Richard Poliner representing the Commissioner of the Department of Banking and Insurance, Public Members Steve Plofker, Timothy Carden, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Kevin Brown, Third Alternate Public Member.

Absent: Joseph McNamara, Vice Chairman; John Hutchison representing the Lt. Governor's office, Michele Sierkera representing the Commissioner of the Department of Environment Protection, Public Members: Laurence Downes, Marjorie Perry, Charles Sarlo, Richard Tolson, and Rodney Sadler, Non-Voting Member.

Also present: Timothy Lizura, Senior Vice President, Business Development; Bette Renaud, Deputy Attorney General; and guests.

Also present via conference call: Caren Franzini, Chief Executive Officer of the Authority; and EDA staff.

Chairman Koepp called the meeting to order at 11:30 a.m.

In accordance with the Open Public Meetings Act, Mr. Lizura 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.

Mr. Lizura summarized the project stating that the application of the Pru Hotel Urban Renewal Company, LLC was for reimbursement of certain taxes for a project located in Newark, the Courtyard at Marriott under a "state incentive grant" by the EDA pursuant to the Economic Redevelopment and Growth Grant (ERG) program set forth in N.J.S.A. 52:27D-489c (Act).

He added that the project consists of 105,500 SF seven story building which includes a hotel and ground floor commercial space for a restaurant and retail establishment with estimated total project costs of \$35,015,193. He also noted that the Prudential Center, which is currently the home of the NJ Devils and NJ Nets, is one block away from the Project.

Mr. Lizura stated the project would come back to the EDA board for a Revenue Allocation Bond (RAB) financing after action by the Department of Community Affairs Local Finance board.

Chairman Koepp noted the project was located in Newark's central business district, and would revitalize the downtown and it's this type of activity that was the intention of the legislation creating the program.

INCENTIVE PROGRAMS

ECONOMIC REDEVELOPMENT AND GROWTH (ERG) GRANT PROGRAM

PROJECT: TDAF I – Pru Hotel Urban Renewal Company, LLC

LOCATION: Newark/Essex Cty.

REIMBURSEMENT GRANT: Up to \$6,583,637

MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. Carden **AYES: 9**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

The next item was a request to amend the resolution to include broader language pertaining to the eligible taxes for reimbursement.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 9**

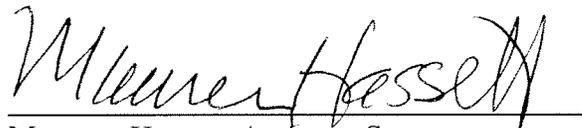
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Carden, and seconded by Mr. Plofker, the meeting was adjourned at 11:45 a.m.

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



Maureen Hassett, Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

November 9, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca, representing the State Treasurer; Harold Wirth, Commissioner of the Department of Labor and Workforce Development; Michele Sierkerka, Assistant Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Timothy Carden; Laurence Downes; Steve Plofker; Elliot M. Kosoffsky, Second Alternate Public Member; Kevin Brown, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Present via conference call: Marjorie Perry, Public Member; and Raymond Burke, First Alternate Public Member.

Absent from the meeting: Public Member Charles Sarlo.

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

Chairman Koepp 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 October 8, 2010 special meeting minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Poliner, and was approved by 8 voting members present.

Commissioner Wirth abstained because he was not present.

Mr. McNamara abstained because he was not present.

Mr. Kosoffsky abstained because he was not present.

Mr. Plofker abstained because he was not present.

Ms. Perry abstained because she was not present.

The next item of business was the approval of the October 12, 2010 meeting minutes. A motion was made to approve the minutes by Mr. Brown, seconded by Mr. Tolson, and was approved by 12 voting members present.

Commissioner Wirth abstained because he was not present.

The next item of business was the approval of the October 12, 2010 executive session minutes. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Kosoffsky, and was approved by 11 voting members present.
Commissioner Wirth abstained because he was not present.
Mr. Carden abstained because he was not present.

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

AUTHORITY MATTERS

The next item was to approve the MOU between EDA and the New Jersey Department of Community Affairs to allow \$160,000 to be transferred to EDA to pay for consulting services for an analysis of the Urban Enterprise Zone (UEZ) Program.

MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Poliner AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Springpoint Senior Living, Inc. Obligated Group **APPL.#33503**

LOCATION: Various

PROCEEDS FOR: refinance existing debt

FINANCING: \$30,000,000 Tax-Exempt/Bank Qualified Bond

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Wayne Township Police Athletic League, Inc. **APPL.#33684**

LOCATION: Wayne Twp./Passaic Cty.

PROCEEDS FOR: refinance existing debt

FINANCING: \$1,600,000 Tax-Exempt/Bank Qualified Bond

MOTION TO APPROVE: Mr. Downes SECOND: Mr. Brown AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

BOND RESOLUTIONS

PROJECT: The Atlantic City Sewerage Company **APPL.#32290**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: equipment purchase
FINANCING: \$8,000,000 Tax-Exempt/Bank Qualified Bond
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Carden AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: 3087 Route 22 LLC **APPL.#33895**
LOCATION: Branchburg Twp./Somerset Cty.
PROCEEDS FOR: building acquisition and renovation
MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Saint Peter’s College (or a related nominee) **APPL.#33686**
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: building construction
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Carden AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PROJECT: Saint Peter’s Preparatory School **APPL.#33896**
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: building renovation
MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. Carden AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Seabrook House Inc. **APPL.#33867**
LOCATION: Upper Deerfield Twp./Cumberland Cty.
PROCEEDS FOR: refinance existing debt
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

CLEAN ENERGY CAPITAL INVESTMENT PROGRAM

The next item was to not disqualify Waste Management Renewable Energy's application for a Clean Energy Solutions Capital Investment loan based on a review of legal matters.

MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: WM Renewable Energy L.L.C. **APPL.#30624**

LOCATION: Mount Holly/Burlington Cty.

PROCEEDS FOR: installation of a 2.25 MW solar center

FINANCING: \$5,000,000 Clean Energy Solutions Capital Investment Loan

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Carden AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

CAMDEN ECONOMIC RECOVERY BOARD

The next item was to approve the funding authorization to extend the ERB Business Incentive Grant Programs an additional 12 months through September 30, 2011.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: New Jersey Housing and Mortgage Finance Agency **APPL.#32430**
Camden POWER

LOCATION: Camden/Camden Cty.

FINANCING: \$1,500,000 Residential Neighborhood Financing Fund
non-recoverable grant

REQUEST: approve the funding authorization for a \$1,500,000 non-recoverable grant under the Residential Neighborhood Financing Fund

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Carden AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Rutgers, The State University of New Jersey **APPL.#18292**
Camden Campus

LOCATION: Camden/Camden Cty.

FINANCING: \$1,000,000 ERB public-purpose grant

REQUEST: approve the funding authorization for a modification to the scope of work and extend the term of the \$1,000,000 ERB public purpose grant to September 30, 2011.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following projects were presented under the Petroleum Underground Storage Tank Program.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Philip Liu and Meiyong Liu **APPL.#33748**
LOCATION: Princeton/Mercer Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$300,000 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: United Methodist Church of Park Ridge **APPL.#32840**
LOCATION: Park Ridge/Bergen Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$167,850 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Louis Vadino **APPL.#32501**
LOCATION: Pemberton/Burlington Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$149,340 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 October 2010. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Hutchison AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: City of Perth Amboy (General Cable) **APPL.#32390**
LOCATION: Perth Amboy/Middlesex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$68,712 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 October 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: DGL Group Ltd. or its nominee **APPL.#33853**
LOCATION: TBD **BUSINESS:** manufacturing
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. McNamara **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Focus Camera LLC **APPL.#33508**
LOCATION: North Brunswick/Middlesex Cty. **BUSINESS:** transportation & logistics
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:16

PROJECT: The TriZetto Group, Inc. **APPL.#33855**
LOCATION: Union Twp./Union Cty. **BUSINESS:** professional services
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Brown **SECOND:** Mr. Poliner **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Chairman Koeppe abstained because TriZetto Group, Inc. is a client of Horizon Blue Cross/Blue Shield and he is a Member of the Horizon Blue Cross/Blue Shield board.

PROJECT: Xanodyne Pharmaceuticals, Inc. **APPL.#33888**
LOCATION: TBD **BUSINESS:** biotechnology
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. Kosoffsky **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:16

BOARD MEMORANDUMS

The next item was to extend the New Jersey Business Growth Fund program for one year.

MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. McNamara **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

The next item is a summary of projects approved under Delegated Authority in October 2010. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: Electro Parts Inc. or Nominee

Small Business Fund Program: ACJP Investment Group, Inc. d/b/a Stepping Stones Learning Center

NJ Main Street Program: Absolutely Energized Solar Electric, Inc., Imtek, LLC

Preferred Lender Program: Monmouth Rubber Corp.

PNC Business Growth Fund Modification: DB Land Holdings LLC and Innovative Orthodontics LLC; Garden Land, LLC and Romanelli's Garden Café, LLC

The next item was to extend the closing date from November 22, 2010 to March 31, 2011 on the transfer to Barclays of EDA's assets purchased by LBHI pursuant to a structured finance agreement to provide time to complete the documentation negotiation.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

REAL ESTATE

The next item was to enter into a License Agreement with Comcast Cable Communications Management, LLC to enable it to be a backup internet service provider at 36 West State Street, Trenton, New Jersey.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

The next item was to enter into a license agreement with CSC TKR, LLC, a wholly owned subsidiary of Cablevision Systems, Corporation, to provide broadband communication services to tenants at the Tech Centre Campus at the Technology Centre of New Jersey.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

The next item was to amend the existing Payment in Lieu of Tax Agreement with the Township of North Brunswick for the Technology Center of New Jersey.

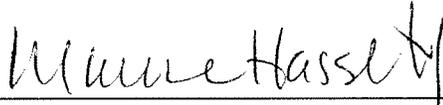
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Plofker, and seconded by Mr. Tolson, the meeting was adjourned at 11:15 am.

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



Maureen Hassett, Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

December 1, 2010

MINUTES OF THE SPECIAL MEETING

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca representing the State Treasurer; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development, Wayne Staub representing the Commissioner of the Department of Environment Protection, and Public Members Joseph McNamara, Vice Chairman; Tim Carden, and Raymond Burke, First Alternate Public Member.

Present via conference call: John Hutchison representing the Lt. Governor's office, Richard Tolson, Marjorie Perry, Charles Sarlo, and Elliot M. Kosoffsky, Second Alternate Public Member.

Absent: Richard Poliner representing the Commissioner of the Department of Banking and Insurance, Public Members: Laurence Downes, Steve Plofker, Kevin Brown, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; Debra Gramiccioni, Director, Governor's Authorities' Unit; and guests.

Chairman Koepp called the meeting to order at 10:30 a.m.

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.

BOND RESOLUTIONS

PROJECT: TDAF Pru Hotel Urban Renewal Co, LLC

APPL.#32289

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: new construction or addition

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Burke AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

Ms. Perry recused herself because she may have the potential opportunity to work on the project.

Mr. Hutchinson joined the call at this time.

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

The next item is a request to approve an amendment to the Authority's scoring criteria for the Business Employment Incentive Program (BEIP) to allow existing buildings that have been vacant for 12 months in other areas of the State to receive the same incentive bonus points that Planning Areas (PA) 1 and 2 currently receive.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. McNamara AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

URBAN TRANSIT HUB TAX CREDIT PROGRAM

PROJECT: Wakefern Food Corp.

LOCATION: Elizabeth/Union Cty.

MAX AMOUNT OF TAX CREDITS: Not to exceed \$58,000,000

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Carden AYES:11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Mr. Kosoffsky abstained because his company has a current relationship with Elboren Development and may be involved with this particular project.

TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM

Ms. Franzini reviewed prior actions by the Board on this year's applicant pool and summarized the staff review process. She noted that this year's review tracked changes to the legislation effected earlier this year. She also noted that a new organizational step was added this year, the appointment of Lisa Coane, Director Portfolio Services, as a hearing officer who reviewed the circumstances of the 13 companies that had been disapproved for benefits.

The next item was to review the Hearing Officer's report on appeals to board actions and to approve the request to 1) approve nine appeals; 2) and to not approve the four other appeals as set forth in the memorandum.

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Ms. Coane then described her work, which entailed reviewing the previous staff work and reaching out to companies as necessary for clarifying information. She noted assistance from the Attorney General's Office and Mike Wiley, Venture Officer in EDA's Technology and Life Sciences unit. Based on the review and facts, today she is recommending overturning 9 disapprovals of the 13 applicants who appealed. She believes that the remaining four companies recommended for disapprovals did not prove that they met the eligibility requirements under the law.

Chairman Koepp asked for public comment.

Dr. Jeff Feldman, CEO of EveresTV, Inc., provided background to the Board on his company and his appeal of staff's determination that the company should be denied because it does not meet the statutory requirement that it is a technology company and that its primary business provides a scientific process or technology. He first acknowledged the work and professionalism of EDA staff. He then noted that his company, which is involved in the distribution of broadband services, acquired patent/patent applications in the end of June and that the acquisition of this PPIP, together with a joint venture executed with Genergy/Power Box, Inc. meets the requirements of the statute. He then provided additional information about the education and skills of his employees, outreach to several considered experts in the field of telecommunications, broadband, and engineering and those experts' conclusion that the technology of the joint venture should be considered as meeting the program eligibility requirements.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to receive legal counsel on the program's statutory requirements.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

PUBLIC SESSION

Chairman Koeppe observed that in his view EveresTV has undergone a business transformation in 2010 that reflects many months of planning and strategy prior to the acquisition of intellectual property in June 2010. Additionally, there appears to be no dispute with the IP as meeting the requirement for a technology business and that the questions around the issue of primary business were answered satisfactorily. As such, he was comfortable in recommending that the disapproval of EveresTV be overturned. Mr. Burke and Mr. McNamara voiced their support as well.

Upon returning to Public Session, the next item was to 1) amend the resolution to disapprove Evers TV and 2) remove Evers TV from the disapprovals to the approvals.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. McNamara AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

The next item was to acknowledge the amended resolution and act on the balance of the Hearing Officers' report for a total of ten approvals and three disapprovals.

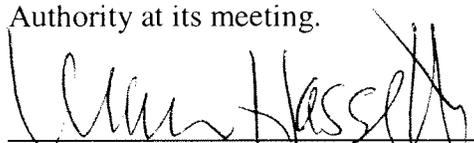
**MOTION TO APPROVE: Mr. Carden SECOND: Mr. McNamara AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Carden, and seconded by Mr. McNamara, the meeting was adjourned at 11:35 a.m.

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



Maureen Hassett, Assistant Secretary



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

RE: Chief Executive Officer's Report to the Board

EDA NEWS

Please note that in addition to the November highlights provided in the report below, this month's agenda includes a memo on the proposed EDA 2011 Strategic Business Plan which outlines EDA's accomplishments in calendar year 2011.

FMERA WELCOMES NEW EXECUTIVE DIRECTOR

At the beginning of November, the Fort Monmouth Economic Revitalization Authority (FMERA) and EDA announced that Bruce Steadman has been selected as FMERA's Executive Director. Steadman comes to FMERA with on the job experience in military redevelopment, having formerly been the President and CEO of the Plattsburgh Airbase Redevelopment Corporation in Plattsburgh, NY where he led and managed the redevelopment of the former Plattsburgh Air Force Base (3,500 acres). Steadman was selected following a nationwide search conducted by EDA.

EDA APPLIES FOR DESIGNATION UNDER SMALL BUSINESS JOBS ACT

At the end of September, President Obama signed into law the Small Business Jobs Act of 2010. Among other elements, the Act created the State Small Business Credit Initiative to strengthen state programs that support lending to small businesses and small manufacturers. To bolster our efforts to support New Jersey-based small businesses, we are very pleased that Governor Chris Christie approved the EDA's application for \$33 million under this new initiative. As liquidity has become scarce during the economic downturn, many businesses, particularly small businesses, have found it difficult to secure loans and keep their businesses operating. The \$33 million allocation will allow us to help New Jersey's small businesses access the capital they need to keep their doors open, create jobs and thrive. Staff is currently working with the US Department of Treasury to develop an implementation model based upon the criteria dictated in the Act.

BPU BOARD APPROVES 2011 CLEAN ENERGY PROGRAMS AND BUDGETS

In the beginning of December, the New Jersey Board of Public Utilities approved the 2011 clean energy programs and budgets. This approval includes \$33M in new money allocated to EDA in 2011 for new and existing programs. This \$33M represents an additional \$11M in funding for the successful Edison Innovation Clean Energy Manufacturing Fund program, as well as \$4M in funds for the Edison Innovation Green Growth Fund and \$18M for the Energy Efficiency Revolving Loan Fund. Both the Edison Innovation Green Growth Fund and the Energy Efficiency Revolving Loan Fund are new programs that, upon EDA Board review and approval, are being targeted for market introduction in 2011.

FINANCING ACTIVITY

Since January, the EDA has closed financing and incentives totaling nearly \$464 million for 250 projects through the end of November. These projects are expected to spur the creation of over 3,800 new, full-time jobs and more than 3,300 construction jobs and involve total investment of over \$1.1 billion in New Jersey's economy. Almost half of the closings were with projects in New Jersey's urban communities. Among the financings that closed in November:

Imtek LLC, which closed a 50% (\$150,000) guarantee of a \$300,000 line of credit under the Main Street Business Assistance Program. Imtek, LLC is a Logan Township-based, provider of marketing, printing and logistics services. Imtek expects to create six new jobs as a result of this assistance.

Insurance Restoration Specialists, Inc. (IRS), which closed a \$303,550 (15%) participation in a \$2,023,665 bank loan through the Main Street Business Assistance Program. IRS is a provider of response services for a variety of issues including oil spills, fires, floods, biohazards and infectious disease outbreaks. This assistance will enable the company to purchase a property in Monroe Township, of which IRS will be the only tenant. The company expects to create 2 new jobs as a result of this assistance.

DCM Architecture & Engineering, which closed an \$18,306 Business Lease Incentive Grant through the Camden Economic Recovery Board. DCM is a Minority Business Enterprise SBA 8(a) certified business currently located in the Rutgers Camden Technology Center Incubator at the Waterfront Technology Center. The company is a full service design, construction and maintenance company focusing on energy efficiency, high performance buildings and building systems. DCM expects to create 10 new jobs as a result of this assistance.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as attendees or exhibitors at 25 events in November. These included the Southern Camden County Business Expo in Voorhees, the 6th Annual Morris County Business Growth Forum in Hanover, the BioNJ Venture Capital Roundtable in Princeton, the U.S.-Israel Cleantech Conference in Philadelphia, and the Southern New Jersey

Development Council's Economic and Workforce Development Committee Meeting in Woodstown.

Additionally, EDA staff spoke at several events including an NJBIA member seminar on government contracts and financing, a Korea Pharma CEO Investor Summit hosted by the Business Action Center, and a session on the Partnership for Action at the New Jersey League of Municipalities Annual Conference.



AUTHORITY MATTERS



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Board

FROM: Caren S. Franzini
Chief Executive Officer

RE: 2011 Strategic Business Plan

DATE: December 14, 2010

I am pleased to share with the Members the attached 2011 Strategic Business Plan that has been discussed with the Policy Committee and Audit Committee and referred to the full Board for its review and approval.

2010 Accomplishments

The onset of a new administration always brings change, challenges and opportunities. Coming out of the Great Recession, Governor Chris Christie faced major budget challenges, resulting in tough budget solutions which involved cuts to programs throughout the State, including several managed by the Authority. Faced with reduced funding, EDA quickly acted to refocus resources opportunistically, such as repositioned use of federal dollars to support energy projects and assistance to small business through the Governor and Legislature's support of a budget allocation for the Main Street program. Still, in commercial finance, our loan origination activity stalled as banks and businesses continued to sit on the sidelines in the face of global economic uncertainties.

As our first Quarter outlook on year end net operating earnings looked bleak, EDA redoubled its efforts to cut costs and improve revenues. We continue to aggressively manage the business, portfolio, and balance sheet. As a result, through October 2010, our actual net operating earnings are \$1.96 MM. We are 48% over plan for the year, and we are ahead of last year by 30%. We have achieved our results while not increasing our expenses. For example, we have reduced our budgeted headcount by 12% in three years. We continue to challenge our vacancies and backfills while we maintain our commitment to service levels.

On the revenue side, our operational cost recovery strategy for establishing and implementing new programs was critical to NOE, as well as providing a catalytic economic development tool for our customers. Fees from projects initiated under the Economic Redevelopment Growth grant program, new Higher Education Partnership

program and the enhanced Urban Transit Hub Tax Credit program increased revenues by over a million dollars and moved the EDA towards a model of fee compensation that more accurately reflects the costs of creating, implementing and administering programs.

Organizationally, we were also positively impacted by the new Partnership for Action, led by Lieutenant Governor Kim Guadagno, which partners the EDA as the state's bank for business with the Business Action Center (BAC) and Choose NJ. Staff of the Business Retention and Attraction Division moved to BAC in October and while currently operating under an MOU between the Secretary of State's office and the EDA, legislation will formally transfer the Business Retention and Attraction Division in 2011. The existing strong relationship between BAC and EDA's Business Development team continues through shared business meetings, event participation, and information coordination through our Salesforce customer relationship platform.

We have realized tremendous results due to the proactive business outreach calling plan undertaken by the Governor and Lieutenant Governor, which include announcements from Honeywell and Coca Cola regarding their commitment to remain in New Jersey, as well as from companies such as Intrasphere and Watson Pharmaceuticals that are growing jobs in New Jersey. Other select notable achievements resulting from the coordinated efforts for the year include:

- Closed financing and incentives totaling just over \$463 million for 254 projects – expected to spur creation of more than 3,800 jobs and 3,300 construction jobs and reflect total investment of over \$1 billion in NJ's economy;
- Core Financing - At 68% of plan to commit \$125 million in transactions, including the first Higher Education Public/Private partnership project approved for Montclair, through UCEDC.;
- Edison Innovation Fund – Construction complete and lease signed with Drexel University Plasma lab for 5th floor of Waterfront Technology Center, received first warrant income from technology business customers, advanced 8 Clean Energy Manufacturing Fund applications to Clean Tech Advisory Board;
- Urban – While decreased loan assistance is reflected in 23.5% of plan, surpassed goals for Urban Hub and ERG projects, have approved 15 projects for combined total of \$ 297.1 million in benefits, completed demolition of Camden prison and site now being planned for redevelopment
- Business Attraction and Retention – 111 proposals generated, 39 applications submitted

- Fort Monmouth – Legislation creating the Fort Monmouth Redevelopment Authority signed by Governor in August, first organizational meeting of Board in September, MOU with the EDA and budget approved

Looking Ahead - 2011 Strategic Business Plan

Our plan for next year reflects a new concise format that identifies the strategic **imperatives** the EDA seeks to address in this challenging economy with reduced resources and personnel. The 2011 Strategic Business Plan reaffirms our key business objectives, reflects the substantive work done towards our asset allocation review and related fiscal planning, and focuses efforts to:

- Advance a financially sustainable business platform;
- Optimize workforce effectiveness to ultimately improve and strengthen the customer experience, and
- Grow New Jersey’s economy through financial assistance, facilitation and partnerships.

As staff has begun to develop operational plans in support of the goals and success metrics articulated in the Plan, several initiatives are emerging:

- Secure approval to utilize up to \$17 million in existing bond proceeds to fund emerging technology companies under the Edison Innovation Fund;
- Promote the State “brand” and market EDA’s individual financial products to the industry sectors vital to the State’s economy through a comprehensive and coordinated marketing effort;
- Close \$100 million in financings by Year End 2011 in the nine targeted cities and an additional \$100 million in other urban aid cities;
- Close \$100 million in transactions in core business areas, including small business, manufacturing and not-for-profits;
- With the Board of Public Utilities (BPU), Department of Environmental Protection and BAC, position New Jersey as “best in class” in clean energy programs. Work with BPU to transition energy efficiency programs from a rebate to a revolving loan model;
- Develop a high performance leadership team and talent pool to enable the EDA to continue to fulfill its mission and to meet increasing future demands;
- Implement the Information Technology strategic plan in support of EDA’s business objectives and improve client satisfaction, and
- Enhance the overall financial strength of the EDA through sound investment and risk management practices, as well as through internal controls ensuring compliance with policies, practices and procedures.

Our plan is a blueprint for service delivery based on customers' needs, targeted application of resources to achieve the State's economic growth strategies, and strong fiscal and performance-based management. The plan is additionally supported by operational plans generated by our operating divisions. Our team and individual goal setting is aligned with the strategic business plan, and our performance measurement process ensures the linkage of compensation to the achievement of our goals and objectives. Our success will be reflected in the financial performance and progress reporting that we will review with the Audit Committee and Board on a quarterly basis.

