



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: February 13, 2007
SUBJECT: Agenda for Board Meeting of the Authority February 13, 2007

1. **Notice of Public Meeting**
2. **Roll Call**
3. **Approval of Previous Month's Minutes**
4. **Chief Executive Officer's Monthly Report to the Board**
5. **Bond Projects**
6. **Loans/Grants/Guarantees**
7. **BEIP**
8. **Board Memorandums**
9. **Real Estate**
10. **Authority Matters**
11. **Public Comment**
12. **Executive Session**
13. **Adjournment**



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
January 9, 2007

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; Mike Sheridan representing the Commissioner of the Department of Banking and Insurance; Noel McGuire representing the Secretary of the NJ Commerce, Economic Growth and Tourism Commission; James Kelly, representing the State Treasurer; Bernie Piaia representing the Commissioner of Education; Timothy Carden, Carlos A. Medina, Charles Sarlo, Thomas Manning, Philip Kirschner, and Steve Plofker, Public Members; Raymond Burke and Carmen Twillie Ambar, Alternate Public Members; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Marilyn Davis representing the Commissioner of the Department of Labor and Workforce Development.

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

Chairman Van Horn called the meeting to order at 10:04 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 December 12, 2006 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Sheridan and was approved by the 12 Members present.

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

Ms. Ambar entered the meeting at this time.

The next item was the approval to adopt the 2006 Carryforward Resolution.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

BOND RESOLUTIONS

PROJECT: Advanced Drainage Systems, Inc. **APPL.#17774**
LOCATION: Logan Twp./Gloucester Cty. **BUSINESS:** Producer of pipe and fittings
PROCEEDS FOR: bldg. and road constr./equip. purch and renov.
FINANCING: \$9,000,000 (max) Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Mr. Sadler entered the meeting at this time.

PROJECT: CGI North America, Inc. **APPL.#17836**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** Commercial printer
PROCEEDS FOR: equip. purch
FINANCING: \$8,250,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Converted Organics of Woodbridge, LLC for the **APPL.#17429**
benefit of Converted Organics, Inc.
LOCATION: Woodbridge Twp./Middlesex Cty. **BUSINESS:** Mfr. of soil amendment
products
PROCEEDS FOR: bldg. renov./equip. purch.
FINANCING: \$17,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. McGuire **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 4

PROJECT: Phoenix Container, Inc. **APPL.#17729**
LOCATION: North Brunswick Twp./Middlesex Cty. **BUSINESS:** Mfr. of steel pails
PROCEEDS FOR: equip. purch.
FINANCING: \$1,040,000 (max) Tax-Exempt Bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

AMENDED BOND RESOLUTIONS

PROJECT: Three Woodbury Mews, LLC and Four Woodbury Mews, LLC **APPL.#16535 & 16534**

LOCATION: Woodbury City/Gloucester Cty.

MODIFICATION: to issue up to \$44,000,000 of conduit tax-exempt bonds to current refund the outstanding 2001 Bonds, the refinancing of the prior debt, reimbursement for cost overruns on the projects, funding a debt service reserve fund and costs of issuance, in order to assist the borrowers with restructuring debt and continued operations of The Gardens at Woodbury and The Crossing at Woodbury.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

PRELIMINARY RESOLUTIONS

PROJECT: Damascus Bakery, Inc.

APPL.#17629

LOCATION: Jersey City/Hudson Cty.

BUSINESS: Mfr. of Pita Bread

PROCEEDS FOR: bldg. constr. & renov./equip. purch.

MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Edward and David Koplowitz Partner for the benefit of Perth Amboy Tire Company

APPL.#17915

LOCATION: Woodbridge Twp./Middlesex Cty.

BUSINESS: Tire dealership

PROCEEDS FOR: bldg. acqui. & renov./equip. purch.

MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PUBLIC HEARING ONLY

PROJECT: Supreme Cuts, LLC

APPL.#17880

LOCATION: Mahwah Twp./Bergen Cty.

BUSINESS: Pre-cut vegetable processor

PROCEEDS FOR: bldg. renov./equip. purch.

PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED

PUBLIC COMMENT: None

PROJECT: 2 Fairfield Crescent, LLC for the benefit of Original Bagel & Bialy Co., Inc. **APPL.#17852**
LOCATION: West Caldwell Twp./Essex Cty. **BUSINESS:** Wholesale bakery
PROCEEDS FOR: equip. purch.
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: Cooper's Ferry Development Association, Inc. **APPL.#17891**
(Parking and Infrastructure Improvements)
LOCATION: Camden City/Camden Cty.
PROCEEDS FOR: bldg. renov./site improvements
FINANCING: \$2,000,000 Economic Recovery Board for Camden recoverable grant program
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 9 **Mr. Medina recused himself because Cooper's Ferry is his client.**

The next item was the approval to amend the ERB Guide criteria on affordable housing projects to allow for non-amortizing, non-recourse loans with an interest rate of 1% for a term of up to 30 years with repayment based on 50% of the available net cash flow shared pari passu with any other subordinate government financing.

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

PROJECT: Boys & Girls Club of Camden County **APPL.#16328**
LOCATION: Camden City/Camden Cty.
MODIFICATION: to approve a modification to the \$1,000,000 public purpose grant to allow for the reimbursement of project related expenses incurred during construction of the project.
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

PROJECT: Fairview Village Urban Renewal Associates, L.P. **APPL.#16486**
LOCATION: Camden City/Camden