A handwritten signature in black ink, reading "Caren Ferguson MS". The signature is written in a cursive style and is positioned to the right of the main text block.

Prepared by: Maureen Hassett

Attachment

2011 NJEDA Strategic Plan

Strategic Imperative 1: Advance a Financially Sustainable Business Platform

➤ Goal 1: Maintain and enhance liquidity

- Research and implement the possibility of the EDA receiving capital from outside sources for the creation of revolving, revenue creating products
- Research and implement the possibility of selling Authority owned real estate assets.
- Research and identify ways to reposition restricted funds
 - *Measure:* Generate \$60.5 million in new liquidity with \$40 million in new capital, \$3.5 million from sale of real estate assets and \$17 million in previously restricted funds.

➤ Goal 2: Generate increased operating revenues while outpacing increases in expenses

- Research and implement new ways of increasing revenues to more adequately cover costs
- Research and identify ways that we can reduce costs
 - *Measure:* Increase operating profit by 10% over 2010 budgeted

Strategic Imperative 2: Optimize workforce effectiveness to ultimately improve and strengthen the customer experience

➤ Goal 1: Increase employee engagement reflected by increased productivity and retention

- Develop cross-functional expertise and knowledge among staff
- Leverage and sustain the EDA reputation through selection, development, and retention of leadership talent
 - *Measure:* 30% of staff actively engaged in development/engagement programs

- **Goal 2: Create an IT platform for idea and information exchange about products, programs, and services**
 - Strengthen staff knowledge and proficiency in current software and reporting mechanisms.
 - Better utilize management reports to track activity results
 - *Measure:* Create a 'Reports Manual' which provides a clear identification of roles and responsibility regarding report generation, purpose, and data integrity controls

Strategic Imperative 3: Grow NJ's economy through financial assistance, facilitation and partnerships

- **Goal 1: Provide financial and technical assistance to businesses and municipalities to encourage economic development**
 - Continue to innovate product, refine existing programs, and enhance means of communicating with applicant base in order to reach and serve the greatest number of businesses throughout the State.
 - Refine Authority focus on technology and life sciences, community development, and sustainability.
 - Work in coordination with the Lt. Governor's office, the Business Action Center and Choose NJ to provide best in class services to grow and attract businesses
 - *Measure:* Assist 200 companies through \$400 mm in approved assistance and \$300 mm in closings resulting in \$1 billion in total investment.
- **Goal 2: Launch the Fort Monmouth Economic Recovery Authority**
 - Establish and staff the Fort Monmouth Office
 - Enter into an Economic Development Conveyance Agreement with the US Army
 - *Measure:* Meet established milestones



TO: Members of the Authority

FROM: Caren Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: 2011 Fiscal Plan

Enclosed for your review and discussion is the proposed 2011 Fiscal Plan.

This Plan is the result of a collaborative effort by management and staff. Collectively, we believe our planning process has yielded a fiscally responsible plan that supports the proposed 2011 Strategic Plan.

You will note the accompanying Strategic Plan details imperatives in support of our two key business objectives: 1) to grow New Jersey's economy and 2) to enhance the financial strength of the EDA. The first objective is primarily reflected within the Fiscal Plan's revenue and program cost projections; the second, with fiscally responsible expense and cost constraints.

Our proposed Fiscal Plan reflects a balanced approach in the projection of operating revenues, expenses and costs. For those initiatives that have a degree of speculation, such as investment earnings, bond financing and lease revenue, we were conservative. With new Administration prioritized initiatives, such as clean energy and incentive financing, we were aggressive in the projection of fees. Relative to expenses, we are committed to accomplishing objectives while reducing staff; specifically, we have reduced planned personnel count from 164 to 148 (excluding personnel needed for the Fort Monmouth Economic Recovery Office in Eatontown.) Program and project costs correlate directly to specific initiatives and financings.

Revenues and Operating Earnings

At \$1,858,400, 2011 projected Net Operating Earnings are 40.3% over 2010's Planned and 24.2% under 2010 actual which reflects \$1,200,000 of unplanned federal grant revenue and \$1,000,000 of

unplanned new program fees (Urban Hub, NJPPP). Additionally, the 2011 Fiscal Plan continues to align with the Authority's fundamental asset allocation premise: current year revenues will fund current year operational expenses and program costs.

At \$22,966,400, and only 4.6% under Plan, 2010 financing driven operating revenues reflect the downturn in the economy, while developmental driven revenues reflect specific project endeavors taking longer than anticipated to bring to fruition or they simply did not materialize. With new clean energy initiatives being implemented and existing incentive initiatives aggressively marketed, the 2011 Plan projects Operating Revenues of \$24,987,400: an 8.9% increase over current year actual and 3.8% over the current year Plan.

2010 investment interest income of \$6,210,000 is projected to be 21.2% under Plan primarily due to the steep reduction in interest rates, deployment of Managed Funds and return of undeployed appropriations back to the State. Utilizing projected production assumptions, capital inflows and outflows, and a .15% interest rate for the Cash Management Fund and blended 1.58% rate for 5yr Treasuries, on approximately a \$392 million consolidated average investment base, 2011 Nonoperating Revenues are projected to be \$4,660,000 and are 24.9% under current year and 40.9% under the 2010 Plan.

Personnel

At present, personnel count is expected to be 143 by year end; therefore, the 2010 approved personnel count of 164 has 21 vacant positions which primarily explains being \$798,000, 6.8%, under Plan of \$11,786,000. By projecting a reduced personnel count of 148 (excluding the personnel dedicated to the Fort Monmouth initiative) the 2011 Plan demonstrates the Authority's commitment to remain fiscally prudent.

2011 core EDA (non-Fort Monmouth initiative) projected personnel and benefits expense of \$15,848,500 is 7.9% under the current year Plan and .7% under current year projected actual. Also reflected are the following incremental changes:

- EDA Contribution to PERS increased 25% from \$1,030,000 to \$1,293,000
- Post employment benefit contribution of \$805,700 is established by actuary
- Health insurance premiums increased 12.2%; however, 7.7% of total health insurance premium is paid by employees
- Prescription premiums increased 6.6%
- Dental premiums increased 8%

It is expected that EDA will dedicate 13 employees to the Fort Monmouth initiative. The consolidated Fiscal Plan projects salary expense totaling \$1,071,000 and benefits totaling \$482,500. This \$1,553,500 expense is offset by an equivalent amount of Agency Fee income. In addition, \$250,000 will be recognized as Agency Fee income for indirect support services provided to these dedicated employees. Please note General and Administrative expense

associated with these dedicated employees will be directly absorbed and reported by the FMERA.

Administrative Expense

At \$3,828,000, the 2010 general and administrative expense projections reflects a \$570,000, 13.0%, decrease from the current year Plan of \$4,398,000 primarily due to \$305,000 of IT cost savings and one project being deferred till next year and \$160,400 in personnel related savings. 2011 estimated expenses of \$3,386,600 are 23.0%, under the current year Plan and 11.5% under current year actual.

Management had retained the Northhighland Group, an IT consultant, for the purpose of assessing the current state of our IT system, define the optimal framework for our business, and chart a multiyear implementation process. This study was completed in 2007 and management implemented the following IT solutions in 2010 which aggregate to \$550,000:

- \$250,000 Surface Area Network/Disaster Recovery replication
- \$250,000 Voice-Over Internet Protocol
- \$50,000 IT Strategic Plan implementation consultation

The second phase of the Loan Management System restructure, estimated at \$200,000, is planned for 2011.

Program Costs

Program Costs represent expenditures that align with specific initiatives and projects. At \$6,126,000, the 2010 actual projections are 24.0% under the current year Plan of \$8,060,600 because certain initiatives and projects did not commence. At \$6,325,000, the 2011 projection is 3.2% over current year actual and 21.5% under current year Plan.

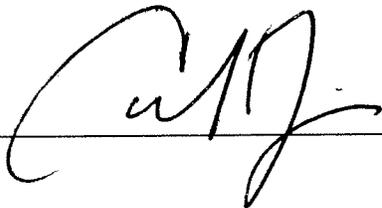
2011 projected expenditures of \$6,325,000 align with our proposed business strategies; significant items follow:

- Asset Management Costs: At \$3,948,000 million, the Plan reflects those costs to maintain tenants at the Camden Waterfront Technology Center, the Tech Center, the Commercialization Center, and the Trenton Office Complex and to ground lease and lease space from the Tech Center LLC. These costs are primarily off-set by lease and sub-lease rental income.
- Outreach: The marketing plan launched this year will continue at a reduced level and be refined to align with the 2011 Strategic Plan. The projected plan of \$560,000 (\$400,000 to support activities of the new sales support/marketing contract, \$160,000 for event sponsorships, outreach, support for the Partnership for Action and associated postage) is 54.6% under last year's Plan and will be utilized to support new clean/green energy

initiatives and existing initiatives in three key areas: Core, Urban/Site, and Life Sciences/Tech. EDA will undertake its sales support and communications efforts in close coordination with Choose NJ and the Business Action Center as part of the Partnership for Action, led by Lieutenant Governor Kim Guadagno. The EDA's outreach program will have major emphasis with CPAs, lawyers and bankers to drive meaningful ways for businesses and nonprofits to use EDA resources to grow and expand in the state of New Jersey. Continued focus and support of urban centers via partnerships with chambers of commerce, local economic development offices and trade organizations in biotech and manufacturing, as well as sponsorships, educational seminars and events will be used. EDA will also focus on new/social media to leverage our message via the internet.

- Technical Assistance: To help New Jersey's entrepreneurs and small businesses start, run, and grow, the Authority has a strategic partnership with the UCEDC to help entrepreneurs and small business owners create their own business plans, to implement their ideas and strategies, and to strategically grow their operations. Support for the UCEDC is contracted at \$300,000 for 2011.
- Consultation: In light of management channeling resources to the new Fort Monmouth initiative, the 2011 Plan reflects a realignment of EDA's historical real estate strategy. Recognizing the continued need for urban development advisory services, management projects an estimate of \$150,000 on the third year of a three year contract.

In summary, management believes the compilation of the 2011 Fiscal Plan to be a collective process that interrelates with and supports the 2011 Business Plan. At its meeting of December 1, this Plan was reviewed by the Audit Committee which concurred it is fiscally responsible and aligns with the 2011 Business Plan; accordingly, the Board's approval is requested.



Prepared by Gregory Ritz, Chief Financial officer

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2011 FISCAL PLAN

	2010 Fiscal Plan	2010 Projected Actual	Actual Over/(Under) Plan	%	2011 Fiscal Plan
				Variance	
Operating Revenue:					
Financing Fees	\$5,668,000	\$5,194,000	(\$474,000)		\$6,504,000
Lease Revenue	4,479,700	4,386,700	(93,000)		4,861,000
Interest from Notes	7,802,000	8,253,000	451,000		8,048,700
Agency Fees	989,000	1,041,500	52,500		2,769,500
Program Services	2,460,500	1,718,500	(742,000)		835,200
Real Estate Development Fees	2,588,800	647,700	(1,941,100)		1,569,000
Grant Revenue		1,200,000	1,200,000		300,000
Loss recoveries	50,000	450,000	400,000		50,000
Late Fees and Other	25,000	75,000	50,000		50,000
Total Operating Revenue	24,063,000	22,966,400	(1,096,600)	-4.6%	24,987,400
Non Operating Revenue:					
Interest from Cash Investments	7,884,000	6,210,000	(1,674,000)	-21.2%	4,660,000
Total Revenue	31,947,000	29,176,400	(2,770,600)	-8.7%	29,647,400
Administrative Expenses					
Personnel and Benefits	17,203,000	15,961,000	(1,242,000)		17,402,000
General and Administrative	4,398,000	3,828,000	(570,000)		3,386,600
Total Administrative Expenses	21,601,000	19,789,000	(1,812,000)	-8.4%	20,788,600
Costs					
Interest	961,300	809,000	(152,300)		675,400
Program	8,060,600	6,126,000	(1,934,600)		6,325,000
Total Costs	9,021,900	6,935,000	(2,086,900)	-23.1%	7,000,400
Total Expenses & Costs	30,622,900	26,724,000	(3,898,900)	-12.7%	27,789,000
Net Operating Earnings	\$1,324,100	\$2,452,400	\$1,128,300	85.2%	\$ 1,858,400

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2011 FISCAL PLAN

Revenue Detail

	2010 Fiscal Plan	2010 Projected Actual	Actual Over/(Under) Plan	% Variance	2011 Fiscal Plan
Financing Fees					
Application Fees	\$1,995,000	\$1,700,000	(\$295,000)		\$1,717,000
Bond Closing Fees-Private	1,260,000	600,000	(660,000)		900,000
Bond Closing Fees-State	300,000	300,000			300,000
Bond refunding Fees-Private	360,000	350,000	(10,000)		350,000
Bond refunding Fees-State					
Commitment Fees	669,500	300,000	(369,500)		1,122,000
Guarantee Closing Fees	290,000	288,000	(2,000)		320,000
Loan Closing Fees	343,500	257,000	(86,500)		395,000
Real Estate Closing Fees		224,500	224,500		85,000
Hub Tax Credit Approval Fees	220,000	1,174,000	954,000		1,310,000
Hub Tax Credit Issuance Fees	220,000		(220,000)		
Other	10,000	500	(9,500)		5,000
Total Financing Fees	5,668,000	5,194,000	(474,000)	-8.4%	6,504,000
Lease Revenue					
NY Daily News	102,600	102,600			102,600
Commercialization Ctr & Expansion	827,400	839,700	12,300		795,000
Technology Centre of NJ	1,984,900	1,829,500	(155,400)		2,088,000
Trenton Marine Terminal		13,900	13,900		
TOC-Renaissance Place	278,900	290,000	11,100		269,400
Waterfront Tech Ctr at Camden	1,279,900	1,305,000	25,100		1,600,000
Institute for Dev. of Educ. in Arts (IDEA)	6,000	6,000			6,000
Total Lease Revenue	4,479,700	4,386,700	(93,000)	-2.1%	4,861,000
Agency Fees					
Board of Public Utilities Clean Energy	380,000	370,000	(10,000)		360,000
Commercial Revitalization	5,000	8,000	3,000		5,000
DEP Recycling	3,000	500	(2,500)		
FMEERO Staff Reimbursement					1,553,500
FMEERO Support Services		62,500	62,500		250,000
Historic Trust Fund	1,000	500	(500)		1,000
NJ Local Development Financing Fund	450,000	450,000			450,000
New Markets Tax Credit	150,000	150,000			150,000
Total Agency Services	989,000	1,041,500	52,500	5.3%	2,769,500
Program Services					
BEIP Service Fees	900,000	616,000	(284,000)		616,000
Intergovernmental Services	150,000	75,000	(75,000)		
Invest NJ	200,000	270,000	70,000		
Public/Private Partnership		29,000	29,000		73,700
RGGI/CESCI	1,030,000	240,000	(790,000)		
Structured Closing Residual Fees	15,000	118,000	103,000		
Tech Ctr Allocation	150,000	130,000	(20,000)		130,000
SWM Business Service Fees	15,500	15,500			15,500
Venture Fund Distributions/Warrants		225,000	225,000		
Total Program Services	2,460,500	1,718,500	(742,000)	-30.2%	835,200
Real Estate Development and Mgt Fees					
Development Fees					
Camden State Office Building	25,000		(25,000)		
Camden Prison	90,000	110,000	20,000		
Merial	150,000		(150,000)		150,000
Montclair University	25,000		(25,000)		
LIEDTKA (SJPC)	25,000		(25,000)		
L'Oreal	162,500	125,000	(37,500)		
Newark State Office Building	1,500,000		(1,500,000)		
Rowan University					450,000
Acquisition Services - Portfields					150,000
State Police Barracks	217,000		(217,000)		500,000
Total Development Fees	2,194,500	235,000	(1,959,500)	-89.3%	1,250,000
Management Fees					
Commerce Center-Comm on Science	4,000		(4,000)		
NJ Performing Arts Center	25,000	25,000			25,000
State Office Buildings	63,000	63,000			63,000
Technology Center of NJ	272,300	294,700	22,400		201,000
Waterfront Parking Lot	30,000	30,000			30,000
Total Management Fees	394,300	412,700	18,400	4.7%	319,000
Total RE Development&Mngt Fees	2,588,800	647,700	(1,941,100)	-75.0%	1,569,000

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

12/1/2010

2011 Fiscal Plan
Administrative Expenses

	2010 Approved Plan	2010 Projected Actual	Actual Over/(Under) Plan	% Variance	2011 Fiscal Plan
SALARY EXPENSE	\$11,786,000	\$10,988,000	(\$798,000)	-6.8%	\$11,745,000
FRINGE BENEFITS					
Social Security	877,600	817,000	(60,600)		891,000
Pension Costs	1,030,000	1,030,000			1,293,000
Non-health related Ins.	168,200	154,000	(14,200)		170,400
Health Insurance	1,877,000	1,575,000	(302,000)		1,952,300
Less: Employee Contribution					(150,000)
Post-employment benefits obligation	768,000	768,000			805,700
Prescription Ins.	533,600	480,000	(53,600)		525,400
Dental Care Ins.	143,600	130,000	(13,600)		149,800
Vision Care	19,000	19,000			19,400
TOTAL FRINGE BENEFITS	5,417,000	4,973,000	(444,000)	-8.2%	5,657,000
TOTAL PERSONNEL AND FRINGE	\$17,203,000	\$15,961,000	(\$1,242,000)	-7.2%	\$17,402,000
% Total Fringe/Salaried Employees	46.0%	45.3%			48.2%
% Total Fringe/Total Personnel & Fringe	31.5%	31.2%			32.5%
Total Salaried Employees	164	143	(21)		161
Average Monthly Salaried Employee Count	164	143	(21)		161
FMERO SALARY EXPENSE					\$1,071,000
FMERO FRINGE BENEFITS					
Social Security					76,000
Pension Costs					126,000
Non-health related Ins.					14,200
Health Insurance					151,000
Less: Employee Contribution					(16,100)
Post-employment benefits obligation					78,500
Prescription Ins.					40,600
Dental Care Ins.					10,800
Vision Care					1,500
TOTAL FMERO FRINGE BENEFITS					482,500
TOTAL FMERO PERSONNEL AND FRINGE					\$1,553,500
Total Salaried Employees					13

Note: FMERO totals are included in consolidated amounts above

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
2011 Fiscal Plan
Administrative Expenses

	2010 Approved Plan	2010 Projected Actual	Actual Over/(Under) Plan	% Variance	2011 Fiscal Plan
PERSONNEL RELATED					
Part-time Employees	\$75,000		(75,000)		
Temporary Agencies	45,000	40,000	(5,000)		\$40,000
Publications & Subscriptions	8,500	5,000	(3,500)		5,000
Automobile	13,500	10,600	(2,900)		48,100
Local Travel & Meetings	70,000	33,000	(37,000)		35,000
Affirmative Action Monitoring	10,000	9,000	(1,000)		10,000
Conference	27,000	20,000	(7,000)		20,000
Professional Training	166,000	137,000	(29,000)		165,000
TOTAL PERSONNEL RELATED	415,000	254,600	(160,400)	-38.7%	323,100
CONTRACT SERVICES					
Financial Audit	160,000	139,000	(21,000)		167,500
Governor's Authorities Unit Assessment	26,500	26,000	(500)		26,000
TOTAL CONTRACT SERVICES	186,500	165,000	(21,500)	-11.5%	193,500
INFORMATION SYSTEMS					
System Maintenance	220,000	200,000	(20,000)		195,000
System Software	125,000	100,000	(25,000)		60,000
System Hardware	322,000	275,000	(47,000)		118,000
Major Projects	700,000	550,000	(150,000)		200,000
CRMS	125,000	125,000			150,000
Online Subscriptions	123,000	125,000	2,000		104,000
External Services Providers	190,000	125,000	(65,000)		189,000
TOTAL INFORMATION SYSTEMS	1,805,000	1,500,000	(305,000)	-16.9%	1,016,000
OFFICE OPERATIONS					
Telephone	268,000	325,000	57,000		235,000
Utilities	283,000	281,000	(2,000)		268,000
Postage & Delivery	69,300	50,000	(19,300)		52,500
Rent	197,500	193,500	(4,000)		202,500
Insurance-liability & property	280,000	267,000	(13,000)		285,000
Equipment Maintenance	34,700	27,500	(7,200)		30,000
Furniture/Equipment lease/purchase	161,300	153,400	(7,900)		150,000
Stationary & Supplies	94,200	76,000	(18,200)		76,000
TOTAL OFFICE OPERATIONS	1,388,000	1,373,400	(14,600)	-1.1%	1,299,000
BUILDING MANAGEMENT					
Facility Management	88,000	88,000			91,000
Building Security Guard	80,000	67,000	(13,000)		75,000
Janitorial	169,300	140,000	(29,300)		149,000
Taxes/P/LOT	56,400	56,500	100		57,000
Grounds	86,000	50,000	(36,000)		50,000
Parking Lot	30,000	42,000	12,000		50,000
Mechanical Maintenance	51,800	53,000	1,200		43,000
TOTAL BUILDING MANAGEMENT	561,500	496,500	(65,000)	-11.6%	515,000
GENERAL					
	42,000	38,500	(3,500)	-8.3%	40,000
TOTAL GEN'L & ADMIN. EXPENSE	\$4,398,000	\$3,828,000	(\$570,000)	-13.0%	\$3,386,600
TOTAL ADMINISTRATIVE	\$21,601,000	\$19,789,000	(\$1,812,000)	-8.4%	\$20,788,600

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2011 FISCAL PLAN

Program Cost Detail

	2010 Fiscal Plan	2010 Projected Actual	Actual Over/(Under) Plan	% Variance	2011 Fiscal Plan
Asset Management					
Maintenance and Repair	\$1,153,600	\$1,057,500	(\$96,100)		\$962,000
Property Management	168,700	160,100	(8,600)		181,500
Rent	1,104,900	1,102,600	(2,300)		1,310,800
Taxes and PILOT	397,100	348,000	(49,100)		414,500
Tenant FitOut	30,000	38,600	8,600		50,000
Utilities	1,453,900	1,011,200	(442,700)		1,029,200
Total Asset Management	4,308,200	3,718,000	(590,200)	-13.7%	3,948,000
Legal					
Deputy Attorney General Contracted Fees	1,000,000	955,000	(45,000)		1,010,000
Special Counsel:					
Other Litigation		500	500		
Total Legal	1,000,000	955,500	(44,500)	-4.5%	1,010,000
Outreach					
Media Buying	374,000	100,000	(274,000)		400,000
Creative Development	255,000	60,000	(195,000)		50,000
Marketing Outreach	177,000	100,000	(77,000)		90,000
Creative Production	208,400	20,000	(188,400)		
Website	125,000	85,000	(40,000)		
General	95,000	35,000	(60,000)		20,000
Public Affairs					
Total Outreach	1,234,400	400,000	(834,400)	-67.6%	560,000
Consultation					
Site Energy Audits		75,000	75,000		
HUB Site Analysis	40,000		(40,000)		
Port Authority Portfields Initiative	215,000	85,000	(130,000)		
Clean Energy Technical Consultation	200,000		(200,000)		
Urban/Real Estate Advisory Services	200,000	110,000	(90,000)		150,000
Total Feasibility Consultation	655,000	270,000	(385,000)	-58.8%	150,000
Technical Assistance	300,000	300,000			300,000
Services					
Appraisals of Collateral	35,000	13,000	(22,000)		
CCIT - IT Services	100,000		(100,000)		
DoL Prevailing Wage Monitoring	50,000	50,000			
Credit Reporting Services	20,000	15,000	(5,000)		18,000
NJIT Program Evaluation		80,000	80,000		
Total Services	205,000	158,000	(47,000)	-22.9%	18,000
Insurance					
Property & Liability Insurance	185,000	185,000			190,000
Total Insurance	185,000	185,000			190,000
Other					
Camden Waterfront Landscaping	30,000	22,500	(7,500)		25,000
Debt Servicing	44,000	45,000	1,000		45,000
Filing Fees	5,000	6,000	1,000		6,000
Program Related Travel & Meetings	70,000	60,000	(10,000)		60,000
Searches-Titles, Leins, Property	4,000	1,000	(3,000)		3,000
Other	20,000	5,000	(15,000)		10,000
Total Other	173,000	139,500	(33,500)	-19.4%	149,000
Total Program Costs	\$8,060,600	\$6,126,000	(\$1,934,600)	-24.0%	\$6,325,000



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: **Appropriation from NJ Legislature – FY2011
Small Business Development Centers (SBDCs)**

DATE: **December 14, 2010**

Request:

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

Historically, this funding has been through an annual appropriation and allocated to SBDC's through a Grant Agreement with Rutgers. This had been administered by the Commerce Commission and became the responsibility of the EDA through the implementation of P.L. 2008, c.27 that consolidated economic development programs under the EDA in FY2009.

As defined in the state budget language for FY2011, the Business Retention and Attraction Division (BRAD) must fund up to 20% of the SBDC agreement. Due to state budget constraints, EDA will be funding this agreement and BRAD will contribute 1% or \$2,500 to meet the legislative requirement. The remaining BRAD funds support the Small Business Advocate in the Lt. Governor's office. This is the only year that funding will be absorbed by EDA. In subsequent years funding will be handled through the State budget process.

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

Background:

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

The NJSBDCs consist of a headquarters and 11 regional centers throughout the State. In 2009 - 2010, counselors advised approximately 5,612 clients (approximately 25% were existing businesses) and taught over 241 workshops. Primary funding sources for the SBDCs include the federal SBA, State of New Jersey, Schools Development Authority and New Jersey colleges and county colleges. The Legislature's Appropriation represents approximately 7% of the total funding.

In accordance with our streamlined economic development strategies, the EDA will continue to work with the NJSBDCs, state agency partners and other technical assistance providers to identify opportunities to leverage and optimize resources that support services to the business community including those related to procurement, with a focus on small, women and minority owned businesses.

Key Deliverables:

Staff from the Authority, the SBDCs and key state partners worked together to identify metrics for FY2011 which reflect the current economy. Performance against these metrics will be monitored through quarterly reports from the NJSBDC headquarters office. The performance outcomes for the first quarter of FY2011 (7/1/10-9/30/10) were received and reviewed against the projected metrics stated below. The results were satisfactory.

Metric	FY2011 Projections
Clients:	
Attended at least one topical workshop	13,000
Received one-on-one counseling	5,300
Attended procurement training and/or counseling	1,300
Referrals to EDA for small business financing	10
Counseled for:	
Small business certifications	125
Women and/or minority owned business registrations	150
Through SBDC guidance and support, clients secured:	
total loan amount, including owner's equity	\$30 million
total procurement contract value	\$20 million
state contract procurement value	\$8 million

Service Agreement:

The FY2011 Service Agreement is in substantially the same form as the FY2010 agreement. The terms of the Agreement may be subject to revision, although the basic terms and conditions will remain consistent. The final Agreement will be subject to approval of the Chief Executive Officer and the Attorney General's Office.

Recommendation:

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



Caren S. Franzini

Prepared by Marion Zajac

BOND RESOLUTIONS

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

APPLICANT: Seabrook House Inc

P33867

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 133 Polk Lane

Upper Deerfield Township (T)

Cumberland

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

APPLICANT BACKGROUND:

In existence since 1975, Seabrook House Inc., a 501(c)(3) organization, is a licensed residential addiction treatment facility with 150 beds, which provides alcohol and drug detox treatment through its inpatient rehabilitation treatment for both men and women. In addition, Seabrook House offers professional family intervention treatment services to those families attempting to help family members with a substance abuse problem. The family education and drug information programs, family intervention treatment services, and substance abuse counseling treatment services of Seabrook House have been nationally recognized. The treatment campus extends over a 40-acre estate in Upper Deerfield Twp., Cumberland County with 160 employees. Edward Diehl is CEO and President.

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 conventional financing from TD Bank (originally \$5,050,000 dated 12/1/2006 at 4.49% due November 2021) provided to fund the construction of a new 42,000 sq. ft. facility to house a women and children's program. The women and children's program opened in 2006 but due to increased cost and declining reimbursement rates, the program was officially closed in December 2009. The Applicant is in the process of relicensing the building to allow an increase in admittance to the short term program for men and women.

FINANCING SUMMARY:

BOND PURCHASER: Republic Bank (Direct Purchase)

AMOUNT OF BOND: \$4,756,030 Tax-exempt bond

TERMS OF BOND: 20 years; Fixed interest rate of 3.9% for five years with rate reset on 5th anniversary and every five years thereafter based on tax exempt equivalent of 10 yr. Treasury plus 300 basis points, with floor of 3.9%.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$4,558,030
Finance fees	\$173,000
Legal fees	\$25,000
TOTAL COSTS	\$4,756,030

JOBS: At Application 160 Within 2 years 20 Maintained 0 Construction 0

PUBLIC HEARING: 11/09/10 (Published 10/27/10) **BOND COUNSEL:** Archer & Greiner
DEVELOPMENT OFFICER: H. Friedberg **APPROVAL OFFICER:** T. Wells

AMENDED BOND RESOLUTIONS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: The Order of St. Benedict of New Jersey
Application P24023
Morristown, Morris County

MODIFICATION REQUEST

The Order of St. Benedict of New Jersey requests Board approval of the amended and restated loan agreement and trust indenture for a tax exempt bond to include an additional interest rate mode, terminate the existing letter of credit while in the new interest rate mode and the purchase of the series bond by the letter of credit bank.

BACKGROUND

In 2008, the Authority issued its \$17,000,000 tax-exempt bond for the benefit of the Order of St. Benedict of New Jersey, a 501(c)(3) not-for-profit school known as The Delbarton School, a Catholic preparatory school (grades 7-12) for boys of any race, color, creed, or national origin. The bond proceeds were used to finance renovations to the main school building and the original school and the construction of additions and renovations to the South and North Athletic fields, including new locker rooms, playing fields, scoreboards and grand stands. The 2008 Bonds were underwritten by Wachovia Bank, N.A. for 20 years, as multi-modal bonds, currently in a weekly variable interest rate enhanced by a direct pay letter of credit by Wachovia Bank, now a division of Wells Fargo. On the closing date, the School entered into a swap agreement to a fixed rate for the term of the bond. The current interest on the swap is 3.98% on \$12 million of the original par amount and 3.218% on \$5 million of the original par amount. The project is in compliance with Authority requirements.

Wells Fargo has negotiated with the School to directly purchase the 2008 Series Bonds by converting the existing Series Bonds to a new interest rate mode, based on the tax exempt equivalent of 1 month LIBOR plus 1.65% ("LIBOR Index Rate"), bank qualified. The original swap will remain in place but will be amended to a LIBOR based swap to match the underlying rate on the amended bond, which is expected to save the School over 30 basis points annually. Upon a conversion to the LIBOR Index Rate, the existing letter of credit will no longer be in effect.

In order to accomplish the transaction, the School requests the approval of the Amended and Restated Loan Agreement and Indenture of Trust to add the LIBOR Index Rate and other incidental actions necessary to effectuate the conversion to the LIBOR Index Rate and the direct purchase of the amended Bond by Wells Fargo.

Bond counsel, McManimon & Scotland, has reviewed the transaction and advises that the Modification Request will constitute a reissuance under the IRS Code.

RECOMMENDATION

It is recommended that the Board approve the requested Modification Request to amend and restate the trust indenture and loan agreement to provide for an additional interest rate mode and the direct purchase of the amended bond by Wells Fargo. The Modification will provide savings of approximately \$1.1 million over the term of 2008 Bond by eliminating the underlying fees associated with the existing letter of credit financing (annual letter of credit fee, the remarketing fee, the rating agency fee and a portion of the trustee fee) and an interest savings of at least 30 basis points annually.



Prepared By: Teresa Wells

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

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

APPLICANT: Jordache Limited

P34624

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 200 Helen Street

South Plainfield Borough (N)

Middlesex

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

APPLICANT BACKGROUND:

Jordache Limited, established in 1978 by three brothers from Brooklyn, Joe, Ralph and Avi Nakash, is the originator of the Jordache brand designer denim jeans. Today, Jordache is a privately held conglomerate with an international reach. The company designs and manufactures a wide variety of denim, apparel and accessories. The brands owned by Jordache include Jordache, Earl Jean, U.S. Polo Assn., KIKIT Jeans, Maurice Sasson, Fubu Ladies, and Gasoline; their factories produce over 30 million garments annually. Its manufacturing and largest US distribution center of over 780,000 sq. ft., is located in South Plainfield and employs 75 full-time people.

In 1982, the applicant also received tax exempt bond financing in the amount of \$1,500,000 to purchase a facility in Rahway for distribution of apparel. The bond was paid in full in 1984.

APPROVAL REQUEST:

Authority assistance will enable the applicant to purchase and install a 1,243 kilowatt solar photovoltaic system at the project facility. The Project will include installation of photovoltaic panes and materials, installation of underground electrical site systems and inverter. Renovations to the facility include the enhancement to roofing to support the panels.

The bond will be designated a Recovery Zone Facility Bond ("RZFB") under the American Recovery and Reinvestment Tax Act of 2009. The EDA has been allocated \$6,000,000 from the State of NJ to be the issuer of the RZFBs on behalf of the Applicant.

FINANCING SUMMARY:

BOND PURCHASER: GE Government Finance (Direct Purchase)

AMOUNT OF BOND: \$6,000,000 Tax-exempt Recovery Zone Facility Bond

TERMS OF BOND: 7 years; Fixed interest rate estimated at 4.50% as of 12/3/2010.

ENHANCEMENT: N/A

PROJECT COSTS:

Purchase of equipment & machinery	\$4,880,000
Renovation of existing building	\$1,000,000
Legal fees	\$70,000
Finance fees	\$50,000
TOTAL COSTS	<hr/> \$6,000,000 <hr/>

JOBS: At Application 75 Within 2 years 11 Maintained 0 Construction 9

PUBLIC HEARING: 12/14/10 (Published 11/30/10) **BOND COUNSEL:** McManimon & Scotland
DEVELOPMENT OFFICER: M. Piliere **APPROVAL OFFICER:** T. Wells

PRELIMINARY RESOLUTIONS

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

APPLICANT: Church of Our Lady of the Angels

P33790

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 21-23 Bayard St

Trenton City (T/UA)

Mercer

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

APPLICANT BACKGROUND:

Church of Our Lady of the Angels is a Roman Catholic Church in the Diocese of Trenton. The church was established in 2005 as a result of the merger of Immaculate Conception Church (founded in 1875) and Saint Joachim Church (founded in 1901). The facilities at the Saint Joachim Church campus include the building of the former Saint Joachim School which was erected in 1909. The school closed in 1999 and was occupied by the Trenton Board of Education until 2005 in order to alleviate over-crowding. Since the merger and the creation of Our Lady of the Angels, the building has been used to house the parish office and has acted as a community center. The facility has hosted several outreach programs, but the extent of the programming has been limited because the building is not in compliance with the Americans with Disabilities Act. The church is hopeful that by renovating the facilities, it will be able expand its program offerings for the community of Trenton.

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 expand and renovate its 10,000 sq ft building to serve as a community center. The project will bring the facility into compliance with the Americans with Disabilities Act. The renovation includes the installation of an elevator as well as restrooms for men and women on each of the building's four stories. The project will also make room for the creation of conference rooms and administrative offices.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Renovation of existing building	\$1,750,000
Engineering & architectural fees	\$89,000
Legal fees	\$35,000
Finance fees	\$30,000
Accounting fees	\$5,000

TOTAL COSTS

\$1,909,000

JOBS: At Application 14 Within 2 years 3 Maintained 0 Construction 53

PUBLIC HEARING:

DEVELOPMENT OFFICER: P. Ceppi

BOND COUNSEL: Gluck Walrath, LLP

APPROVAL OFFICER: K. McCullough

CLEAN ENERGY PROGRAMS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - CLEAN ENERGY SOLUTIONS CAPITAL INVESTMENT PROGRAM**

APPLICANT: Anheuser-Busch Inc.

P29177

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 200 Route 1

Newark City (T/UA)

Essex

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

APPLICANT BACKGROUND:

Anheuser-Busch, Inc. ("ABI") is the principal subsidiary of ABInBev, which is the largest brewing company in the world. ABI is headquartered in St. Louis, MO and operates 12 breweries in the United States, including the brewery that is located at 200 Route 1 in Newark. The Newark brewery was established in 1951 and currently produces 7.5 million barrels per year. The proposed project will establish a 7.965 megawatt cogeneration plant ("CHP") at Newark brewery for \$8,719,197. The applicant has requested a \$926,125 CESCO loan and a \$231,531 CESCO grant (pending approval under P29646) to partially fund the project costs. The CHP plant will generate 57,299 MWh of electricity and 169,758 MMBtu of thermal energy per annum and will reduce emissions of carbon dioxide by 21,513 tons per year. The project management team has more than 75 years of combined experience and currently operates a CHP plant at their brewery in Florida.

The project has been reviewed by BPU and was deemed technically eligible. In addition, a financial review of the project and Applicant determined that there are sufficient resources to complete the construction of the proposed CHP plant.

ABI has also requested a \$3,201,943 Clean Energy Solutions ARRA CHP grant under P33797 (Submitted for approval at 12/14/10 Board Meeting).

APPROVAL REQUEST:

Approval is requested for a \$926,125 CESCO loan as proposed.

FINANCING SUMMARY:

LENDER: EDA

AMOUNT OF LOAN: \$926,125

TERMS OF LOAN: Zero percent interest rate, 5-year term and amortization.

PROJECT COSTS:

Purchase of equipment & machinery	\$4,162,000
Equipment Install	\$3,567,000
Soft Costs	\$990,197
TOTAL COSTS	\$8,719,197

JOBS: At Application 477 Within 2 years 0 Maintained 477 Construction 35

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: S. Brady



TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: December 14, 2010

SUBJECT: Clean Energy Solutions American Recovery and Reinvestment Act Combined Heat and Power (ARRA CHP) Program

Background:

On September 13, 2010, the EDA launched the \$18 million Clean Energy Solutions American Recovery and Reinvestment Act Combined Heat and Power Grant Program (“ARRA CHP”). The program was jointly developed by the EDA and the New Jersey Board of Public Utilities (“BPU”) and was funded with an allocation from the American Recovery and Reinvestment Act (“ARRA”) of 2009. The purpose of the program is to provide project-based grants to support the development, design and construction of combined heat and power (“CHP”) projects in New Jersey. The grant amount is determined at \$450 of grant proceeds per kilowatt of installed electric generation and Awardees can receive up to a maximum of \$5 million. The program was offered via a competitive solicitation and respondents were required to submit a complete application by October 4, 2010.

In total, 17 companies responded to the competitive solicitation, with nine applications deemed non-responsive for reasons such as failure to include required fees or to provide required information and one application was submitted after the deadline. Those Applicants are:

ACH Energy Partners, LLC
AHS Hospital Corp. – Overlook Hospital
ASB Energy Partners, LLC
Bloomberg LP
Pepco Energy Services, Inc.
PNS Energy Partners, LLC
RED-Burlington, LLC
Robert Wood Johnson University Hospital
Rutgers University

The remaining eight respondents were then ranked by an evaluation committee comprised of representatives from EDA, BPU and DEP. Using the approved scoring criteria to determine the allocation for the \$18 million of ARRA CHP grant funding, all eight scored sufficiently to proceed to underwriting for review. The due diligence consisted of: an analysis of the applicant’s and/or parent company’s financial statements; a cash flow analysis (historic and/or projected); a review of the project financing; a review of the project management team’s qualifications; corporate background checks (including D&B reports, Lexis Nexis and Google searches).

During the underwriting review, it was discovered that two applicants (Montclair State University and Cape May County) intended to use a third party to construct, own and operate the CHP plant. Neither of these applicants had identified that third party as both were intending to use an RFP process in order to make their selection. They indicated that the RFPs are pending. In both cases, the unidentified third party was stated to be responsible for obtaining the project financing, operating the plant and entering into an energy purchase agreement with the applicant. Since these third parties had not yet been identified, applicants were not able to provide the needed documentation (including financial statements) required to complete a financial review. As a result, EDA staff was not able to perform the necessary underwriting analysis in order to determine the financial viability of the project or the project owner. For that reason, the projects were deemed non-conforming for failure to provide information needed to complete the underwriting review.

The remaining six projects (listed below) were determined to be financially feasible and are being submitted for approval. Please refer to the attached memos for additional details about the specific projects. Of the \$18 million in ARRA funding, we are recommending approval for \$15,153,249 in total grants and there will be \$2,846,751 in unutilized funding. Staff will be working in collaboration with BPU to identify alternate uses and will come back to the Board with a recommendation.

Recommend for Awards:

Rank	Name	Location	Size (MW)	Total Cost	Grant Request	Completion Date (1)
1	Anheuser-Bush	Newark	7.965	\$8,719,197	\$3,201,943	8/31/2012
2	DSM Nutritional Products	Belvidere	9.5	\$18,011,667	\$3,147,120	8/31/2012
3	ACR Inlet District Energy	Atlantic City	7.965	\$27,564,000	\$3,201,943	11/30/2011
4T	ACB Energy Partners	Atlantic City	7.965	\$27,312,059	\$3,201,943	2/28/2011
5	NRG Thermal	Plainsboro	4.6	\$13,115,000	\$1,925,100	2/28/2012
7	Ocean County College	Toms River	1.1	\$6,660,850	\$475,200	3/31/2012
Total:					\$15,153,249	

Footnotes:

1. All applicants have indicated that the equipment will be installed and the ARRA CHP grants utilized by April 30, 2012.

Recommendation:

It is recommended that the Board award funding in the aggregate amount of \$15,153,249 to the six projects listed above and that no award will be made to the two projects deemed non-conforming.



Prepared-by: S. Brady

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - THE CLEAN ENERGY SOLUTIONS ARRA CHP PROGRAM GRANT**

APPLICANT: ACB Energy Partners LLC

P33789

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 1077 Absecon Blvd.

Atlantic City (T)

Atlantic

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

APPLICANT BACKGROUND:

ACB Energy Partners, LLC is a newly formed company that was established as a special purpose entity for the proposed project. It is owned by Energenic-US, LLC ("Energenic") which is an independent energy development company that specializes in the development, engineering, construction, operation and maintenance of electrical, heating and cooling energy production facilities. Energenic was established in 2007 to formalize a partnership between DCO Energy and Marina Energy, a subsidiary of South Jersey Industries ("SJI").

The proposed project will establish a 7.965 megawatt cogeneration plant ("CHP") at 1087 Absecon Blvd, Atlantic City for \$27,312,059.

APPROVAL REQUEST:

Approval is recommended for a \$3,201,934.50 Clean Energy Solutions ARRA CHP grant as proposed.

FINANCING SUMMARY:

GRANTOR: NJEDA

AMOUNT OF GRANT: \$3,201,943

TERMS OF GRANT: No interest and no repayment

PROJECT COSTS:

CHP System	\$22,206,000
Soft costs	\$2,002,000
Debt service reserve fund	\$1,270,000
Finance fees	\$1,171,000
Interest during construction	\$563,000
Working capital	\$100,059
TOTAL COSTS	<u><u>\$27,312,059</u></u>

JOBS: At Application 12 Within 2 years 2 Maintained 0 Construction 50

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: S. Brady

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - THE CLEAN ENERGY SOLUTIONS ARRA CHP PROGRAM GRANT**

APPLICANT: ACR Energy Partners LLC

P33791

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Oriental Ave. & Massachusetts Atlantic City (T)

Atlantic

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

APPLICANT BACKGROUND:

Applicant is a newly formed special purpose entity which is 100% owned by Energenic-US, LLC. Energenic was formed in 2007 to develop, engineer, construct, operate, maintain and manage energy centers, renewable energy projects and combined heat and power production facilities. Energenic is equally owned by DCO Energy, LLC and Marina Energy, LLC (a wholly owned subsidiary of South Jersey Industries, Inc.)

Project is to construct a 7.965 megawatt cogeneration facility serving the new Revel Resort and Casino.

APPROVAL REQUEST:

\$3,201,943 CHP grant which when combined with \$8.3 million in equity and \$16.1 million in debt comprise the sources of funds for this project.

FINANCING SUMMARY:

GRANTOR: NJEDA

AMOUNT OF GRANT: \$3,201,943

TERMS OF GRANT: Grant no interest or repayment

PROJECT COSTS:

CHP System	\$22,458,000
Soft costs	\$2,002,000
Debt service reserve fund	\$1,270,000
Finance fees	\$1,171,000
Interest during construction	\$563,000
Working capital	\$100,000
TOTAL COSTS	\$27,564,000

JOBS: At Application 14 Within 2 years 2 Maintained 0 Construction 50

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: M. Conte

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - THE CLEAN ENERGY SOLUTIONS ARRA CHP PROGRAM GRANT**

APPLICANT: Anheuser-Busch, Inc.

P33797

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 200 US Highway 1 & 9

Newark City (T/UA)

Essex

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

APPLICANT BACKGROUND:

Anheuser-Busch, Inc. ("ABI") is the principal subsidiary of ABInBev, which is the largest brewing company in the world. ABI is headquartered in St. Louis, MO and operates 12 breweries in the United States, including the brewery that is located at 200 Route 1 in Newark. The Newark brewery was established in 1951 and currently produces 7.5 million barrels per year. The proposed project will establish a 7.965 megawatt cogeneration plant ("CHP") at Newark brewery for \$8,719,197. The applicant has requested a \$3,201,943 Clean Energy Solutions ARRA CHP grant to partially fund the project costs. The CHP plant will generate 57,299 MWh of electricity and 169,758 MMBtu of thermal energy per annum and will reduce emissions of carbon dioxide by 21,513 tons per year. The project management team has more than 75 years of combined experience and currently operates a CHP plant at their brewery in Florida.

The project has been reviewed by BPU and was deemed technically eligible. In addition, a financial review of the project and Applicant determined that there are sufficient resources to complete the construction of the proposed CHP plant.

ABI has also requested a \$926,125 CESCO loan (P29177) and a \$231,531 CESCO grant (P29646) (Submitted for approval at 12/14/10 Board Meeting).

APPROVAL REQUEST:

Approval is recommended for a \$3,201,943 Clean Energy Solutions ARRA CHP grant as proposed.

FINANCING SUMMARY:

GRANTOR: NJEDA

AMOUNT OF GRANT: \$3,201,943

TERMS OF GRANT: No repayment terms.

PROJECT COSTS:

TOTAL COSTS

\$0 *

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

JOBS: At Application	<u>0</u>	Within 2 years	<u>0</u>	Maintained	<u>0</u>	Construction	<u>0</u>
Jobs on Related 29177	<u>477</u>		<u>0</u>		<u>477</u>		<u>35</u>

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: S. Brady

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - THE CLEAN ENERGY SOLUTIONS ARRA CHP PROGRAM GRANT**

APPLICANT: DSM Nutritional Products, Inc.

P33792

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 202 Macks Island Dr.

White Township (N)

Warren

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

APPLICANT BACKGROUND:

DSM Nutritional Products, Inc., is the world's leading supplier of vitamins, carotenoids, other biochemicals and fine chemicals and premixes.

This project involves the purchase and installation of a 9.5 megawatt cogeneration unit capable of producing up to 70,000 pounds of steam per hour when additionally duct fired with the Heat Recovery Steam Generator. DSM will purchase the cogeneration unit and have it installed in its manufacturing plant in Belvidere, NJ.

This project is related to a Clean Energy Solutions Capital Investment loan (P28655) and grant (P29388) in the amounts of \$2,761,258 and \$690,315 respectively.

APPROVAL REQUEST:

Approval of a \$3,147,120 ARRA Combined Heat and Power Grant is requested.

FINANCING SUMMARY:

GRANTOR: NJEDA

AMOUNT OF GRANT: \$3,147,120

TERMS OF GRANT: Grant, no repayment terms.

PROJECT COSTS:

Purchase of equipment & machinery	\$8,425,000
Construction labor	\$6,666,667
Engineering & architectural fees	\$1,000,000
Electric/Mechanical	\$1,000,000
Contingency	\$920,000
TOTAL COSTS	\$18,011,667

JOBS: At Application 265 Within 2 years 1 Maintained 0 Construction 15

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: D. Lawyer

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - THE CLEAN ENERGY SOLUTIONS ARRA CHP PROGRAM GRANT**

APPLICANT: NRG Thermal LLC

P33799

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: One Plainsboro Road

Plainsboro Township (N)

Middlesex

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

APPLICANT BACKGROUND:

Formed in 1999, NRG Thermal LLC ("NRG Thermal") is a developer of combined heat and power energy centers throughout the United States. NRG Thermal owns energy centers in San Francisco, California, San Diego, California, Minneapolis, Minnesota, Pittsburgh, Pennsylvania and Harrisburg, Pennsylvania. These systems provide steam heating to approximately 505 customers and chilled water cooling to 100 customers.

This project involves the development of an onsite "Energy Center" comprised of a central utility plant, a 4.6 megawatt combined heat and power facility ("CHP"), and a thermal energy storage system that will produce electricity, steam, and chilled water. The developer and owner of the Energy Center will be NRG Thermal LLC ("NRG Thermal" or the "Company"), through its wholly owned subsidiary NRG Energy Center Princeton LLC ("NRG Princeton"). NRG Thermal is a developer, owner and operator of Energy Centers and currently owns and maintains numerous systems throughout the United States. NRG Thermal is a wholly owned subsidiary of NRG Energy, Inc., ("NRG Energy") a publicly traded corporation that owns and operates a variety of energy-related operations worldwide. The user of energy produced at the Energy Center will be The University Medical Center of Princeton at Plainsboro ("UMCPP"), a 237 single patient room, acute care hospital currently under construction in Plainsboro, NJ.

This project is related to a Clean Energy Solutions Capital Investment loan (P29702) and grant (P30386) in the amounts of \$3,000,000 and \$2,000,000 respectively.

APPROVAL REQUEST:

Approval of a \$1,925,100 ARRA Combined Heat and Power Grant is requested.

FINANCING SUMMARY:

GRANTOR: NJEDA

AMOUNT OF GRANT: \$1,925,100

TERMS OF GRANT: Grant, no repayment terms.

PROJECT COSTS:

CHP Equipment	\$5,412,000
Purchase of equipment & machinery	\$2,210,000
Contin/Elec/Soft Costs	\$2,188,000
Bldg Mtrls/Const labor	\$1,810,000
Engineering & architectural fees	\$1,491,500
TOTAL COSTS	<u><u>\$13,111,500</u></u>

JOBS: At Application 205 Within 2 years 11 Maintained 0 Construction 0

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: D. Lawyer

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - THE CLEAN ENERGY SOLUTIONS ARRA CHP PROGRAM GRANT**

APPLICANT: Ocean County College

P33803

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: College Drive

Dover Township (T)

Ocean

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

APPLICANT BACKGROUND:

Ocean County College (OCC), established in 1964, is a public two-year community college sponsored by Ocean County and the State of New Jersey and provides access to area residents to educational services and opportunities. OCC offers academic and workforce training programs that result in associate degrees and certificates as well as business education training and continuing and professional education programs. OCC provides a wide range of academic programs leading to transfer to a four-year institution, and through a partnership with Kean University, provides opportunities for completion of a bachelor's degree through courses offered on the OCC campus. Credit and non-credit courses are conveniently offered on campus, at various off campus locations, and online during the day, evening, and weekends.

The proposed project will establish a 1.10 megawatt gas engine generator at College Drive, Toms River for \$6,660,850.

APPROVAL REQUEST:

Approval of the BPU Combined Heat and Power grant totaling \$475,200 is recommended.

FINANCING SUMMARY:

GRANTOR: NJEDA

AMOUNT OF GRANT \$475,200

TERMS OF GRANT: No repayment terms

PROJECT COSTS:

Hard costs	\$3,879,600
CHP System	\$2,035,070
Engineering & architectural fees	\$575,330
Soft costs	\$170,850
TOTAL COSTS	<u>\$6,660,850</u>

JOBS: At Application 806 Within 2 years 2 Maintained 2 Construction 50

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: K. Tolly

**PETROLEUM UNDERGROUND STORAGE TANK
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: December 14, 2010
SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

Private Grants:

Colts Neck Animal Hospital	\$155,342
Carlie Hoffman.....	\$155,975
Robert Hope and Anne Hope.....	\$359,866
Mary Olsen	\$150,496
Mary Piscitelli.....	\$132,800
Frank Taylor	\$101,637
Roselle Catholic High School	\$385,210

Total UST funding for December 2010.....\$1,441,326

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

APPLICANT: Colts Neck Animal Hospital

P31524

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 85 Route 34 North

Colts Neck Township (N)

Monmouth

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

APPLICANT BACKGROUND:

Colts Neck Animal Hospital, owned by Rosemary Manziano, is seeking to perform groundwater remediation for the closure of the former underground storage tanks (UST's) at the project site. The tanks will be decommissioned 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 \$155,342 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$15,534 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: \$155,342

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	\$155,342
NJDEP oversight cost	\$15,534
EDA administrative cost	\$500
TOTAL COSTS	\$171,376

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Carlie Hoffman

P32816

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 4 Ironwood Drive

Shamong Township (N)

Burlington

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

APPLICANT BACKGROUND:

Carlie Hoffman 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 \$155,975 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$15,598 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\$155,975

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$155,975
NJDEP oversight cost	\$15,598
EDA administrative cost	\$250
TOTAL COSTS	<hr/> \$171,823 <hr/>

APPROVAL OFFICER: C. Frazier

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

APPLICANT: Robert Hope and Anne Hope

P33253

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 305 Lakeview Avenue

Haddonfield Borough (N)

Camden

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

APPLICANT BACKGROUND:

Robert Hope and Anne Hope received a grant in August 2008 in the amount of \$27,682 under P22410 to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank was decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible, to perform additional remedial activities.

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

APPROVAL REQUEST:

The applicants are requesting grant funding in the amount of \$359,866 to perform the approved scope of work at the project site, for a total funding to date of \$387,548.

The NJDEP oversight fee of \$35,987 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: \$359,866

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$359,866
NJDEP oversight cost	\$35,987
EDA administrative cost	\$250
TOTAL COSTS	\$396,103

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Mary Olsen

P33084

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 15 Wilson Place

Red Bank Borough (N)

Monmouth

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

APPLICANT BACKGROUND:

Mary Olsen 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 \$150,496 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$15,050 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\$150,496

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$150,496
NJDEP oversight cost	\$15,050
EDA administrative cost	\$250
TOTAL COSTS	\$165,796

APPROVAL OFFICER: C. Frazier

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

APPLICANT: Mary Piscitelli

P30609

PROJECT USER(S): Piscitelli Garage Facility

* - indicates relation to applicant

PROJECT LOCATION: 148 Louis Place

Union Township (T)

Union

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

APPLICANT BACKGROUND:

Piscitelli Garage Facility, owned by Mary Piscitelli, is seeking to perform soil and groundwater remediation for the closure of the former underground storage tanks (UST's) at the project site. The tanks will be decommissioned 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 \$132,800 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$13,280 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\$132,800

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

PROJECT COSTS:

Site Investigation	\$132,800
NJDEP oversight cost	\$13,280
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$146,580 <hr/>

APPROVAL OFFICER: C. Frazier

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

APPLICANT: Frank Taylor

P33521

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 129 Farnham Avenue

Garfield City (T/UA)

Bergen

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

APPLICANT BACKGROUND:

Frank Taylor 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 \$101,637 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$10,164 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\$101,637

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$101,637
NJDEP oversight cost	\$10,164
EDA administrative cost	\$250
TOTAL COSTS	\$112,051

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Roselle Catholic High School

P32883

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 350 Raritan Road

Roselle Borough (T/UA)

Union

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

APPLICANT BACKGROUND:

Roselle Catholic High School is a 501(c)(3) not for profit organization seeking to remove a leaking 1,000-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 \$385,210 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$38,521 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: \$385,210

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	\$385,210
NJDEP oversight cost	\$38,521
EDA administrative cost	\$250
TOTAL COSTS	\$423,981

APPROVAL OFFICER: K. Junghans



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

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 November 01, 2010 to November 30, 2010

Summary:		# of Grants	\$ Amount
	Leaking tank grants awarded	95	\$1,801,716
	Non-leaking tank grants awarded	201	\$546,297

Applicant	Description	Grant Amount	Awarded to Date
Addotta, Vito C. (P33203)	Initial grant for upgrade, closure and remediation	\$4,086	\$4,086
Allen, Delores (P33140)	Initial grant for upgrade, closure and remediation	\$9,495	\$9,495
Asony, Wayne (P33045)	Initial grant for upgrade, closure and remediation	\$5,155	\$5,155
Baker, Donald (P32830)	Initial grant for upgrade, closure and remediation	\$2,994	\$2,994
Berke, Evan S. and Margo R. (P32452)	Initial grant for upgrade, closure and remediation	\$5,904	\$5,904
Bond, Jeffrey H. and Jill D. (P32087)	Initial grant for upgrade, closure and remediation	\$2,040	\$2,040
Buff, Robert (P32924)	Initial grant for upgrade, closure and remediation	\$6,093	\$6,093
Carmer, Ann (P33417)	Initial grant for upgrade, closure and remediation	\$15,186	\$15,186
Carroll, Terry (P33619)	Initial grant for upgrade, closure and remediation	\$29,738	\$29,738
Caruso, Paul (P33617)	Initial grant for upgrade,	\$4,235	\$4,235

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Cascone, Melissa and David (P32925)	Initial grant for upgrade, closure and remediation	\$3,025	\$3,025
Chelbian, Agnes (P32743)	Initial grant for upgrade, closure and remediation	\$2,255	\$2,255
Church of the Messiah, The (P31996)	Initial grant for upgrade, closure and remediation	\$28,330	\$28,330
Corin, Jill (P32465)	Initial grant for upgrade, closure and remediation	\$17,736	\$17,736
Corrado, Diane (P29268)	Initial grant for upgrade, closure and remediation	\$7,165	\$7,165
Cosmi, Adelaide (P33746)	Initial grant for upgrade, closure and remediation	\$40,295	\$40,295
Coyle, Michael and Philomena (P32985)	Initial grant for upgrade, closure and remediation	\$17,847	\$17,847
Coyne, Anita (P32701)	Initial grant for upgrade, closure and remediation	\$17,855	\$17,855
Dancsecs, Stephen (P32793)	Initial grant for upgrade, closure and remediation	\$8,155	\$8,155
Dare, William (P32497)	Initial grant for upgrade, closure and remediation	\$4,244	\$4,244
Devine, June (P32889)	Supplemental grant for upgrade, closure and remediation	\$58,357	\$99,867
Ditzig, Joseph (P33622)	Initial grant for upgrade, closure and remediation	\$1,565	\$1,565
Dix, Otto (P32714)	Initial grant for upgrade, closure and remediation	\$20,627	\$20,627
Dunlap, Rosemary (P32996)	Initial grant for upgrade, closure and remediation	\$11,535	\$11,535
Faison, Lawrence (P33409)	Initial grant for upgrade, closure and remediation	\$6,616	\$6,616
Finnegan, Andre E. (P33742)	Partial initial grant for upgrade, closure and remediation	\$3,133	\$3,133
Frezza, Jennifer (P33141)	Initial grant for upgrade, closure and remediation	\$9,961	\$9,961
Gadsby, Theresa (P32354)	Initial grant for upgrade, closure and remediation	\$18,498	\$18,498
Gardinier, Roger and Marilyn (P32961)	Initial grant for upgrade, closure and remediation	\$28,061	\$28,061
Garifo, Joseph C. (P32923)	Partial initial grant for upgrade, closure and remediation	\$8,938	\$8,938
Garripoli, Jill (P32979)	Initial grant for upgrade, closure and remediation	\$70,162	\$70,162
Gee, John (P32939)	Initial grant for upgrade,	\$14,235	\$14,235

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Gimmelli, Anthony and Mary Ann (P32772)	Partial initial grant for upgrade, closure and remediation	\$3,762	\$3,762
Grant, Marian (P32802)	Partial initial grant for upgrade, closure and remediation	\$33,090	\$33,090
Hoffmann, Mike (P32791)	Initial grant for upgrade, closure and remediation	\$5,724	\$5,724
Irvin, William (P32787)	Initial grant for upgrade, closure and remediation	\$52,685	\$52,685
Jolliffe, Carol (P32990)	Initial grant for upgrade, closure and remediation	\$15,086	\$15,086
Joule, William C. (P33005)	Initial grant for upgrade, closure and remediation	\$7,585	\$7,585
Keogh, Stephen (P33042)	Initial grant for upgrade, closure and remediation	\$4,596	\$4,596
Keyes, Edmund (P33201)	Initial grant for upgrade, closure and remediation	\$13,394	\$13,394
Korycki, Richard (P33565)	Initial grant for upgrade, closure and remediation	\$10,120	\$10,120
Kozikowski-Cantore, Evelyn (P32968)	Initial grant for upgrade, closure and remediation	\$14,108	\$14,108
LaBruno, Greg and Maureen (P32938)	Initial grant for upgrade, closure and remediation	\$4,722	\$4,722
Langlois, Mark (P30611)	Initial grant for site remediation	\$12,757	\$12,757
Lapsley, Thomas J. (P33204)	Initial grant for upgrade, closure and remediation	\$10,437	\$10,437
Laverty, Charles (P32009)	Initial grant for upgrade, closure and remediation	\$11,760	\$11,760
Lawton, Richard (P32958)	Initial grant for upgrade, closure and remediation	\$17,963	\$17,963
Leibowitz, Mark (P33755)	Initial grant for upgrade, closure and remediation	\$35,318	\$35,318
Liu, Ying and Donghuo Zhou (P33180)	Initial grant for upgrade, closure and remediation	\$13,550	\$13,550
Louro, Sergio and Monica (P30926)	Initial grant for upgrade, closure and remediation	\$68,269	\$68,269
Lucas, Jr., Thomas (P32499)	Initial grant for upgrade, closure and remediation	\$25,000	\$25,000
Mack, Eileen (P31614)	Initial grant for upgrade, closure and remediation	\$5,115	\$5,115
Manning, Susan (P32805)	Initial grant for upgrade, closure and remediation	\$4,878	\$4,878
Marquez, Eladio (P33266)	Initial grant for upgrade,	\$14,725	\$14,725

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Matthews, Steven (P31006)	Supplemental grant for upgrade, closure and remediation	\$52,891	\$59,348
Mazzella, Rose (P32471)	Initial grant for upgrade, closure and remediation	\$8,477	\$8,477
Miles, Tina (P30633)	Initial grant for upgrade, closure and remediation	\$16,202	\$16,202
Molina, Wilson and Nieves Robles (P31959)	Initial grant for upgrade, closure and remediation	\$47,454	\$47,454
Nebus, Eleanora J. (P33949)	Initial grant for upgrade, closure and remediation	\$11,475	\$11,475
Nichols, Lorraine (P30823)	Initial grant for upgrade, closure and remediation	\$7,684	\$7,684
Osterhautd, David (P30968)	Initial grant for upgrade, closure and remediation	\$23,517	\$23,517
Oxley, Lorraine (P31165)	Initial grant for upgrade, closure and remediation	\$18,550	\$18,550
Parella, Barbara (P33035)	Initial grant for upgrade, closure and remediation	\$35,029	\$35,029
Peckham, Leslie (P32788)	Initial grant for upgrade, closure and remediation	\$3,806	\$3,806
Penuela, Alexander and Teresa (P30962)	Supplemental grant for site remediation	\$5,000	\$29,868
Pettinati, Chris and Alysann (P33041)	Partial initial grant for upgrade, closure and remediation	\$3,764	\$3,764
Pettit, Richard (P30669)	Initial grant for upgrade, closure and remediation	\$11,928	\$11,928
Pietrafesa, Elizabeth (P33040)	Initial grant for upgrade, closure and remediation	\$22,137	\$22,137
Pizzo, Carmine (P31196)	Initial grant for upgrade, closure and remediation	\$26,938	\$26,938
Powers, Diane (P33004)	Initial grant for upgrade, closure and remediation	\$25,577	\$25,577
Prunty, Jr., James F. and Joy D. (P31999)	Initial grant for upgrade, closure and remediation	\$7,506	\$7,506
Przybilski, Ruth (P33038)	Initial grant for upgrade, closure and remediation	\$21,330	\$21,330
Pugliese, Linda (P31094)	Initial grant for upgrade, closure and remediation	\$3,387	\$3,387
Putz, Walter and Jean (P31643)	Initial grant for upgrade, closure and remediation	\$59,581	\$59,581
Rizzuto, Patrick (P33170)	Supplemental grant for upgrade, closure and remediation	\$72,892	\$107,554*
Ross, Stina M. (P32998)	Initial grant for upgrade,	\$11,814	\$11,814

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Rossotti, Edward (P32695)	Initial grant for upgrade, closure and remediation	\$56,790	\$56,790
Saint Columba Church (P31679)	Initial grant for upgrade, closure and remediation	\$27,750	\$27,750
Severino-Cemelli, Kimberly (P32773)	Initial grant for upgrade, closure and remediation	\$11,476	\$11,476
Shelsky, Malcolm (P33501)	Initial grant for upgrade, closure and remediation	\$16,285	\$16,285
Smith, Caroline (P32008)	Initial grant for upgrade, closure and remediation	\$60,889	\$60,889
Smith, Charles (P33885)	Initial grant for upgrade, closure and remediation	\$12,172	\$12,172
Stella, Charles and Ann Cucci (P33412)	Initial grant for upgrade, closure and remediation	\$19,322	\$19,322
Stumpf, Jeremy (P29958)	Initial grant for upgrade, closure and remediation	\$16,658	\$16,658
Sudak, Kristen and Eric F. (P30144)	Initial grant for upgrade, closure and remediation	\$3,700	\$3,700
Toure, Marie (P33568)	Initial grant for upgrade, closure and remediation	\$27,911	\$27,911
Townsend, Charles and Catherine (P32670)	Initial grant for upgrade, closure and remediation	\$4,990	\$4,990
Twilley, Edward and Joyce (P28136)	Initial grant for upgrade, closure and remediation	\$21,319	\$21,319
Varga, Csaba (P31979)	Initial grant for upgrade, closure and remediation	\$6,739	\$6,739
Vasquez, Jose (P32168)	Initial grant for upgrade, closure and remediation	\$21,049	\$21,049
Watson, William and Jeannie (P32484)	Initial grant for upgrade, closure and remediation	\$92,423	\$92,423
Wernsing, David (P32808)	Partial initial grant for upgrade, closure and remediation	\$8,559	\$8,559
Wontor, Michael and Diane (P30806)	Initial grant for upgrade, closure and remediation	\$9,362	\$9,362
Zawislak, Theodore (P32652)	Initial grant for upgrade, closure and remediation	\$4,941	\$4,941
Ziegler, Marc (P33046)	Initial grant for upgrade, closure and remediation	\$14,277	\$14,277

95 Grants

**Total Delegated Authority
funding for Leaking
applications.**

\$1,801,716

Applicant	Description	Grant Amount	Awarded to Date
Acuri, Mary and Michael (P34255)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Anderson, Michael and Anne-Marie (P31779)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Andre', Robert and Doris (P33808)	Grant to remove an underground storage tank	\$1,200	\$1,200
Arico, Denise L. (P33954)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,290	\$3,290
Baitinger, Charles H and Darlene (P33235)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Bal, Perry and Joan (P33339)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Barnett, Nina (P34138)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,975	\$2,975
Batkay, Gerald and Geraldine (P33510)	Grant to remove an underground storage tank	\$1,200	\$1,200
Battaglia, Gerard N. and Dorothy L. (P33288)	Grant to remove an underground storage tank	\$1,200	\$1,200
Becker, Todd and Brooks (P33764)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Bell, Sandra A. (P33843)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Bergested, Kerri (P31198)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Bianchi, Helen and Patricia Morrone (P34299)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Bianco, Thomas (P34316)	Grant to remove an underground storage tank	\$2,085	\$2,085
Brandshagen, George J. (P33781)	Grant to install an above ground storage tank	\$3,500	\$3,500
Cacoilo, Maria and Jose (P33677)	Grant to remove an underground storage tank	\$1,309	\$1,309
Cali, Anthony and Victoria (P34028)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,022	\$4,022

Applicant	Description	Grant Amount	Awarded to Date
Carvajal, Carlos and Mercedes (P34315)	Partial grant to remove an underground storage tank	\$983	\$983
Cherbetko, Nicholas and Olga (P33628)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,233	\$3,233
Cioni, Aldo (P32616)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,433	\$3,433
Clark, Kenneth and Charlene (P33489)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,139	\$3,139
Coles, David S. and Deborah (P31783)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,200	\$3,200
Conlow, James and Eileen (P32084)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Consentino, Salvatore (P33292)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,035	\$3,035
Cottingham, Robert and Eileen (P33478)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Courtney, Kenneth J. (P31549)	Grant to remove an underground storage tank	\$1,500	\$1,500
Covine, Joan (P32493)	Grant to remove an underground storage tank	\$1,500	\$1,500
Creveling, Richard E. and Catherine (P32722)	Grant to install an above ground storage tank	\$3,150	\$3,150
Dalusio, Eugene H. and Wanda Y. (P33414)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,297	\$3,297
DeChirico, Lisa and Thomas (P31465)	Grant to remove an underground storage tank	\$1,500	\$1,500
Defazio, Anthony and Lois (P32339)	Grant to remove an underground storage tank	\$1,500	\$1,500
Delgado, Raul and Rafaela E. (P33302)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Dempsey, William and Maria (P33166)	Grant to remove an underground storage tank	\$1,500	\$1,500
DiBartolo, Paul J and Cheryl F (P33561)	Grant to remove an underground storage tank	\$2,035	\$2,035
DiBiasi, Joseph A. and Kathleen P. (P32122)	Grant to remove an underground storage tank	\$2,500	\$2,500

Applicant	Description	Grant Amount	Awarded to Date
DiCamillo, Michael J. and Lita M. (P33257)	Grant to remove an underground storage tank	\$1,500	\$1,500
Diaz, Nicholas A. and Emily (P32463)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Dios, Linda (P33822)	Grant to remove an underground storage tank	\$3,500	\$3,500
Donato, Inge R. (P32552)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Donlin, Kevin P. and Ethel M. (P34129)	Grant to remove an underground storage tank	\$1,500	\$1,500
Doran, Daryl and Annette (P32736)	Grant to remove an underground storage tank	\$1,500	\$1,500
Doyle, Thomas W. and Sandra C. (P32270)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,669	\$3,669
Eisenfelder, Douglas J and Anne L (P33893)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Ellison, William and Elizabeth (P33426)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Engvik, Anne-Marie (P33593)	Grant to remove an underground storage tank	\$1,200	\$1,200
Entrot, Michael R. (P34105)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Erickson, Mary Jane (P34221)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Errington, Laurel E. (P34123)	Grant to remove an underground storage tank	\$1,500	\$1,500
Esposito, Vincent L. and Anne R. (P33921)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Evans, Robert and Patricia (P32644)	Partial grant to remove an underground storage tank	\$1,200	\$1,200
Fennes, Rose E. (P32548)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,433	\$3,433
Fernandez, Nidia (P32422)	Grant to remove an underground storage tank	\$1,500	\$1,500
Festa, Vito and Evelyn (P33493)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,075	\$3,075

Applicant	Description	Grant Amount	Awarded to Date
Filus, Alice J. (P33551)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,143	\$3,143
Fioresi, Janet T. (P34174)	Grant to remove an underground storage tank	\$1,500	\$1,500
Fischer, Lawrence and Rebecca (P34032)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Fitzgerald, Patricia (P33438)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,400	\$1,400
Flatt, Ken (P33451)	Grant to remove an underground storage tank	\$1,500	\$1,500
Forgione, John R. and Joan J. (P33327)	Grant to remove an underground storage tank	\$1,500	\$1,500
Gallo, Donna (P34079)	Grant to remove an underground storage tank	\$1,718	\$1,718
Gardner, James F. and Kelly L. (P33314)	Grant to remove an underground storage tank	\$1,500	\$1,500
Geddes, Eric D. and Michelle R. (P33894)	Grant to remove an underground storage tank	\$1,500	\$1,500
Gelona, Frank and Myrtle (P34085)	Grant to remove an underground storage tank	\$1,475	\$1,475
Genovese, Michael (P34228)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Gentile, Vincent and Rita (P33250)	Grant to remove an underground storage tank	\$3,500	\$3,500
Gibbons, John F. and Christine H. (P32595)	Grant to install an above ground storage tank	\$3,500	\$3,500
Gleason, Kevin G. and Patricia A. (P32915)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Gordils, Rafael and Cecilia (P33929)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Gouhr, George (P32986)	Grant to remove an underground storage tank	\$1,500	\$1,500
Gould, Jay and Evelyn (P33582)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Granholm, David K (P33499)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,448	\$3,448
Grassa, John and Mathilde	Grant to remove an underground	\$1,500	\$1,500

Applicant	Description	Grant Amount	Awarded to Date
(P33560)	storage tank		
Graves, Virginia and Ronald B (P34258)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,795	\$4,795
Guba, M. Philip and Catherine (P32583)	Partial grant to remove an underground storage tank	\$480	\$480
Halscheid, Ronald and Joan M (P34300)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,775	\$2,775
Hammesfahr, Eric S., Sr. and Shirley A. (P33064)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,313	\$3,313
Haney, William P. and Theresa C. (P32225)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,200	\$3,200
Healy, Kevin G and Dorothy (P34039)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,587	\$2,587
Heeseman, Betty Ann (P33446)	Grant to remove an underground storage tank	\$1,500	\$1,500
Hegg, Anna (P33616)	Grant to remove an underground storage tank	\$1,200	\$1,200
Helleland, Lois A. (P33376)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Holden, William T. and Joyce M. (P32775)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Holovack, John and Patricia (P33676)	Grant to remove an underground storage tank	\$2,000	\$2,000
Hussein, Rawheya (P34261)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Impalli, Raffaella (P33023)	Grant to remove an underground storage tank	\$2,100	\$2,100
Jain, Abhay K. and Kusum (P34347)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,350	\$3,350
Jannace, Frank F (P33154)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$5,302	\$5,302
Jimenez, Sergio (P33592)	Grant to remove an underground storage tank	\$1,500	\$1,500
Juhls, Mark and Tammy	Grant to remove an underground	\$3,554	\$3,554

Applicant	Description	Grant Amount	Awarded to Date
(P32544)	storage tank and install an above ground storage tank		
Jurgaitis, Jamie W. and Christine H. (P32100)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,500	\$4,500
Kaczmarczyk, Piotr (P32326)	Grant to remove an underground storage tank	\$1,500	\$1,500
Kelsey, Michael B and Susan (P34293)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,760	\$3,760
Kispert, Eric and Deborah (P33591)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,551	\$3,551
Kleinbaum, Aaron and Tami Furman (P34254)	Grant to remove an underground storage tank	\$2,100	\$2,100
Klubek, Jacek and Dorota (P33527)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Knudsen, Martin (P33291)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$3,495	\$3,495
Koch, Carl S. and Ann Marie (P33695)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,540	\$4,540
Kosich, Michael A. (P32733)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Koyce, Paul F. (P32332)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,200	\$3,200
Kraft, Teri Anne and Leonard H. (P33343)	Grant to remove an underground storage tank	\$1,200	\$1,200
Kurinsky, Betty Ann (P34081)	Grant to remove an underground storage tank	\$1,500	\$1,500
Lakatos, Stephen G. and Margaret A. (P33646)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,846	\$2,846
Lawler, Daniel P. and Nancy E. Roberts- (P33102)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Lecki, Raymond J. and Erin C. (P32191)	Grant to remove an underground storage tank	\$1,500	\$1,500
Lehigh, Elaine (P34023)	Grant to remove an underground storage tank	\$1,500	\$1,500
Lentz, Lisa (P31965)	Grant to remove an underground	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
	storage tank and install an above ground storage tank		
Lo Re, Louis (P33428)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,475	\$3,475
Lombardo, Anthony M. and Patricia A. (P33179)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,320	\$1,320
Lombardo, Pasquale and Rosetta (P29668)	Grant to remove an underground storage tank	\$2,500	\$2,500
Longo, Patricia (P33761)	Grant to remove an underground storage tank	\$1,200	\$1,200
Louth, Clarence S. and Patricia A. (P34173)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Luff, Brad and Christine (P33335)	Grant to remove an underground storage tank	\$1,500	\$1,500
Lusardi, Frances J. (P32078)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Macaluso, Richard T. and Eileen (P33981)	Grant to remove an underground storage tank	\$1,449	\$1,449
Magich, Lynda A. (P32366)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Mahnken, Joe and Carmen (P33648)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Makkar, Samir and Georgette (P32549)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Mangold, Kenneth P. and Tracey A. (P34180)	Grant to remove an underground storage tank and install an above ground storage tank	\$1,850	\$1,850
Matthes, Edward and Connie (P32795)	Partial grant to remove an underground storage tank	\$300	\$300
Mavaro, Salvatore and Philomena (P33254)	Grant to remove an underground storage tank	\$1,200	\$1,200
McCreery, David L. (P34025)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,882	\$3,882
McDermott, Daniel and Mary (P31695)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,570	\$3,570
McDonald, Scott and	Grant to remove an underground	\$1,445	\$1,445

Applicant	Description	Grant Amount	Awarded to Date
Jeanette (P34038)	storage tank		
McNeal, Cameron L (P34078)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Meng, Dawn and Daniel (P34151)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Merta, Priscilla (P33900)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Meyer, Margaret N. (P32612)	Grant to remove an underground storage tank	\$1,500	\$1,500
Miliano, Anthony and Suzanne (P32688)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,980	\$1,980
Moore, David J and Harold B. Klein (P33865)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Murphy, Lynn M (P33495)	Grant to remove an underground storage tank	\$1,500	\$1,500
Narducci, Joel R. and Ann M. (P34120)	Grant to remove an underground storage tank	\$1,500	\$1,500
Narramore, Richard and Kathryn (P32200)	Grant to remove an underground storage tank	\$1,062	\$1,062
Nauss, Kathleen (P33470)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Nebel, William (P32895)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,275	\$3,275
Nichols, Sarah (P33255)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Ortiz, Kathy and Modesto (P33097)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Paczkowski, Ken and Cathy (P33647)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Parks, Jim and Melanie (P33364)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Pennock, William R. (P34281)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300

Applicant	Description	Grant Amount	Awarded to Date
Pittius, Richard and Mary M. (P33506)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Porcello, Sam J. and Karen C. (P33770)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Potter, Jerome J. and Judy M. (P32716)	Grant to remove an underground storage tank	\$1,500	\$1,500
Press, Michael (P32936)	Grant to remove an underground storage tank	\$1,500	\$1,500
Pugliese, Jr., Robert and Leslie Ann (P32893)	Grant to remove an underground storage tank	\$1,500	\$1,500
Pyzik, Robert and Sharon (P32933)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,301	\$3,301
Ramos, Elmer and Patricia (P34030)	Grant to remove an underground storage tank	\$1,200	\$1,200
Ranellone, Joseph J. and Jeanne A. (P32338)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,993	\$2,993
Rankin, Joseph (P33452)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,929	\$2,929
Rankin, Matthew H. and Mary S. (P32550)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,161	\$2,161
Rasp, Doreen (P33421)	Grant to remove an underground storage tank	\$1,200	\$1,200
Rescigno, Harry J. and Rosemary V. (P32331)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,780	\$2,780
Richard J. Cook and Sandra M. Cook (P32036)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Richardson, Harry and Ingrid (P34134)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,429	\$3,429
Richmond, John and Susan (P33596)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,335	\$3,335
Riley, Evelyn A. (P33247)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,428	\$3,428
Robinson, Dawn and Chris D. Sterr, Jr. (P32365)	Grant to remove an underground storage tank and install an above	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Ronacher, Eileen and John (P32869)	Grant to remove an underground storage tank	\$1,500	\$1,500
Ronaghan, Nikki and John (P33522)	Grant to remove an underground storage tank	\$2,100	\$2,100
Rose, Jr., Charles J. (P32218)	Grant to remove an underground storage tank	\$2,100	\$2,100
Runta, John F. and Carolyn J. (P33361)	Grant to remove an underground storage tank	\$1,392	\$1,392
Schlitz, Evelyn V. (P33823)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Scholz, Sr., Richard T. and Carol E. (P32610)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Schulz, Dorothy (P33939)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Schwarz, Philip (P32502)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,248	\$3,248
Scrudato, Sarah (P34074)	Grant to remove an underground storage tank	\$1,500	\$1,500
Sierchio, Donna and Thomas Sierchio (P31470)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Silberg, Olga A. and Enrique F. (P33491)	Grant to remove an underground storage tank	\$1,500	\$1,500
Smith, Frances G. (P31674)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Snyder, Eric and Christine Raymond (P33469)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Sostituto, Marianne (P34121)	Grant to remove an underground storage tank	\$1,500	\$1,500
Stinnard, Donald W. and JoAnn (P32555)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,208	\$4,208
Sturman, Harold and Joan (P34225)	Grant to remove an underground storage tank	\$1,500	\$1,500
Tarr, Julius D. and Joan M. (P34124)	Grant to remove an underground storage tank	\$1,500	\$1,500
Tencza, Joseph (P33975)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900

Applicant	Description	Grant Amount	Awarded to Date
Thomas, William and Virginia Thomas (P33458)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,400	\$1,400
Thompson, Theodore (P33360)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Tobia, John J. Jr. and Susan (P33431)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,100	\$3,100
Tracey, Robert M. and Audrey J. (P33457)	Grant to remove an underground storage tank	\$1,200	\$1,200
Trackim, Christopher (P32240)	Grant to remove an underground storage tank	\$1,500	\$1,500
Trenkle, Robert and Jane (P33471)	Grant to remove an underground storage tank	\$4,100	\$4,100
Tretsky, Richard and Joy (P33670)	Grant to remove an underground storage tank	\$1,500	\$1,500
Treusch, Hans Georg and Birgit Allman-Treusch (P33345)	Grant to remove an underground storage tank	\$1,500	\$1,500
Tweed, Harry III and Carlene Smith (P30879)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,093	\$2,093
Tye, Kevin (P33814)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Valenti, Theresa A. (P34017)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,075	\$3,075
Van Winkle, Ellen (P33295)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
VanHerwynen, Eva (P33164)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Vanvleet, Susan (P33999)	Grant to install an above ground storage tank	\$3,500	\$3,500
Vasko, Andrew M. and Carol M. (P33375)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,382	\$2,382
Vogt, Marion A. (P32574)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Ward, Brian (P33479)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900

Applicant	Description	Grant Amount	Awarded to Date
Weber, Minnie (P34319)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Wedemeier, Fred C. (P32082)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,839	\$2,839
Weichert, Kim (P33194)	Grant to remove an underground storage tank	\$1,500	\$1,500
Whiter, Yechezekel and Shaina B. (P33461)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Wiedman, Barbara and Richard (P32764)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,424	\$3,424
Wilcox, Lois C. (P33245)	Grant to remove an underground storage tank	\$1,500	\$1,500
Wilczewski, Jackie (P33286)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Woodruff, Donna (P33880)	Grant to remove an underground storage tank	\$3,500	\$3,500
Wulster, Jersey (P33347)	Grant to remove an underground storage tank and install an above ground storage tank	\$6,900	\$6,900
Zvuloni, Shimshon and Nitza (P32934)	Grant to remove an underground storage tank	\$1,177	\$1,177

201 Grants

**Total Delegated Authority
funding for Non-Leaking
applications.**

\$546,297

*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**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: December 14, 2010
SUBJECT: Hazardous Discharge Site Remediation Fund Program

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

Municipal Grants:

City of Burlington (Burlington Mart)	\$ 294,310
Camden Redevelopment Agency (Harrison Avenue Landfil).....	\$4,293,712
Borough of Carteret	\$4,926,851
Township of Haddon (BDA Wide Groundwater)	\$ 112,343
Township of Hamilton.....	\$ 426,003
City of Newark (Former Duralac Facility)	\$ 255,809
City of Newark (Passaic River Waterfront Park)	\$ 157,856
Rahway Redevelopment Agency (Hamilton Laundry Site).....	\$1,529,037
Borough of Somerville (Somerville Landfill).....	\$ 126,805

Private Grant:

City Works, Inc.....	\$ 221,229
----------------------	------------

Total HDSRF funding for December 2010..... \$12,343,955

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

APPLICANT: City of Burlington (Burlington Mart) P34447
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 745 Salem Road Burlington City (T) Burlington
GOVERNOR'S INITIATIVES: () Urban () Edison (X) Core () Clean Energy

APPLICANT BACKGROUND:

The City of Burlington received a grant in April 1997 under P9447 in the amount of \$69,336 to perform Remedial Investigation (RI) activities. The project site, identified as Block 66, Lot 42 is a former Burlington Mart facility which has potential environmental areas of concern (AOC's). The City of Burlington currently holds a Tax Sale Certificate on 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 and residential use.

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

APPROVAL REQUEST:

The City of Burlington is requesting grant funding to perform (RI) in the amount of \$294,310 at the Burlington Mart project site, for a total funding of \$363,646.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT\$294,310

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$294,310
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$294,810</u></u>

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Camden Redevelopment Agency (Harrison Avenue Landfill) P34309
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: Harrison Avenue and State Street Camden City (T/UA) Camden
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Camden Redevelopment Agency received grants totaling \$14,022,065 between 2005 and 2009 to perform Remedial Investigation (RI) and Remedial Action (RA) activities at the project site. The project site, identified as Blocks 809; 809.01; 810 and Lots 7-12; 18; 4, 5, 6, 18, located in a Brownfield Development Area (BDA), is a former landfill which has potential environmental areas of concern (AOC's). The City of Camden 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 into a recreation center.

NJDEP has approved this request for supplemental 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 (\$4,293,712). 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 allowed for a municipality, county or redevelopment entity that contains a BDA is \$5,000,000 per calendar year. This grant will not exceed this limit for Camden Redevelopment Agency for 2010. The Salvation Army has committed to fund 25% (\$1,431,238) of the remedial action costs.

APPROVAL REQUEST:

The applicant is requesting additional grant funding in the amount of \$4,293,712 for the approved project costs, for a total funding to date of \$18,315,777.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT \$4,293,712

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$5,724,950
NJDEP oversight cost	\$572,495
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$6,297,945 <hr/>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Borough of Carteret (Carteret Waterfront Develop) P34446
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: Middlesex Avenue & Carteret Carteret Borough (T/UA) Middlesex
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Borough of Carteret received a grant in April 2000 in the amount of \$65,469 under P11052, a grant in December 2000 in the amount of \$29,427 under P12533, and a grant in June 2009 in the amount of \$292,351 under P24381 to perform Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI) activities. The project site, identified as Block 202, Lots 9, 10, 11 has been used for commercial purposes which has potential environmental areas of concern (AOC's). The Borough of Carteret, currently owns the project site, which is in a Brownfield Development Area, 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 as a Waterfront Park and Marina.

NJDEP has approved this supplemental request for 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. According to the HDSRF 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. The grant has been calculated off 75% of the RA costs (\$4,926,851). This will exhaust the 2010 limit of \$5,000,000 grant funding for the Borough of Carteret. The Borough has passed a bond ordinance to fund 25% (\$1,642,284) of the remedial action costs.

APPROVAL REQUEST:

The Borough of Carteret is requesting supplemental grant funding to perform PA, SI and RI in the amount of \$292,351 at the Carteret Waterfront Development project site, for a total funding to date of \$4,314,125.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT \$4,926,851

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$6,569,135
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$6,569,635 <hr/>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Township of Haddon (BDA Wide Groundwater)

P32623

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 208,209,224,230 Highland Haddon Township (N)

Camden

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

APPLICANT BACKGROUND:

The project site, identified as Blocks 21.06 and 21.05, Lots 19,27,28,31,32,35, and 43-47 is a former manufacturing property which has potential environmental areas of concern (AOC's) and is located within a Brownfield Development Area (BDA). The Township of Haddon currently owns the project site and has satisfied Proof of Site Control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for recreation and conservation space.

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. According to the HDSRF 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, which involve the redevelopment of contaminated property for recreation and conservation purposes. The grant has been calculated off 75% of the RA costs (\$42,497) and RI costs of \$107,293. The Township is holding a court-ordered deposit for the remediation work in addition to an agreement with redeveloper to fund any RA costs not payable by the grant, which will fund 25% of the RA costs (\$14,166).

APPROVAL REQUEST:

The Township of Haddon is requesting grant funding to perform RI and RA in the amount of \$149,790 at the BDA Wide Groundwater project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$112,343

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$107,293
Remedial Action	\$56,663
EDA administrative cost	\$500
TOTAL COSTS	\$164,456

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Township of Hamilton

P33959

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Somers Point

Hamilton Township (N)

Atlantic

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

APPLICANT BACKGROUND:

The project site, identified as Block 994, Lot 57 is a former landfill which has potential environmental areas of concern (AOC's). The Township of Hamilton currently owns the project site and has satisfied Proof of Site Control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for recreation and open space.

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

APPROVAL REQUEST:

The Township of Hamilton is requesting grant funding to perform (RI) in the amount of \$426,003 at the Hamilton Sanitary Landfill project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$426,003

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$426,003
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$426,503</u></u>

APPROVAL OFFICER: K. Junghans

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

APPLICANT: City of Newark (Former Duralac Facility)

P34308

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 86 Lister Avenue

Newark City (T/UA)

Essex

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

APPLICANT BACKGROUND:

City of Newark received a grant in December 1998 under P 10057 in the amount of \$65,683 to perform Preliminary Assessment (PA) and Site Investigation (SI) and in June 2009 under P 24382 in the amount of \$79,585 for perform Remedial Investigation (RI). The project site, identified as Block 2438, Lot 14 is a former manufacturing facility which has potential environmental areas of concern (AOC's) and is located within a Brownfield Development Area (BDA). The City of Newark 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 parking.

NJDEP has approved this supplemental 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. According to the HDSRF 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. The grant has been calculated off 75% of the RA costs (\$122,784) and RI costs (\$133,025). The City will use an existing 2008 EPA Assessment grant of \$27,000 and apply for an additional EPA Assessment grant to fund the 25% (\$40,928).

APPROVAL REQUEST:

The applicant is requesting supplemental funding to perform RI and RA in the amount of \$255,809, for a total funding to date of \$401,077.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$255,809

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$163,712
Remedial investigation	\$133,025
EDA administrative cost	\$500
TOTAL COSTS	\$297,237

APPROVAL OFFICER: K. Junghans

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

APPLICANT: City of Newark (Passaic River Waterfront Park)

P34448

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Raymond Boulevard & Jersey Newark City (T/UA)

Essex

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

APPLICANT BACKGROUND:

City of Newark received a grant approval in March 2010 under P30594 in the amount of \$1,273,475 to perform Remedial Investigation (RI) and Remedial Action (RA) and a grant approval in June 2010 under P31918 in the amount of \$421,129 for RI. The project site is comprised of six city blocks and was utilized for a mixture of residential, commercial and industrial uses which has potential environmental areas of concern (AOC's). The City of Newark own the portion of the project site for this phase which satisfies Proof of Site Control. The project site is located within a Brownfield Development Area (BDA). It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site as a waterfront park.

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

APPROVAL REQUEST:

The City of Newark is requesting supplemental grant funding for PA and SI activities previously completed in the amount of \$157,856 at the Passaic River Waterfront Park project site, for a total funding to date of \$1,852,500.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$157,856

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Site investigation	\$133,319
Preliminary assessment	\$24,537
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$158,356</u></u>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Rahway Redevelopment Agency (Hamilton Laundry Site) P33897
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 276-370 Hamilton Street Rahway City (T/UA) Union
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Rahway Redevelopment Agency received a grant in November 2009 in the amount of \$544,137 under P23401 to perform Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI). The project site, identified as Block 167, Lots 38, 39, 45 is a former laundry facility which has potential environmental areas of concern (AOC's) and located within a Brownfields Development Area (BDA). The Rahway Redevelopment Agency currently owns the project site and has satisfied Proof of Site Control. It is the Agency's intent, upon completion of the environmental investigation activities, to redevelop the project site as an amphitheater and performing arts center.

NJDEP has approved this request for 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. According to the HDSRF 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. The grant has been calculated off 75% of the RA costs (\$1,529,037). The City has passed a bond ordinance to fund 25% (\$509,678) of the remedial action costs.

APPROVAL REQUEST:

The Rahway Redevelopment Agency is requesting grant funding to perform RA in the amount of \$1,529,037 at the Hamilton Laundry project site, for a total funding to date of \$2,073,174.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT\$1,529,037

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$2,038,715
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$2,039,215</u></u>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Borough of Somerville (Somerville Landfill)

P34204

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Route 206

Somerville Borough (T)

Somerset

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

APPLICANT BACKGROUND:

Borough of Somerville received grants in the amount of \$297,045 in November 2006 under P17401, in the amount of \$209,843 in July 2007 under P17977, in the amount of \$2,138,292 in November 2009 under P28140; and in the amount of \$72,793 in February 2010 under P29648 to perform Remedial Investigation (RI) activities at the project site. The project site, identified as Block 124, Lots 1 & 21 is a former sanitary landfill which has potential environmental areas of concern (AOC's). The Borough of Somerville currently owns the project site and has satisfied Proof of Site Control. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for commercial re-use as outlined in the Borough's site specific redevelopment plan.

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

APPROVAL REQUEST:

The Borough of Somerville is requesting supplemental grant funding to perform RI in the amount of \$126,805 at the Somerville Landfill project site, for a total funding to date of \$2,844,778.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT\$126,805

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$126,805
EDA administrative cost	\$500
TOTAL COSTS	\$127,305

APPROVAL OFFICER: L. Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG GRANT**

APPLICANT: City Works West Lake, LLC

P33866

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: West Lake Avenue BDA

Neptune City Borough (T/UA)

Monmouth

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

APPLICANT BACKGROUND:

City Works West Lake, LLC. is the owner of the project site, located in Neptune City. The applicant has received grants totaling \$219,546 between 2007 and 2009 to perform Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI) at this project site. The EDA has provided New Market Tax Credit Loans totaling \$16,670,000 and a Brownfields Redevelopment Loan in the amount of \$250,000 to Cityworks Neptune Office, LLC in 2008.

The NJDEP Office of Brownfield Reuse has found the applicant's proposal for financial assistance to be administratively and technically complete and has approved funding to be provided in the form of a Hazardous Discharge Site Remediation 25% Matching Grant under N.J.S.A. 58:10B-Subsection 2, Series A. The grant has been calculated off 25% of the Remedial Action costs (\$221,229).

The scope of work includes remedial action activities to achieve an unrestricted or limited restricted re-use classification. In addition, pursuant to the evaluation it has been determined that the applicant meets the Authority's standard guidelines under the program.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$221,229 to perform the approved scope of work at the project site, for a total funding to date of \$440,775.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT\$221,229 (25% Matching Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$884,914
EDA administrative cost	\$500
TOTAL COSTS	\$885,414

APPROVAL OFFICER: L. Petrizzi



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

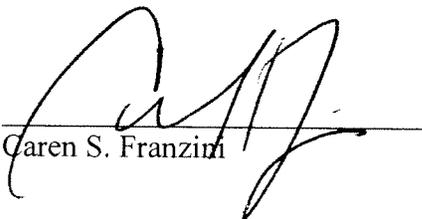
DATE: December 14, 2010

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

Pursuant to the Board's approval on May 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 November 2010.

Applicant	Description	Grant	Awarded to Date
Cedar Grove Township (Essex Co. Hospital Sewage Treatment) P33269	Initial grant to perform site investigation to redevelop for open space/recreation	\$27,150	\$27,150
Perth Amboy City (Frm. Municipal Complex) P32391	Initial grant to perform site investigation to redevelop for mixed use	\$25,298	\$25,298
2 Grants	Total Grant Funding for November 2010	\$52,448	


Caren S. Franzini

Prepared by: Lisa Petrizzi, Sr. Finance Officer

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

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

APPLICANT: A & B Wiper Supply, Inc. or nominee

P34282

PROJECT LOCATION: 600 Jersey Avenue

Gloucester Township

Camden County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

A & B Wiper Supply, Inc. (A&B) is a family owned business, formed over fifty years ago and managed today by the son and grandson of the founder. The applicant is one of the largest manufacturers and distributors of wiping cloths, wiping rags, terry towels, microfiber towels, drop cloths, oil absorbents and other textile commodity and janitorial products in the United States. Approximately 70% of the business is with distributors, with the balance sold to retailers and end users. In recent years, the applicant has expanded its line to carry manufacturer's support items such as oil absorbents, coveralls, latex disposable gloves, papers and non-wovens, as well as an array of other products. A & B is economically viable.

MATERIAL FACTOR:

A & B is requesting a BEIP grant to support moving its entire operation from Philadelphia to NJ as a result of growth and the need for more room. This would include relocating 40 jobs and the creation of 20 new jobs, for a total of 60 new jobs in NJ. Also under consideration is finding a new facility in Philadelphia. Currently the applicant occupies a 100,000 s.f. building, and is looking to expand to a 200,000 s.f. site. A & B is estimating project costs will be \$3,475,000. Management has indicated that a favorable decision by the Authority to award the BEIP grant is a material factor in the company's decision to move the business to NJ.

APPROVAL REQUEST:

PERCENTAGE: 80%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage A & B Wiper Supply, Inc. or nominee 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: \$ 366,576
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 7

ELIGIBLE BEIP JOBS: Year 1 50 Year 2 10 Base Years Total = 60

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$6,109

ANTICIPATED AVERAGE WAGES: \$40,400

ESTIMATED PROJECT COSTS: \$3,475,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$458,220

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$320,754

PROJECT IS: () Expansion (X) Relocation Phila

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: Pennsylvania

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: H. Friedberg

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Gloucester Township	N/A
2. Job Creation	60	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	wholesale	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$3,475,000	1
7. Average Wage:	\$ 40,400	2
TOTAL:		6

Bonus Increases (up to 80%):

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

Total Bonus Points:

55 %

Total Score :

Total Score per formula:

6 = 25 %

Construction/Renovation :

5 %

Bonus Increases :

55 %

Total Score (not to exceed 80 %):

80 %

MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: December 14, 2010

Subject: Jefferies and Company, Inc.
Business Employment Incentive Program &
Business Retention and Relocation Assistance Grant

Purpose:

This memorandum addresses the legal matters of Jefferies and Company, Inc. (JeffCo) and its affiliates related to the company's application for a Business Employment Incentive Program grant and a Business Retention and Relocation Assistance Grant.

Background:

JeffCo, a wholly owned subsidiary of the Jefferies Group founded in 1965, is headquartered in New York City and has 25 offices in 5 countries covering 3 continents. The applicant is a global investment bank and institutional securities firm that offers services to growing and mid-sized companies and their investors. JeffCo provides high net worth clients with capital markets and financial advisory, institutional brokerage, securities research and asset management services. The applicant has had a New Jersey presence since 1990, with offices in Jersey City, Short Hills and Red Bank.

On October 15, 2010 the company filed an application for a grant under the Business Employment Incentive Program. The Company is seeking the grant to move 66 jobs from its New York City facility to New Jersey where it currently employs 272 people. Additionally, the company is seeking a Business Retention and Relocation Assistance Grant to support retaining and relocating the 244 jobs in Jersey City. The relocation would be required to provide additional space to accommodate the additional 66 jobs discussed above.

The business activities of JeffCo and its affiliates are regulated by a number of federal and state laws and also self regulatory organization rules, specifically the Financial Industry Regulatory Authority (FINRA), the successor to the National Association of Securities Dealers (NASD) and the Securities Exchange Commission (SEC).

From time to time, JeffCo has become the subject of litigation, examinations, inquiries, or investigations; most of which have demonstrated to be of no material consequence for disqualification analysis.

Analysis of Litigation as Grounds for Possible Disqualification:

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

Listed below are the facts of the action to which it is related and the fine assessed and paid, as provided by JeffCo and reviewed by the Attorney General's Office:

2002 -2004 Securities Law Violations – Both the SEC and the NASD instituted proceedings against Jefferies and Co. arising from the same set of facts. As a consequence, and pursuant to NASD Rule 9216, Jefferies submitted to the NASD a letter of Acceptance, Waiver and Consent (AWC) for the purpose of settling alleged NASD conduct rule violations by payment to the NASD of a \$5,500,000 fine and agreement to perform various remedial undertakings. The AWC was entered into on the condition that NASD would not bring any future actions against JeffCo alleging violations based on the same factual findings. The nature of the NASD conduct rule violations merge into the SEC action as described in more detail below.

On December 1, 2006, pursuant to sections 15(b) and 21C of the Securities Exchange Act of 1934 (34 Act), the SEC entered an "Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934" against JeffCo and Scott Jones - who, since November 1980, was employed by Jefferies in various capacities and was a member of Jefferies' board of directors. In 1998, he became director of equities and was the immediate supervisor of Kevin Quinn who was not a party to this action. Quinn himself was employed by JeffCo from May 2002 until his employment was terminated on October 11, 2004. He was an account executive and senior vice president, equity sales.

The proceeding concerned Quinn's provision of approximately \$2 million in extensive travel, entertainment and gifts to certain employees of an investment adviser (Fund Adviser) to a family of mutual funds (Funds). The employees included several securities traders, whose responsibilities included directing securities transactions for the Funds to brokerage firms for execution, and the head of the Fund Adviser's global equity trading desk who supervised the securities traders and decided which securities brokerage firms would be approved to handle equity transactions for the Funds.

Section 17(e)(I) of the Investment Company Act of 1940 (Investment Company Act) makes it unlawful for an affiliated person of a registered investment company, or an affiliate of an affiliate, when acting as an agent, to accept compensation from any source (other than a salary or wages from the registered investment company) for the purchase or sale of any property to or for the registered investment company. The Fund Adviser's employees' receipt of travel, entertainment and gifts from Quinn constituted compensation within the scope of the prohibition of Section 17(e)(I) of the Investment Company Act.

Section 17(a)(1) of the 34 Act and Rule 17a-3 thereunder require every registered broker-dealer to make and keep current accurate books and records, including ledgers reflecting, among other things, all expenses.

Section 15(b)(4) of the 34 Act authorizes the SEC to censure a broker or dealer for failing reasonably to supervise, with a view to preventing violations of the federal securities law, another person who commits such a violation, if that person is subject to the broker or dealer's supervision.

Section 15(b)(6) of the 34 Act, incorporating by reference Section 15(b)(4)(E) of the 34 Act, authorizes the SEC to sanction a person associated with, or at the time of the alleged misconduct was associated with, a broker or dealer for failing reasonably to supervise, with a view to preventing violations of the federal securities law, another person who commits such a violation, if that person is subject to the person's supervision.

The SEC specifically found the following:

1. Jefferies failed reasonably to supervise Quinn, with a view to preventing and detecting his aiding and abetting violations of Section 17(e)(1) of the Investment Company Act, within the meaning of Section 15(b)(4)(E) of the 34 Act.
2. Jefferies willfully violated Section 17(a)(1) of the 34 Act and Rule 17a-3 there under by failing to make and keep current accurate books and records of its expenses and compensation records related to its associated persons by means of the submission and approval of travel and entertainment (T&E) vouchers that characterized Quinn's prohibited use of his T&E budget as business expenses of the company.
3. Jones failed reasonably to supervise Quinn, with a view to preventing and detecting his aiding and abetting violations of Section 17(e)(I) of the Investment Company Act, within the meaning of Section 15(b)(6) of the 34 Act, incorporating by reference Section 15(b)(4)(E) of the 34 Act.

The SEC Order discussed above required JeffCo and Jones to undertake various measures to include: (i) the hiring of an independent consultant to conduct a comprehensive review of JeffCo's supervisory, compliance, and other policies and procedures designed to detect and prevent breaches of the firm's policies and the federal securities laws with respect to the provision of travel, entertainment and other gifts to customers or prospective customers; (ii) adoption of all the recommendations of the compliance consultant; (iii) certification in writing to the SEC that JeffCo has adopted and complied with all of the undertakings required and with the recommendations of the compliance consultant; (iv) Jones to provide an affidavit attesting to compliance with the sanctions discussed below.

The SEC imposed the following sanctions on JeffCo:

- A. Cease and desist from committing or causing any violations and any future violations of Section 17(a)(1) of the 34 Act and corresponding rule 17a-3.
- B. Censure.
- C. Pay disgorgement of \$4,214,945.65 and prejudgment interest of \$580,316.26 to the SEC.
- D. Compliance with the undertakings outlined in the Order.

The SEC imposed the following sanctions on Jones:

- A. Suspension from acting in a supervisory capacity for any broker or dealer for three (3) months.
- B. Pay a civil monetary penalty of \$50,000 to the SEC
- C. Compliance with the undertakings outlined in the Order.

Mitigating Factors:

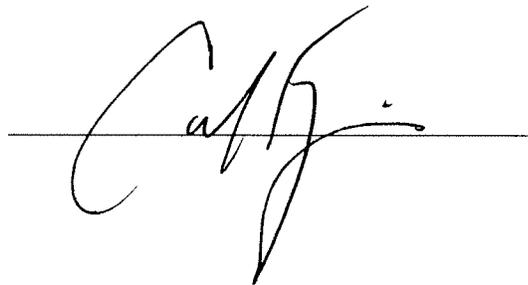
2002 -2004 Securities Law Violations - The firm retained an independent consultant, approved by the NASD and SEC staff, to conduct a comprehensive review of the adequacy of the firms policies, systems and procedures (written and otherwise) and training related to the firm's entertainment of (including any travel), and gifts to, customers and prospective customers of the firm, including compliance with NASD Rule 3060 regarding influencing or rewarding employees of others – superseded by FINRA Rule 3220 of the same nature.

The firm implemented all of the consultant's recommendations including but not limited to a complete revision of the firm's Gift and Entertainment Policy, increased education and training, annual audits, and the creation of reports and tools to assist in more effective supervision. Additionally, the individuals involved are no longer employed by the company.

The firm is examined by FINRA and the SEC on a regular basis and in the six years following the conduct at issue in this matter there have been no findings of any inadequacies with regard to Jefferies implementation of its revised Gift and Entertainment Policy.

Conclusion:

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

A handwritten signature in black ink, appearing to be 'C. S. J.', is written over a horizontal line. The signature is stylized and cursive.

Prepared by: Marcus Saldutti

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Jersey City	N/A
2. Job Creation	66	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	249	2
4. Industry:	Financial services	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$2,939,815	1
7. Average Wage:	\$ 100,000	4
TOTAL:		12

Bonus Increases (up to 80%):

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

Total Bonus Points:

55 %

Total Score :

Total Score per formula:

12 = 40 %

Construction/Renovation :

5 %

Bonus Increases :

55 %

Total Score (not to exceed 80 %):

80 %

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

APPLICANT: Jefferies & Company, Inc.

COMPANY ADDRESS: 34 Exchange Place Plaza Jersey City Hudson County

PROJECT LOCATION: 101 Hudson Street Jersey City Hudson County

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

APPLICANT BACKGROUND:

Jefferies & Company, Inc., (JeffCo), a wholly owned subsidiary of the Jefferies Group, was founded in 1965, with its headquarters in NYC, and 25 offices in 5 countries, covering three continents. The applicant is a global investment bank and institutional securities firm that offers services to growing and mid-sized companies and their investors. JeffCo provides high net worth clients with capital markets and financial advisory, institutional brokerage, securities research and asset management services. The applicant has had a NJ presence since January 1990, with offices in Jersey City, Short Hills and Redbank.

MATERIAL FACTOR:

JeffCo is seeking a BRRAG grant to support retaining and relocating 244 jobs in Jersey City. The need to relocate the Jersey City jobs would be inadequate space in their current facility should management decide to move 66 jobs from lower Manhattan to Jersey City. At present they are working from both facilities, with leases in each location expiring between 2011 and 2012. Management is projecting the new facility would require 60,000 s.f., with a \$3 million budget for leasehold improvements. At the December 2010 Board meeting JeffCo will also be seeking a BEIP grant to support relocating the 66 New York City jobs to Jersey City. Management has indicated that a favorable decision by the Authority to award the BRRAG grant is a material factor in the company's decision to move the NYC jobs to Jersey City.

APPROVAL REQUEST:

TERM: 5 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:	\$ 317,200
GRANT AMOUNT PER RETAINED EMPLOYEE (see attached score sheet): (244)	\$ 1,300
NEW JERSEY EMPLOYMENT AT APPLICATION:	272
ELIGIBLE BRRAG JOBS:	244
ANTICIPATED AVERAGE WAGES:	\$ 100,000
ESTIMATED PROJECT COST:	\$ 3,000,000
ESTIMATED TOTAL GROSS PAYROLL:	\$ 24,400,000
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 5YRS:	\$ 4,715,300

PROJECT IS: (X) Expansion (X) Relocation

CONSTRUCTION: (X) Yes () No

BUSINESS DEVELOPMENT OFFICER: Dan Johnson

APPROVAL OFFICER: Michael Krug

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT OF TAX CREDITS**

Score Sheet – Project Evaluation Factors (NJAC 12A:2-1.8)

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

Company: Jefferies & Company, Inc.

Date Scored: October 21, 2010

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

Range	Eligible Jobs Retained	Score
5 = 410 – 499		
4 = 320 – 409		
3 = 230 – 319	244	3
2 = 140 – 229		
1 = 50 – 139		

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

Range	Avg. Salary	Score
4 = \$75,001 +	\$100,000	4
3 = \$50,001 - \$75,000		
2 = \$30,001 - \$50,000		
1 = \$19,001 - \$30,000		
0 = up to \$19,000		

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

Range	Capital Investment	Score
5 = \$3,500,000 to \$19,000,000+		
4 = \$2,900,000 to \$3,499,000	\$2,939,815	4
3 = \$2,200,000 to \$2,899,000		
2 = \$1,500,000 to 2,199,000		
1 = \$700,000 to \$1,499,000		
0 = \$0 to \$699,000		

4. Designated industry type – maximum points = 3

Range	Industry	Score
3 = manufacturing		
2 = targeted = (life science/biotech)		
0 = non-targeted	Financial Services	0

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
 BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT OF TAX CREDITS
 Score Sheet – Project Evaluation Factors (NJAC 12A:2-1.8)**

**5. Job creation/attraction component (impact on the state if the project moved to another state)
 maximum points = 5**

Range	New Jobs	Score
5 = 100 or more new jobs		
4 = 80-99		
3 = 70-79		
2 = 60-69	66	2
1 = 50-59		
0 = <50		

6. Smart Growth Targeted Areas – maximum points = 4

Description	Type	Score
4 = located in an area targeted for growth pursuant to the State Development and Redevelopment Plan, the Pinelands Comprehensive Management Plan, Highlands Commission Management Plan, and the Meadowlands Development Commission Plan. This includes brownfield sites.	Jersey City	4
0 = non- growth area		

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

	Score
2 = yes	2
0 = no	

8. Commitment to the State of New Jersey

a. Duration of operations - maximum points = 3

Range of Years	Year Started in NJ	Score
3 = 20 plus years of operation in the state	1990	3
2 = 15-19 years		
1 = 10-14 years		

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT OF TAX CREDITS
 Score Sheet – Project Evaluation Factors (NJAC 12A:2-1.8)

8 b. Total employees in New Jersey – maximum points = 3

Range	Number of Employees in NJ	Score
3 = 350 or greater		
2 = 200-349	272	2
1 = 50-199		

9. Urban Enterprise Zone – maximum points = 3

		Score
3= if relocating from non-UEZ site to a site within an UEZ		
0 = no	Remaining in the Jersey City UEZ	0

Totals – Value Per Retained Job and Score

Range	Value Per Retained Job	Score
31-36 = \$1,500		
25-30 = \$1,400		
19-24 = \$1,300	24	\$1,300
13-18 = \$1,200		
7-12 = \$1,100		
0-6 = \$1,000		

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

APPLICANT: National Financial Services, LLC

P33869

PROJECT LOCATION: 499 Washington Boulevard Jersey City (T/UA) Hudson County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

National Financial Services, LLC (NFS), is wholly owned by Fidelity Global Brokerage Group, Inc., a wholly owned subsidiary of FMR LLC, best known for its Fidelity mutual funds. The applicant is a registered broker-dealer, that provides a wide range of securities related services to a diverse customer base that includes institutional and individual investors, other broker-dealers and corporations, including an affiliated broker-dealer, Fidelity Brokerage Services LLC. The applicant is economically viable.

The Authority approved a 10 year BEIP grant, 60% grant award, (P13303) in May 2001 to create 110 jobs in Jersey City. NFS has created 409 jobs to date, and received \$5.3 million for jobs created through 2007 reporting period. Please note NFS's grant was approved prior to implementing the 20% cap in 2004, and therefore not restricted in job creation under the original BEIP grant (P13303).

MATERIAL FACTOR:

NFS is seeking a BEIP grant to move 240 jobs from its New York City facility to Jersey City, or, an under utilized NFS facility in either Kentucky, North Carolina or Texas. At present NFS employs 409 people in Jersey City. If the decision to move the NYC jobs to Jersey City is made, the current Jersey City facility (105,000 s.f.) will be too small to house the new jobs and existing staff. Please note, NFS is evaluating their real estate needs as the NYC and Jersey City facility leases expire in June 2012. The projected capital cost to fit out a 170,000 s.f. facility in Jersey City to house the new jobs and existing staff is approximately \$26 million. Management has indicated that a favorable decision by the Authority to award the BEIP grant is a material factor in the company's decision to increase its job base in Jersey City.

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 National Financial Services, LLC to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 5,534,400
 (not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 409

ELIGIBLE BEIP JOBS: Year 1 240 Year 2 0 Base Years Total = 240

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$23,060

ANTICIPATED AVERAGE WAGES: \$85,000

ESTIMATED PROJECT COSTS: \$26,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$6,918,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$4,842,600

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

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: Massachusetts

APPLICANT OWNERSHIP:(X) Domestic () Foreign

DEVELOPMENT OFFICER: D. Johnson

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Jersey City	N/A
2. Job Creation 240 Targeted : _____ Non-Targeted : <u> X </u>	4
3. Job at Risk: 300	2
4. Industry: Financial services Designated : <u> X </u> Non-Designated : _____	2
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$26,000,000	3
7. Average Wage: \$ 85,000	4
TOTAL:	17

Bonus Increases (up to 80%):

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

Total Bonus Points: **55 %**

Total Score :

Total Score per formula:	17 = 45 %
Construction/Renovation :	5 %
Bonus Increases :	55 %
Total Score (not to exceed 80 %):	80 %

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

APPLICANT: PBF Holding Company, LLC

P34216

PROJECT LOCATION: 1 Sylvan Way

Parsippany-Troy Hills

Morris County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

PBF Holding Company, LLC ("PBF") was established in 2010 as a subsidiary of PBF Energy Company with a stated mission of acquiring and providing superior management of existing petroleum refineries. In October 2010, as the first part of a multi-phased project, the company leased roughly 15,000 sq ft of space in Parsippany for 50 employees to serve as administrative staff to manage its growing portfolio of refineries. For the second phase of the project, the company recently entered into an agreement to acquire a 185,000 barrel per day refinery in Paulsboro, New Jersey. The Paulsboro facility is a high-conversion heavy crude oil refinery located on the shore of the Delaware River approximately 10 miles from Philadelphia and 35 miles from PBF's Delaware City refinery. As a result of the transaction, PBF will take control of the refinery, a connecting natural gas pipeline, and related assets from the Valero Energy Corporation. The applicant is economically viable.

MATERIAL FACTOR:

In order to manage the newly acquired Paulsboro facility, PBF will hire 50 additional administrative employees related to the second phase of its plan. The employees will be housed remotely as their duties will not require them to be on-site at the refinery. Under consideration is placing the employees in empty space at the company's existing facility in Delaware or leasing an additional 10,000 sq ft of space at the company's location in Parsippany, New Jersey. The award of the BEIP grant is contingent upon PBF executing a lease for the additional space at the Parsippany facility and will only apply to employees related to the second phase of the project. Management has indicated that the BEIP is a material factor in the company's decision to increase employment in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 55%

TERM: 10 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 1,423,125
 (not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 28

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

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$28,462

ANTICIPATED AVERAGE WAGES: \$120,000

ESTIMATED PROJECT COSTS: \$900,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$2,587,500

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$2,458,125

PROJECT IS: Expansion Relocation _____

CONSTRUCTION: Yes No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: Domestic Foreign

DEVELOPMENT OFFICER: D. Johnson

APPROVAL OFFICER: K. McCullough

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Parsippany-Troy Hills Township	N/A
2. Job Creation 50	1
Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk: 0	0
4. Industry:	0
Designated : _____ Non-Designated : <u> X </u>	
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$900,000	1
7. Average Wage: \$ 120,000	4
TOTAL:	8

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	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:	8 = 30 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	55 %

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

APPLICANT: Photocure, Inc.

P34279

PROJECT LOCATION: To Be Determined

Locations Unknown (N)

Unknown County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Photocure, Inc. (Photocure), was formed in 2010 to expand the US market for its parent company, Photocure ASA (ASA), based in Oslo and listed on the Oslo Stock Exchange. Since its formation in 1993, ASA has been developing and selling pharmaceuticals and medical devices based on proprietary photodynamic technology, targeting dermatology, and oncology. Photocure has already received regulatory approval in Europe and the US to market Hexvix for the detection of bladder cancer, and will be launching Allumera, a skin care product, in the US in 2011. The applicant has sold the rights to Lumacan, a colon cancer diagnostic to Salix Pharmaceuticals, Inc, in North Carolina, and has a licensing deal with GE Healthcare for Hexvix/Cysview. The applicant is economically viable.

MATERIAL FACTOR:

Photocure is seeking a BEIP grant to support creating 30 new jobs to establish its US headquarters in New Jersey. Initially, most of the jobs will be the executive leadership team and administrative staff. Also under consideration are North Carolina, where the US CEO lives, and Pennsylvania. Should Photocure choose a location in a smart growth area, the BEIP grant at 80% award level would be \$927,600 over the ten year term. Management has indicated that a favorable decision by the Authority to award the BEIP grant is a material factor in the company's decision to establish its US headquarters in NJ.

APPROVAL REQUEST:

PERCENTAGE: 30%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Photocure, 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: \$ 347,850

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

NJ EMPLOYMENT AT APPLICATION: 2

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

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$11,595

ANTICIPATED AVERAGE WAGES: \$100,000

ESTIMATED PROJECT COSTS: \$350,010

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

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,391,400

PROJECT IS: () Expansion () Relocation _____

CONSTRUCTION: () Yes (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: () Domestic (X) Foreign Norway

DEVELOPMENT OFFICER: K. Hashmi

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	30	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	Pharmaceuticals	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$350,000	0
7. Average Wage:	\$ 100,000	4
TOTAL:		9

Bonus Increases (up to 80%):

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

Total Bonus Points:

0 %

Total Score :

Total Score per formula:

9 = 30 %

Construction/Renovation :

0 %

Bonus Increases :

0 %

Total Score (not to exceed 80 %):

30 %

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

APPLICANT: Revolution Foods, Inc.

P34250

PROJECT LOCATION: To Be Determined

Locations Unknown (N)

Unknown County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Revolution Foods, Inc., headquartered in California, delivers healthy meals to schools across the country. Revolution believes strongly that every child's education should include healthy eating and learning about nutritious food. Roughly 80% of the children served by the company are from low-income families. The well-balanced meals are prepared at the company's facility and delivered the same day to participating schools. Revolution serves about 50,000 meals per day in Northern and Southern California, Colorado, and the Washington, D.C. metropolitan area. The company also currently serves 1,500 meals per day to charter schools in New Jersey through its Washington, D.C. facility. Revolution Foods is economically viable.

MATERIAL FACTOR:

Revolution Foods is exploring the possibility of expanding its service in the Northern Jersey, New York, and Connecticut markets beginning in the fall of 2011. Towards this end, the company is seeking to lease and build out a roughly 25,000 sq ft facility in the Newark area. The project would create 75 jobs in the first two years and the facility could employ between 150-200 as the operation is brought up to scale. Also under consideration is serving this new market from a facility in Rockland County, New York. Based on smart-growth criteria, the BEIP award could increase to as much 80% for an estimated dollar value of \$222,000 if the company finalizes its selection of a location in Newark.

APPROVAL REQUEST:

PERCENTAGE: 25%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Revolution Foods, 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: \$ 69,375

(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 15 Base Years Total = 75

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$925

ANTICIPATED AVERAGE WAGES: \$23,500

ESTIMATED PROJECT COSTS: \$2,830,004

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$277,500

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$346,875

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: California

APPLICANT OWNERSHIP:(X) Domestic () Foreign

DEVELOPMENT OFFICER: D. Johnson

APPROVAL OFFICER: K. McCullough

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Locations Unknown	N/A
2. Job Creation 75 Targeted : _____ Non-Targeted : <u> X </u>	1
3. Job at Risk: 0	0
4. Industry: food products Designated : _____ Non-Designated : <u> X </u>	0
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$2,830,000	1
7. Average Wage: \$ 23,500	1
TOTAL:	5

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:	5 = 20 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	25 %

**BUSINESS RETENTION AND RELOCATION ASSISTANCE
GRANT**



MEMORANDUM

To: Members of the Board

From: Caren S. Franzini
Chief Executive Officer

Date: December 14, 2010

Subject: Transfer of Business Retention and Relocation Assistance Grant Tax Credit from Wyndham Worldwide Operations to Novartis Pharmaceuticals

Request:

The Members are asked to grant approval of the Business Retention and Relocation Assistance Grant Tax Credit Certificate Transfer Program (“Transfer Program”) application of Wyndham Worldwide Operations to transfer unused tax credits to Novartis Pharmaceuticals.

Background:

In July 2006, the Commerce Commission approved a BRRAG incentive for Wyndham Worldwide Operations to retain and relocate 1,245 full-time jobs to offices at 22 Sylvan Way in Parsippany. In June 2009, Wyndham completed Phase I of the project and the company was issued tax credits for the 568 eligible employees associated with the first phase of the project. Although Wyndham received tax credits valued at \$852,000 from the New Jersey Division of Taxation, the company has certified that it is unable to use these credits. In September 2010, the Authority approved the sale of a portion of these credits valued at \$46,100 to Susquehanna Bank and its affiliates. Wyndham is now seeking approval to sell the remaining \$805,900 of tax credits that it received as a result of Phase I of the project.

Wyndham and the buying entity have successfully completed all of the required sections and forms within the Transfer Program application package, a copy of which has been shared with the New Jersey Division of Taxation. The application package indicates that Wyndham has agreed to sell the unused tax credits to Novartis for \$737,399. The transaction represents a sale price of ninety one and a half cents on the dollar.

Recommendation:

Based on the above, staff recommends the Members grant approval of the Transfer Program application of Wyndham Worldwide Operations to sell unused BRRAG tax credits to Novartis Pharmaceuticals.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
BRRAG Tax Credit Certificate Transfer Program
Applicant/Project Summary, 12/14/2010

Applicant:

- Wyndham Worldwide Operations, 22 Sylvan Way, Parsippany, New Jersey 07054
- Wyndham Worldwide Operations is the world's largest provider and franchisor of travel-related products and services with brands in lodging franchising, vacation ownership, vacation rentals and vacation exchange. It is composed of nearly 6,900 hotels under 12 brands spanning 50 countries and 6 continents, competing in brand markets ranging from economy to upscale.

Applying for:

- BRRAG Tax Credit Certificate Transfer Program: This program allows businesses with unused BRRAG tax credits to sell those credits to offset the costs of relocation. Unused tax credits must be sold for at least 75 percent of their value.

Background:

- In July 2006, the Commerce Commission approved an application from Wyndham Worldwide Operations for a grant of tax credits under the Business Retention and Relocation Assistance Grant (BRRAG) program.
- With the help of the BRRAG award, Wyndham relocated 568 eligible employees in Phase I of the project to 22 Sylvan Way in Parsippany, New Jersey. The move was completed in June 2009.
- As a result of the move, the New Jersey Division of Taxation issued BRRAG tax credits to Wyndham Worldwide Operations in the amount of \$852,000.
- In September 2010, Wyndham was approved to sell tax credits in the amount of \$46,100. The company has \$805,900 in credits remaining related to Phase I of the project.

Qualification – This application satisfies the following eligibility criteria:

- Wyndham Worldwide Operations certifies that it is not in default of its BRRAG project agreement.
- The company has unused BRRAG tax credits and certifies that it cannot use the BRRAG tax credits issued by the New Jersey Division of Taxation.
- Wyndham Worldwide Operations has incurred expenses for items such as furniture, fixtures, and equipment as a result of its retention/relocation project in New Jersey.

Benefit:

- The portion of Wyndham's BRRAG tax credits that the company is transferring is valued at \$805,900. The company has agreed to sell these credits to Novartis Pharmaceuticals for \$737,399. The transaction represents a sale price of ninety one and a half cents on the dollar.

MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: December 14, 2010

Subject: Novartis Pharmaceuticals

Purpose:

This memorandum addresses the legal matters of Novartis Pharmaceuticals related to the company's application to purchase BRRAG tax credits from Wyndham Worldwide Operations.

Background:

On September 30, 2010 Wyndham Worldwide Operations applied to transfer its unused BRRAG tax credits in the amount of \$805,900 to Novartis Pharmaceuticals for a price of ninety one and a half cents on the dollar. Novartis is a world leader in the research and development of products to protect and improve health and well-being. The company's core businesses are in pharmaceuticals, consumer health, generics, eye-care, and animal health.

The business activities of Novartis are regulated by a number of federal, state and local regulatory agencies including the Food and Drug Administration and the United States Department of Health and Human Services. From time to time, Novartis has been the subject of examinations, inquiries, or investigations by such regulatory agencies, some of which have resulted in the payment of fines or other penalties.

A decision by the Authority to debar Novartis would also affect the company's ongoing relationships with the Authority including a Business Employment Incentive Program (BEIP) agreement approved in 2006 as well as two Business Retention & Relocation Assistance Grants (BRRAGs) approved in 2005 and a Sales Tax Exemption (STX) also approved in 2005. Novartis is currently in compliance with its obligations under these programs.

Analysis of Litigation as Grounds for Possible Disqualification:

Pursuant to the Authority's regulations on disqualification (N.J.A.C. 19:30-2.1 et seq), the Authority may decline to give financial assistance or approval as a tenant in any Authority financed project or contract with any persons for certain reasons which include: commission of an offense indicating a lack of business integrity; violation of any law governing the occupations or professions of regulated industries; and violation of any law which may bear upon a lack of responsibility or moral integrity. In its application, Novartis disclosed information pertaining to a legal matter which falls within the scope of the Authority's disqualification regulations. An analysis of this matter by staff is detailed in this memo.

Novartis cooperated with parallel civil and criminal investigations by the US Attorney's Office for the Eastern District of Pennsylvania (EDPA) into allegations of potential off-label marketing and promotion of Novartis' epilepsy drug, Trileptal, as well as certain payments made to healthcare providers in connection with this medicine. Novartis has recently entered into a plea agreement with the US Attorney's Office, which is contingent upon court approval, to resolve criminal allegations. Pursuant to the plea agreement, Novartis will plead guilty to a misdemeanor violation of the US Food, Drug and Cosmetic Act and pay \$185 million. The date for entry of the plea and sentence is being discussed with the Court. Novartis is currently negotiating with the EDPA to resolve civil claims relating to Trileptal.

Novartis has also cooperated with an investigation by the EDPA regarding potential off-label marketing and promotion as well as payments made to healthcare providers in connection with five other products: Diovan, Exforge, Sandostatin, Tekturma and Zelnorm. On September 30, 2010 Novartis reached settlement in these matters which includes a payment by the company of \$237.5 million.

Mitigating Factors:

As a result of the settlements discussed above, on September 30, 2010, Novartis entered into a Corporate Integrity Agreement (CIA) with the U.S. Department of Health and Human Services Office of the Inspector General (OIG) under which Novartis will implement a series of measures designed to prevent misconduct, enhance monitoring and help ensure adherence to OIG guidelines, company policies and all relevant laws. The CIA will remain in place for five years and covers all of the company's products. As part of the CIA, Novartis has agreed to the following:

1. *The appointment of a Chief Compliance Officer.* The Chief Compliance Officer shall be a member of senior management, shall report directly to the President of Novartis, and shall make periodic (at least quarterly) reports regarding compliance matters directly to the Board of Directors.
2. *The creation of a Compliance Committee.* The Compliance Committee shall include members of senior executives of relevant departments, such as legal, medical and regulatory affairs, sales, marketing, human resources, and commercial operations. The Committee shall be chaired by the Chief Compliance Officer.
3. *The establishment of written code of conduct.* Novartis has developed and distributed a written code of conduct to all officers, directors, and employees of Novartis. The code of conduct demonstrates the company's commitment to market, sell, promote, research, develop, and advertise its products in accordance with FDA requirements. The policies and procedures detailed in the written code of conduct are subject to an annual review and any changes will be made available to all officers, directors, and employees of Novartis.
4. *Training for all employees.* The company has instituted training for all employees to ensure understanding of and compliance to Novartis' policies.
5. *A review of the company's compensation structure.* Novartis will address its compensation structure to ensure that financial incentives do not inappropriately motivate its sales representatives to engage in improper promotion, sales, and marketing of Novartis' products. Adherence to the company's written code of conduct will be an element in evaluating the performance of all employees.
6. *The engagement of an Independent Review Organization (IRO).* Novartis shall engage an outside auditing, accounting, or consulting firm to perform reviews to assist Novartis in assessing and evaluating

the company's promotional and product related functions. The IRO will ensure that these functions are aligned with the company's goal of compliance with federal healthcare programs and FDA guidelines.

7. *Annual compliance reporting.* The Board of Directors is required to issue a report to the OIG annually regarding the CIA. The Board shall adopt a resolution summarizing its review and oversight of Novartis' compliance with federal health care program requirements, FDA requirements, and the company's obligations under the CIA.

Conclusion:

Staff has performed a review of these regulatory actions and in light of the mitigating factors presented by Novartis, staff does not believe disqualification is warranted. Novartis will submit to the Authority periodic statements from the federal government to demonstrate that it remains in compliance with the Corporate Integrity Agreement.



Prepared by: Kevin McCullough

**ECONOMIC REDEVELOPMENT AND GROWTH (ERG) GRANT
PROGRAM**



TO: Members of the Authority

FROM: Caren Franzini

DATE: December 14, 2010

RE: Economic Redevelopment and Growth Program Policy Issues

This memo outlines the issues and summarizes guidelines to be utilized for Economic Redevelopment and Growth (ERG) applications when proposed projects will utilize State sales taxes as the principal public revenues.

The ERG program allows for future incremental tax revenue (state and local) to be used as incentive grants of up to 20% of eligible costs for development projects that can prove a financing gap, demonstrate minimum developer equity, and provide a net positive economic benefit to the state.

In our net benefits analysis, staff raised an issue regarding whether the incremental State revenues produced by certain projects are really net new to the State when such projects rely heavily on retail development. For example, some ERG projects may not actually be producing net new sales taxes to the state but are actually “cannibalizing” or displacing sales from businesses in other New Jersey locations thereby displacing the sales taxes revenue the State receives from those established retail centers.

EDA convened an interagency team comprised of EDA, BAC, Treasury and DCA to review this matter and reached consensus on calculating the amount of new revenue to be included in our net benefits analysis when project are significantly retail by utilizing the following criteria:

- 1) When a project is proximate to a neighboring State jurisdiction (i.e. PA, DE, NY) and the project can demonstrate substantial increased incremental tax revenue (as demonstrated by a marketing analysis provided by the developer) to the State of New Jersey from other jurisdictions, we can allow 100% of the projected incremental ongoing sales tax revenue in the analysis.
- 2) When a project is a destination entertainment and retail facility (projects which contain unique retail establishments, entertainment and/or sports venues) and the project can demonstrate substantial increased incremental tax revenue (as

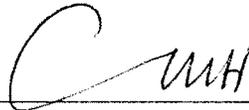
demonstrated by a marketing analysis provided by the developer) to the State of New Jersey from other jurisdictions we can allow 100% of the projected incremental ongoing sales tax revenue in the analysis.

For projects which meet one of the two above criteria, the other state tax revenues (CBT, GIT, one time construction related, etc.) will be treated in the net benefits analysis consistent with the current model.

For projects which are significantly retail in nature, but do not meet one of the two above criteria we will use the following in completing our net benefits analysis:

- 1) Ongoing State sales tax revenue will be calculated a 0% value.
- 2) One time construction related taxes will be calculated at 100% value
- 3) Ongoing other tax revenues (CBT, GIT) will be calculated at 66% value

For projects which meet the EDA's net benefit test using the above criteria, ERG reimbursement payments will be made from the incremental eligible taxes generated at the project site.



Caren S. Franzini
Chief Executive Officer

Prepared by: Maureen Hassett



MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: December 14, 2010

RE: **Cedar Shopping Centers, Inc. (dba Shore Mall Associates, L.P.)**
Economic Redevelopment and Growth Grant Program

Request

The Members are asked to approve the application of Cedar Shopping Centers, Inc. (Cedar Shopping or Applicant) for reimbursement of certain taxes for a Egg Harbor Township, Atlantic County project, the Shore More Redevelopment (Shore Mall or Project), under a "state incentive grant" by the EDA pursuant to the Economic Redevelopment and Growth Grant (ERG) program set forth in N.J.S.A. 52:27D-489c (Act).

The total project costs are estimated to be **\$102,745,616**. The total qualified costs under the ERG Act are **\$102,045,616**. The recommended reimbursement is **20%** of the eligible costs, not to exceed **\$20,409,123**.

Project Description

The Project consists of the redevelopment of the existing Shore Mall which currently includes 533,619 SF of retail and restaurant space that includes the following mix of tenants:

<u>Existing Uses</u>	<u>SF</u>
Discount Store	264,600
Junior Retail	25,000
Restaurant	10,834
Other Retail	44,794
Government and Non-profits	12,662
Vacancy	175,729
Total	533,619

The redeveloped Project will be a “big box” retail center that will include the following new tenant mix:

Proposed New Uses	SF
Discount Store	369,700
Junior Department Store	25,000
Restaurant with Liquor	22,862
Home Improvement	149,000
Office Supplies	18,000
Other Retail	18,000
Total	602,562

The Applicant anticipates retaining the following existing tenants: Boscov’s (153,700 SF), Burlington Coat Factory (85,000 SF), and TGI Friday’s (7,862 SF), for a total of 246,562 SF, or 41% of the project.

Located on the Blackhorse Pike, in Egg Harbor Township, the Project is within a Pinelands Regional Growth Area.* The project is adjacent to Garden State Parkway, and is within a few miles to the Atlantic City Expressway; the Parkway and the Turnpike provide easy access to the region from New York and Philadelphia. The redevelopment of the Shore Mall will include off-site infrastructure improvements to West Jersey Avenue and Garden State Parkway Exit 36 interchange with the Black Horse Pike (Route 40/322). The planned infrastructure improvements include the following:

- Reconfigure Parkway Exit 36 to provide direct access into the Project site and adjacent parcels
- Redesign of turning movements at the Parkway exit 36 intersection with Tilton Road and the Black Horse Pike
- Create a full access intersection of West Jersey Avenue to the Black Horse Pike
- Create a new boulevard connecting Broadway and West Jersey Avenues.

The improvements will alleviate congestion, increase traffic safety, and provide direct access to the Project from the Parkway. Without the infrastructure improvements, the “redevelopment project would not be economically viable.” N.J.S.A. 52:27D-489c (definition of “ancillary infrastructure project”).

The project meets the goal of the Regional Growth area because it is an existing commercial development that can “accommodate regional growth influences while protecting the essential character . . . of the Pinelands.”† The redevelopment of the existing Shore Mall, and planned

* Regional Growth Areas are areas of existing growth or lands immediately adjacent thereto which are capable of accommodating regional growth influences while protecting the essential character and environment of the Pinelands. N.J.A.C. 7:50-5.13(g).

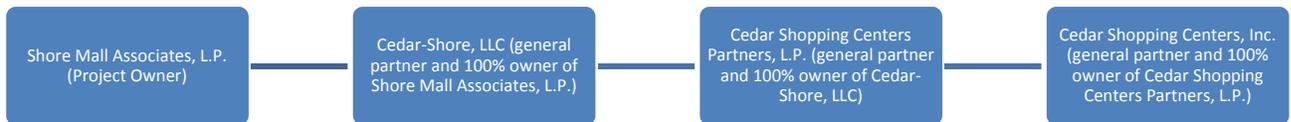
† *Id.*

infrastructure improvements will preserve the surrounding Pinelands and improve the availability of retail and restaurants venues to the surrounding area.

The redeveloped Shore Mall will create approximately 829 full time retail and restaurant jobs, and 550 one time construction jobs. The redeveloped Project will also retain 677 jobs. The average salary of the retail and restaurant jobs is approximately \$30,347. These estimates are provided by the Applicant.

Project Ownership

The project will be owned by Shore Mall Associates, L.P., a limited partnership created to own the Project. The following diagram outlines the Project’s ownership structure:



The Applicant, which is affiliated to Cedar-Shore LLC and is the general partner of Cedar Shopping Centers Partners, L.P., will develop and manage the Project. Cedar Shopping’s current commercial retail portfolio, in eight states, includes 12.95 million ±SF with a net book value of approximately \$1.51 billion. The Applicant has extensive experience in commercial retail development and redevelopment and acquiring commercial retail assets in mature and established communities.

Project Uses and Sources

The Applicant proposes the following uses and permanent sources for the Project:

Uses	ERG Eligible‡	Total Budget
Acquisition	\$23,520,000	\$23,520,000
Retail Improvements	\$42,642,598	\$42,642,598
Off-Site Infrastructure Improvements	\$21,050,000	\$21,050,000
Professional Services	\$5,037,492	\$5,537,492
Financing and Other Costs	\$6,117,244	\$6,317,244
Contingency	\$3,678,282	\$3,678,282
Development Fee	\$0	\$0
	\$102,045,616	\$102,745,616

‡ The excluded costs, \$700,000, did not fit within the guidelines definition of eligible hard or soft costs.

Permanent Sources

Permanent Loan	\$60,192,493
Equity	\$20,549,123
Site & Tenant Contributions	\$22,004,000
	\$102,745,616

The sources and uses above reflect the project with the ERG subsidy included. The project gap is calculated based on the Equity Internal Rate of Return and Cash-on-Cash Yield identified in the gap analysis, which will be discussed below. These returns are calculated with and without the ERG cash flow to compare the returns.

Gap Analysis

EDA staff has reviewed the application to determine that there is a project financing gap. Staff analyzed the pro forma and projections of the project and compared the returns with and without the ERG:

With ERG	Without ERG
Equity IRR 9.39% (Market Range = 15-20%)	Equity IRR -18.20% (Market Range = 15-20%)
Cash on Cash Yield 7.35% (Market Range = 8-10%)	Cash on Cash Yield 2.25% (Market Range = 8-10%)

As indicated in the chart above, the project would not otherwise be completed without the benefit of the ERG. With the benefit of the ERG, the Equity IRR is 9.39% and the Cash-on-Cash Yield is 7.35%, making the returns closer to the market ranges provided by the EDA’s contract consultant, Jones Lang LaSalle. The additional revenue from the prospective ERG enables this project to move forward.

Net Positive Benefit Analysis

The Authority has conducted the required Net Benefit Analysis and has found that the present value of the Net Positive Benefits to the State at a 6% discount rate over a 20 year period is \$59.32 million. The Net Positive Benefit calculation included:

- 66% of the incremental annual corporate business tax;
- 66% of the incremental gross income tax;
- 100% of the incremental one-time tax generated from the Project’s construction; and
- 100% of the incremental indirect spillover tax revenues from earnings and expenditures.

Real estate and sales taxes are excluded from the calculation because: (1) real estate tax is a local tax, providing local benefits, and is not State revenue; and (2) there will be no additional new sales tax benefits as a result of this Project. The present value of this figure is reduced by the present value of all local and state grants, including the ERG award, to the Project, resulting in the present

value of the Net Positive Benefits to the State of \$38.91 million.

Other Statutory Criteria

In order to be eligible for the program, the project must exhibit the following:

The economic feasibility and the need of the redevelopment incentive agreement to the viability of the project. The likelihood that the project shall upon completion be capable of generating new tax revenue in an amount in excess of the amount necessary to reimburse the developer for the project costs as provided in the redevelopment agreement.

Based on the expected generation of \$3.69 million of incremental direct annual gross income, sales and other eligible taxes over 20 years, and a 75% rebate of eligible taxes, there are adequate funds to support the reimbursement of taxes to the Project as outlined in the analysis. As discussed previously, the project financial returns before and after the ERG grant demonstrate a need for the incentive grant agreement. The appraisal, prepared by Integra Realty Resources – Coastal NJ, notes that “the proposed redevelopment to ‘de-mall’ the [Shore Mall] and re-position the property to attract big-box oriented retail users would likely be a much better strategic move as compared to upgrading and re-tenanting the existing mall, which would require significant upgrades.”§ The firm also notes that the focus on “big box users”, even in a the current economy, is a good strategy because “many of these [users] are continuing with their expansion plans regardless of the broader economic weakness as these users are typically long-term occupants who are able to withstand fluctuations in the economy . . . and are discount-value oriented and thus have not been severely impacted by” the current economic conditions.** Taking into account the experience of the Applicant, the 245,562 SF with potential retained tenants, the market strategy to redevelop the mall as a big box retail center, and the ERG award, Staff has determined that the project has a likelihood of success.

The degree to which the redevelopment project within a municipality which exhibits economic and social distress, will advance State, regional, local development and planning strategies, promote job creation and economic development and have a relationship to other major projects undertaken within the municipality.

The Project is located in Egg Harbor Township, a Pineland Regional Growth Area, which is a target area for the program. Since 1999, Atlantic County’s employment base has declined by 4.8% (1999: 133,269 jobs; 2010: 126,521 jobs). Over the last decade, the County has experienced job losses in 5 of the 10 years; in addition, over the last 10 months, the County and the Township’s

§ Appraisal of Real Property - Shore Mall (Integra Realty Resources – Coastal NJ, Nov. 2010) p. 21.

** *Id.*

unemployment rates exceeded the State rate as follows:

Unemployment Rates		
Area	Average of First 10 Months - 2010	Rate for October 2010
Statewide	9.70%	8.80%
Atlantic County	12.60%	11.50%
Egg Harbor Township	11.39%	10.70%

The proposed development will retain approximately 677 full-time jobs and add approximately 829 full-time jobs, with an average salary of \$30,000.

The Project is also consistent with State and local planning objectives (i.e., the State Plan, the County and Municipal Master Plans, and the Township and Livable Communities Plan) in the following ways:

- The redevelopment will improve traffic and congestion along the Black Horse Pike and connecting arteries
- The infrastructure improvements will support the redevelopment of an existing retail center that will promote mixed uses
- The Project will help create a commercial corridor that is supported by high density, mixed use retail.

Recommendation

Authority staff has reviewed the application and finds that it is consistent with eligibility requirements of the Act. Treasury, in reviewing the application, has notified the Authority of the adequacy of the project's estimated tax revenues and specified the percentage reimbursement of total project costs. Therefore, it is recommended that the Members approve the application and authorize the CEO of the Authority to execute an Incentive Grant Agreement with the applicant and the State Treasurer, subject to final review and approval of the Office of the Attorney General. All disbursements under the ERG program are subject to annual appropriation by the New Jersey State Legislature.

Closing of the Incentive Grant Agreement and the reimbursement of any taxes is contingent upon the Applicant meeting the following conditions regarding the Project:

1. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant in its application to the Authority for the ERG; and
2. Evidence of site control and site plan approval for all properties within the Project;

Reimbursement shall commence upon:

1. Completion of construction and issuance of a permanent certificate of occupancy;
2. Submission of a detailed list of all eligible costs, which costs shall be satisfactory to the NJEDA;
3. New tax revenues have been paid to the NJ Treasury and appropriated; and
4. Submission of the agreement with the New Jersey Department of Transportation for road improvements

The NJ Treasury annually tracks taxes received from job sites and remits reimbursement equal to a percentage of funds collected during the year.

It is recommended that the members authorize the CEO of the EDA to execute any assignment agreements necessary to effectuate this transaction.

Total Eligible Project Costs:	\$102,045,616
Eligible Taxes for Reimbursement:	Sales and Other Eligible Taxes not to exceed \$20,409,123, over 20 years.
Recommended Grant:	20% of eligible costs, not to exceed \$20,409,123, over 20 years



Caren S. Franzini

Prepared by: Juan Burgos

Shore Mall Associates, L.P.

NIEDA Economic Impact Model

NIEDA Economic Impact Model

County Number	1
Address	Black Horse Pike
County	Atlantic
Ongoing Jobs(Direct)	829 Applicant Projects 829
One Time Jobs(Direct)	554 Applicant provided
State & Local Direct Ongoing	
Sales Tax	Services
Corporate Income Tax (CIT)	\$0.00 7% tax rate x 0% credit
Gross Income Tax	\$0.97 5% tax rate x 66% credit x %SF Increase
Misc. State Tax Revenue	\$0.65 4% tax rate x 66% credit
Property Tax (Default to Total Const Value*3%)	\$0.00 Estimated Property Tax x 0% credit
Direct Ongoing Annual Taxes	\$1.63 a
State Indirect Ongoing	
Annual Corp Spending	\$101.30 Direct Output Composite
Final Demand Output Multiplier	1.47x Direct Output Composite Multiplier
Indirect Annual Spending	\$47.34 Direct Output Composite (Direct .Mult.-1)
At 3.5 % Tax Rate	\$1.66 b
Annual Payroll	\$24.86 Direct Earnings Composite
Indirect Effect Earnings Multiplier	1.41x Direct Earnings Composite Multiplier
Indirect Earnings	\$10.07 Direct Earnings Composite (Indirect .Mult.-1)
At 4% Tax Rate	\$0.40 c
Indirect Ongoing Annual Taxes	\$1.66 b

Total State Ongoing Net Benefits

Annual Net Benefit	\$3.69 a+b+c
Cumulative Net Benefit (20yrs w/ 3% yearly inflation)	\$99.04
Present Value @6%	\$53.67 d

One Time

Construction Value	\$102.75
Direct One Time Taxes on Spending	\$3.6 Input
Direct Construction Multiplier	1.55x
Indirect One Time Spending	\$56.82
Spending Tax Rate	3.5%
Ind One Time Taxes on Spending	\$2.0
Assumed Portion of Const. on Labor	50% Input
Dir One Time Earnings	\$1.37
Earnings Tax Rate	5%
Dir One Time Taxes on Earning	\$2.6
Direct Effect Earnings Multiplier	1.43x
Indirect One Time Earnings (50% of Construction)	\$21.86
Earnings Tax Rate	5%
Ind One Time Taxes on Earnings	\$1.1
Total One Time Tax Benefits	\$5.7 e

Total State Benefits

Total One Time Tax Benefits	\$5.650 e
Total State Ongoing Benefits (PV @ 6%)	\$53.67 d
Total Benefits	\$59.32 f+e

Total State Benefits	\$59.32
ERG Award	-\$20.41
Local Burden	\$38.91

URBAN TRANSIT HUB TAX CREDIT PROGRAM



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

**SUBJECT: Transit Village Associates LLC
Urban Transit Hub Tax Credit Program
FOR INFORMATION PURPOSES ONLY**

BACKGROUND

On May 10, 2010, the Members approved an Urban Transit Hub Tax Credit (UTHTC) program application for Transit Village Associates LLC (“Transit”) for a tax credit in an amount not to exceed \$55,100,000 (the “Tax Credits”) which represents 20% of the total eligible capital investment of \$275,500,000. The total project costs are estimated at \$326,050,000. The project consists of 3 phases of development, Gateway, Ferren and Arts Redevelopment, and is the cornerstone of the Downtown Transit Village Redevelopment Initiative in New Brunswick (the “Project”).

Phase 1 - Gateway includes three major components to be built simultaneously and includes 192 housing units, 58,000 square feet of office space, 657 parking spaces and 58,000 square feet of retail space. It represents a true public-private partnership with Rutgers University and the New Brunswick Parking Authority and will provide important links with mass transit, including a direct access to a train platform serving the Northeast Corridor.

Phase 2 – Ferren includes 730,000 square feet of market rate housing together with public parking, an urban grocery store and a hospital based fitness and wellness center.

Phase 3 – Arts includes 128,000 square feet of affordable housing and retail that will provide an essential link between the train station and the downtown corridor.

INFORMATIONAL CHANGE

Transit intends to sell the Tax Credits to TD Bank and has secured financing for the Project from Bank of America (the “Lender”). The Lender will be providing a bridge loan to bridge the expected sale proceeds of the Tax Credits. The bridge loan proceeds will be used at closing of the financing to fund construction of a portion of the Project. As a condition to making the bridge loan, the Lender is requiring Transit to pledge to the Lender all of their rights, title and interest in the Tax Credits.

If Transit defaults on the bridge loan, the Lender will have the right, but not the obligation, to step into the shoes of Transit and finish the Project. If the Lender exercises this remedy and completes the Project as originally approved by the Members of the Authority, the Lender will also step into the shoes of Transit with respect to the Tax Credits so that upon completion of the Project, it could claim and sell the tax credits in order to pay off the bridge loan. In this event, the Authority would issue the Tax Credits to the Lender, or its designee, upon completion of the Project and the Authority's satisfactory review of the construction costs associated with the Project and any other documentation required pursuant to the UTHTC rules. The same requirements which apply to Transit under the UTHTC program would apply to the Lender, as Transit's assignee. Upon issuance of the Tax Credits to the Lender, it is anticipated the Lender would then sell the tax credits in order to pay off the bridge loan.

In addition, the Lender would have the right, but not the obligation, to cure any default by Transit, which default would otherwise prevent issuance of the Tax Credits, within a reasonable time after their receipt of notice of such default from the Authority.

This memo is for informational purposes only. Authority staff believes the Approval Letter may be assigned in this narrow circumstance under the UTHTC Residential Program. Unlike the UTHTC Commercial Program where the right to receive tax credits terminates if the original applicant sells the property, the regulations for the residential program have always contemplated that both the facility and the tax credits could be transferred to third parties. Although Authority staff had historically thought of this transfer as occurring after construction, there is no legal reason not to extend the ability to transfer tax credits before the completion of construction in the event of a default.

The Attorney General's office has confirmed there is no board action necessary to approve this assignment. Authority staff has the authority, pursuant to its Operating Authority, to execute any and all documentation necessary to effectuate this transaction.


Caren S. Franzini
Chief Executive Officer

Prepared by: Margaret Piliere

BOARD MEMORANDUMS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: Waterhouse Securities, Inc.
Jersey City, New Jersey
P10739

Modification Request:

Consent to administrative changes in the Waterhouse Securities, Inc. Business Employment Incentive Employment grant. These changes do not materially impact the company's initially projected job creation numbers.

Background

On April 13, 1999, the members approved an 80% /10 year BEIP grant to Waterhouse Securities, Inc. based on the proposed expansion of its operations in Jersey City, Hudson County and its New Employment Commitment ("NEC") of 300 jobs. The company satisfied the Minimum Eligibility Threshold of 25 in June 2001.

At the time of approval Waterhouse Securities, Inc. was a subsidiary of Waterhouse Investor Services, Inc., its US parent, which was then a subsidiary of TD Bank of Canada. Since the grant was initiated, the corporate structure has gone through a series of organizational transitions and name changes.

On January 24, 2006, TD Ameritrade Holding Corporation ("AMTD") acquired the parent company of the grantee, thus making the grantee one of its subsidiaries. As a result of the acquisition, our grantee's name has changed to TD Ameritrade, Inc. In addition, AMTD has existing subsidiaries, including TD Ameritrade Services Company and Think Tech, Inc., which both have a presence in Jersey City. As part of the company's reorganization, a portion of the grantees employees have been transferred to one and or both of the newly added entities, therefore not creating significant unanticipated growth.

This approval is being requested at this time in conjunction with processing the company's 2007 annual report. During the period the company was involved in restructuring, its reporting on the grant was delayed. It has agreed to forgo its 2005 and 2006 grant years, and the 2007 report is now in process. The requested approvals will not affect the grant award percentage as it is not anticipated there will be any material increase in employment as a result of these changes.

Economic Viability Review:

Staff has reviewed the financial statements of TD Ameritrade Holding Corporation's 2009 [10K] with 2008 and 2007 comparative and the September 2010 10Q financial statements and have determined the company to be economically viable. Based on observed trends of strong growth in revenues and sustained profitability through all three fiscal periods, staff concludes the company is economically viable.

Recommendation:

Consent to: 1) the addition of TD Ameritrade Services Company, Inc. and Think Tech, Inc. as additional entities on the grant; 2) the name change from Waterhouse Securities, Inc. to TD Ameritrade, Inc.; 3) approve the present corporate structure with the grantee, TD Ameritrade, Inc. is now held as a subsidiary of TD Ameritrade Holding Corporation.



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

Prepared by: Tyshon Lee



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: Burlington County
\$5,000,000 Economic Development Site Fund Grant (“EDSF”)

Request:

Confirm the eligibility of the Edgewater Park Crossing Group, LLC as a qualified project under Burlington County’s EDSF grant. Approval of the project is required pursuant to the EDSF legislation that provided this \$5 million grant to the County. Consent by the members is subject to confirmation by the State Treasurer.

Background:

The Economic Development Site Fund (“EDSF”) was created in 1996 as part of the Port of New Jersey Revitalization, Dredging, Environmental Cleanup and Delaware Bay Area Economic Development Bond Act, (P. L. 1996, c.70) (“Bond Act”). The Bond Act provided a \$20 million appropriation for economic development projects in the Delaware River and Bay Region. Under the EDSF, 9 awards were authorized by the State legislature, including a grant in the amount of \$5 million to Burlington County to capitalize a revolving loan fund for economic development site projects along the Route 130 corridor.

The EDSF projects were reviewed by the New Jersey Commerce & Economic Growth Commission (“NJ Commerce”). In 2008, NJ Commerce was dissolved and the EDSF program was transferred to the BRAD division in the EDA, which is to review the eligibility of projects funded by Burlington County. CEO Franzini serves as the acting director of the BRAD Division and recommends this loan for approval. Confirmation by the Attorney General’s Office and approval by the State Treasurer is also required.

In November 2010, Burlington County asked EDA to confirm the eligibility of Edgewater Park Crossing Group, LLC as a qualified project under the EDSF. The County’s \$2,000,000 loan will finance land acquisition and soft costs related to construction of this medical and health care complex for Edgewater Park Crossing Group, LLC, project developer. Additional financing will be provided by either an \$8,000,000 Recovery Zone Facility Bond through county allocation or bank loan and \$1,150,000 in equity. The County has conducted its credit due diligence on the project and is asking EDA to confirm the eligibility of the applicant as a qualified project under the terms of the grant

agreement and supporting legislation.

Staff has completed its review of the statutory guidelines and the grant agreement, and concludes that the project satisfies the eligibility criteria under EDSF for the following reasons: 1) the project is located along the Route 130 corridor; 2) will support or enhance the existing economic base of the region; 3) will result in creation or retention of 135 permanent jobs; and 4) is expected to foster the development of business or commercial ventures and promote long-term growth in the region.

The Attorney General's Office has advised that this project is eligible for funding as required by the Bond Act and other EDSF statutes.

Recommendation

Confirm eligibility of Edgewater Park Crossing Group, LLC as a qualified project pursuant to the Act and the underlying grant agreement with Burlington County to support the creation of 135 jobs and enhance the economic base of the region. Approval by the Members will be subject to the approval by the State Treasurer.

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and appears to be the initials 'C.M.J.' followed by a flourish.

Prepared by: Natalia Nagovsky and Dan Weick



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: 2 Fairfield Crescent, LLC
West Caldwell , Essex County, NJ
\$2,350,000 Tax Exempt Bond (P17852)

Request:

Consent to the changes on the tax exempt bond to provide debt service relief to the borrower. The contemplated changes include modifying the current fixed rate of 5.05% to a floating rate tax exempt equivalent of 3% over LIBOR plus forty-five (45) basis points, eliminating the existing interest rate floor and changing the current reset/call dates from 2012 to ten (10) years.

Background:

2 Fairfield Crescent, LLC was formed to acquire assets for lease to its related operating company, The Original Bagel & Bialy Co., Inc. ("Original Bagel"). Original Bagel is a wholesale bakery distributor of water boiled bagels for in-store bakers and food service companies that has been in operation since 1995.

In February 2007, the Members approved a \$2.35 million stand-alone direct purchase tax exempt bond to renovate an existing commercial building and to acquire new production equipment required for expansion. Terms on the bond were fifteen (15) years at a fixed interest rate of 5.05% based on 111% of the 5 year Treasury with a floor of 4.97%, reset every 5 years at the same index. The bond was purchased by Commerce Bank (now TD Bank) and is a conduit financing for which the Authority has no credit exposure.

The Bank has agreed to modify the terms of the bond from the current fixed rate of 5.05% to a floating rate of 3% over Libor plus 45 basis points with an interest rate swap of approximately 4.65% for ten years. The interest rate reduction will result in improved cash flow for the company and the modification will extend the term from 2012 to 2020. EDA is being asked to consent to this modification.

Wolff & Samson, bond counsel to the Authority, has reviewed this request and has opined that the tax-exempt status of the Bond will not be adversely affected as a result of this modification.

Recommendation:

Consent to the change in interest rate and accompanying provisions as described above. Approval will reduce debt service and interest expense for the Borrower and support a New Jersey-based manufacturing company.

Prepared By: Nancy C. Meyers



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: Delegated Authority Approvals
For Informational Purposes Only

The accounts listed on the attached grid were approved for write off under Delegated Authority in December 2010.

Prepared by: Jon Maticka

**Delegated Authority Approval
Proposed Loan Write-Offs
December 2010**

Name	Origination Date	Original Loan / Gte. Amount	Current Balance	Background	Recommendation
HMK Realty Co., Inc.	August 8, 2006	\$218,750	\$195,788	<p>HMK Realty is a real estate holding company for the project user, Howard Komendant, CPA. This loan was originated to purchase the project property in Hackensack.</p> <p>This participation loan is secured by a first mortgage on the project property. However, there is no available equity for EDA's portion of loan due to it's being subordinate to the agent bank's position (Sun National Bank).</p> <p>No loan payments have been made since September 2009. Borrower was unresponsive to collection efforts. Sun Bank (agent) is foreclosing the first mortgage. Personal guarantor has been discharged in chapter 7 bankruptcy and is no longer obligated. Recovery of the loan is unlikely.</p>	Write-Off With Recourse
Independence Realty Group, LLC	November 7, 2007	\$120,000	\$112,089	<p>Independence Realty Group was formed to acquire Olympia Dairy Bar, an ice cream stand and quick order restaurant in Salem. This loan was originated to acquire the assets of the restaurant.</p> <p>The loan was secured by a second mortgage on the project property and second lien on business assets, with no liquidation value due to senior lien amounts. The loan was also secured by a third mortgage on the principal's residence with no equity.</p> <p>Business closed in November 2009 due to significant cash flow problems. No payments have been made since August 2009. Senior lien holders foreclosed on both properties securing the loan. Loan is now unsecured. The Bank (agent) filed legal action to obtain judgments against personal guarantors who offer limited recovery.</p>	Write-Off With Recourse



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: December 14, 2010

SUBJECT: Write Off of Loans

Request:

Write off the subject loans listed on the attached grid with recourse.

Background:

The loans on the attached grid have been reviewed by the Special Loan Management and offer limited likelihood of future recovery and/or have not made payments for an extended period of time.

The loans have combined balances totaling \$1,824,895 and are risk rated Loss and fully reserved.

Recommendation:

Write off the loans with recourse. Staff will continue to monitor these for potential of future recovery.

Prepared by: Jerome T. Stesney

**Board Approval
Proposed Loan Write-Offs
December 2010**

Name	Origination Date	Original Loan/Gte. Amount	Current Balance	Background	Recommendation
Cumberland TruStone LP	March 31, 2004	\$1,500,000	\$1,405,350	<p>Cumberland TruStone owned and operated a facility in Vineland for the manufacture of aerated autoclaved concrete blocks.</p> <p>EDA issued a 27% guarantee of a \$5.6MM Cumberland Empowerment Zone Bond to construct and equip the project property in Vineland. Ferris, Baker, Watts, Inc. was the placement agent for the issue. Bank of NY is the trustee.</p> <p>The bond is secured by a first mortgage on the project property offering limited equity and a first lien on equipment deemed to have no liquidation value. The loan is also secured by a \$2MM certificate of deposit held by trustee.</p> <p>Business was unable to generate sufficient sales and ceased operations in 2006. EDA paid its guarantee payment in July 2008.</p> <p>Bondholder is foreclosing first mortgage. EDA will receive its pro-rata share of any future recovery of loan. However, potential litigation may require an extended time frame.</p>	Write-Off With Recourse
RMJ Laboratories, Inc.	November 9, 2007	\$750,000	\$419,545	<p>RMJ Laboratories was engaged in research, development and manufacturing of cosmetic products.</p> <p>This loan was originated to purchase equipment and refinance existing debt.</p> <p>The loan was secured by a first lien on business equipment and a third mortgage on residential real estate.</p> <p>Business closed in May 2010 due to significant cash flow problems. Agent bank liquidated equipment collateral and EDA received its portion of the sale proceeds. There is no available equity in real estate due to senior lien amounts. Personal guarantor offers limited recovery.</p> <p>Prospects for further recovery of the loan in the near term are limited.</p>	Write-Off With Recourse



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: December 14, 2010

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

The following projects were approved under Delegated Authority in November 2010:

New Jersey Business Growth Fund:

- 1) Dr. Anselm Q. Igbanugo PA or Nominee (P34364), located in Dover Township, Ocean County, is a medical practice that has been in operation since 2001. Dr. Igbanugo has been practicing medicine for 20 years. PNC Bank approved a \$595,000 loan with a five-year, 25% Authority guarantee of principal outstanding, not to exceed \$148,750. Proceeds will be used to purchase real estate. The company currently has seven employees and plans to create eight new jobs within the next two years.
- 2) JEHB Management LLC and Preform Labs Inc. (P34432) are located in Hackensack City, Bergen County. JEHB Management LLC is the real estate holding company for the project property. Preform Labs Inc. is a manufacturer that makes a variety of custom foot orthotics to fill prescriptions issued by local podiatrists. PNC Bank approved a \$486,000 loan with a five-year, 25% guarantee of principal outstanding, not to exceed \$121,500. Proceeds will be used to purchase real estate. Currently, the company has 25 employees and plans to create an additional twelve new jobs within the next two years.
- 3) RECA Property, LLC & Acer Associates, LLC or Nominee (P33943) are located in Berlin Township, Camden County. RECA Property, LLC was formed as a real estate holding company for the project property. Acer Associates, LLC was started in 2003 as a provider of environmental, geotechnical and site remediation services. PNC Bank approved a \$320,000 loan with a five-year, 25% guarantee of principal outstanding, not to exceed \$80,000. Proceeds will be used to purchase real estate. Currently, the company has eleven employees and plans to create two new positions within the next two years.

Camden ERB:

- 1) DCM Architecture & Engineering, LLC (P33840) is a full service design, construction and maintenance company focusing on energy efficiency, high performance buildings and building systems. DCM will be leasing 2,548 sq. ft. in the Waterfront Technology Center at Camden. Half of the space will be subleased to Blue Sky Power, LLC, which develops, finances and manages clean capital projects. The company was approved for an \$18,306 Business Lease Incentive Grant over a two-year period. Currently, the company has four employees and plans to create ten new jobs within the next two years.



Prepared by: S. Mania
SM/gvr

REAL ESTATE



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Waterfront Technology Center Camden
Rutgers Camden Technology Campus, Inc. Partial Lease Termination

DATE: December 14, 2010

Summary

I am requesting the Members' approval 1) to execute an amendment permitting a partial termination of the lease agreement between the Authority and Rutgers Camden Technology Campus, Inc. ("RCTC") for the second floor at the Waterfront Technology Center at Camden ("WTCC"), and 2) for a retrofitting allowance of \$100,000.

Background

At the November, 2005 meeting, the Members approved a ten year lease agreement with RCTC for approximately 20,000 sf on the second floor of WTCC. RCTC is a technology business incubator which encourages entrepreneurs to locate their businesses in Camden and assists them with low cost office and conference space, technical support services, and mentoring for successful startup. RCTC relocated from the Virtua Office Facility on Atlantic Avenue in Camden to WTCC in January of 2007.

Historically, the incubator has been funded through Rutgers University ("Rutgers"), the Delaware River Port Authority, the New Jersey Commission on Science & Technology and the U.S. Department of Commerce. As other funding sources have gradually decreased over the last few years, Rutgers University has filled the gap. Due to recent budget cuts, Rutgers can no longer provide this support, and as a result, RCTC increased its rental rate to its subtenants. RCTC is now experiencing vacancies, and has requested a reduction in its leased premises from approximately 19,500 square feet to a range of 10,500 to 12,000 square feet. The final square footage allocation is pending the decision of one of RCTC's subtenants to vacate the incubator space and lease larger space directly from the Authority, or move out of the building.

The original terms allow RCTC to terminate the lease if funding is not received to support the incubator program. Although the existing agreement did not contemplate a partial termination, the alternative of closing the incubator completely is one which all parties wish to avoid. With

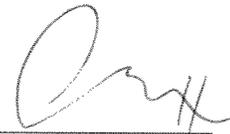
RCTC's new rent structure and current tenants, the incubator will continue to help businesses to grow and create jobs in Camden.

Except for a reduction in square footage, all other terms of the existing lease between the Authority and RCTC will remain the same.

The reduction in RCTC's space will result in the return of 7,500 – 9,000 sf of second floor space to the Authority. The space is configured in small offices, consistent with an office incubator. Staff will make best efforts to lease the space as is, but in the event that retrofitting is required, a budget of up to \$100,000 is requested, to be funded from unrestricted funds of the Authority.

Recommendation

In summary, I am requesting the Members' approval for the following: 1) execution of an amendment to the lease between the Authority and Rutgers Camden Technology Campus allowing a reduction of the leasehold area from approximately 19,500 square feet of office space to approximately 10,500 or 12,000 square feet and a corresponding reduction in rent at the Waterfront Technology Center at Camden's Tech One building; 2) a budget of \$100,000 for potential retrofit of the portion of the leased premises returned to the Authority; and 3) approval to execute any and all other documents required to effectuate this transaction, on final terms acceptable to the Attorney General's Office and the Chief Executive Officer.



Caren S. Franzini
Chief Executive Officer

Prepared By: Christine Roberts

MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
RE: The Technology Centre of New Jersey Operating Budget – 2011
DATE: December 14, 2010

Summary

I am requesting the Members' approval of the attached 2011 operating budget ("2011 budget") for the Technology Centre of New Jersey, L.L.C. ("LLC").

Background

The LLC is the entity formed by the Authority's joint venture with the AFL-CIO Building Investment Trust (BIT). The Authority, through its Real Estate Division, is the LLC's managing member. As managing member, the Authority is charged with the day-to-day operations of the Technology Centre, including the preparation of an annual operating budget.

Attached, for your review and approval, is the Technology Centre's 2011 budget, which includes projected revenues and budgeted expense categories. The 2011 budget is based on projections using 2010 actual costs and revenues with inflationary adjustments where anticipated.

The attached budget involves the forecasted year end 2010 results, which indicate that the project will have sufficient revenue to support the 2011 operating budget. Net Cash Flow for 2010 is estimated to be \$3,055,000 with approximately \$2,650,000 payable to the BIT for their preferred rates of return and proportionate share of the remaining net cash flow, after preferred payments and administration fees are allocated. The remaining balance, approximately \$350,000, is allocated to the NJEDA. Administration Fees collected by the NJEDA are estimated at \$285,000 for 2010. 2011 projected Net Cash Flow is down from 2010 due to anticipated vacancies at Tech II (Cambrex (12/31/10 Lease Termination) and Meda Pharmaceutical (4/30/11 Lease Termination)). Accruals of NJEDA's Administration Fee will be made in 2011 until revenue is sufficient to pay all current and outstanding guaranteed preferred rate of return payments to the BIT, an income shortfall of \$160,000 based on 2011 projected tenancy.

The Technology Centre's 2011 projected Return on Investment is estimated to be approximately 5.0%. The Authority's 2011 annual total Return on Equity is estimated to be 1.5%. Please note that the EDA equity includes the Authority's direct resources, as well as non-cash items and third party grants. Pursuant to the Operating Agreement, implementation of the annual budget is subject to approval by the BIT.

Recommendation

I am requesting that the Members approve the attached 2011 budget for the Technology Centre of New Jersey, L.L.C.



Caren S. Franzini

Attachment
Prepared by: Mark Lestuk

Technology Centre of New Jersey 2011 Operating Budget
--

	2011 Budget	2010 Projected
INCOME:		
<i>Rental Income & Reimbursables</i>		
Tech IV: Advance Care Bldg	\$0	\$0
Cambrex	\$0	\$1,430,000
Anthem/Chubb	\$420,000	\$416,000
Merial	\$1,307,000	\$1,283,000
Meda Pharmaceutical	\$216,000	\$643,000
Tech III - Generic Wet Labs	\$232,000	\$38,000
Tech III - Rutgers	\$997,000	\$985,000
Tech IV: Ground Lease (to EDA)	\$223,000	\$223,000
Commercialization Center	\$301,000	\$341,000
Commercialization Center (Expansion)	\$309,000	\$350,000
	\$4,005,000	\$5,709,000
<i>Interest Income</i>	\$4,000	\$5,000
<i>Total Income</i>	\$4,009,000	\$5,714,000
EXPENSES:		
<u>Recoverable</u>		
Utilities	\$35,000	\$45,000
Maintenance	\$159,000	\$166,000
Landscaping/Snow Removal	\$404,000	\$436,000
Management	\$246,000	\$213,000
Insurance - Tenant Reimbursable	\$140,000	\$160,000
PILOT	\$846,000	\$1,170,000
<u>Non-Recoverable</u>		
NJEDA Administration Fee	\$200,000	\$285,000
Insurance - Director's & Officers (Non-Tenant)	\$11,000	\$10,000
Annual Audit	\$25,000	\$24,000
Consulting (A&E, Environmental, Appraisal)	\$30,000	\$26,000
R/E Commission	\$0	\$124,000
Contingency/Miscellaneous	\$0	\$0
<i>Total Expenses</i>	\$2,096,000	\$2,659,000
NET CASH FLOW:	\$1,913,000	\$3,055,000

2011 Cash Distribution & Fee Summary

Technology Centre of New Jersey

Total Revenue & Interest Income	\$4,009,000
Total Recoverable Expenses	\$1,830,000
Total Non-Recoverable Expenses (Not Including NJEDA Fee)	\$66,000
Net Cash Flow (Not Including NJEDA Fee)	\$2,113,000

BIT Preferred Rate of Return Payouts

CRR to BIT - Tech I (7.25%)	\$617,723
PRR to BIT - Tech I (8.25%)	\$85,203
PRR to BIT - Tech II (7.75%)	\$806,335
PRR to BIT - Tech III (8.25%)	\$674,408
Deferred PRR (Tech III) Payments	(\$161,370)
Total BIT Payouts	\$2,022,300

Remaining Cash **\$90,700**

NJEDA Administration Fee (Realized in 2011)	\$55,000
RR&I Account Refunding	\$17,850

Remaining Cash Flow Distributions

BIT	\$11,324
NJEDA	\$6,526

Funds Remaining After Distributions & Fees **\$0**

Accruals (Unrealized for 2011)

NJEDA Administration Fees (Accrued)	\$145,000
-------------------------------------	-----------

NJEDA Administration Fees

Realized in 2011	\$55,000
Accrued	\$145,000
Total	\$200,000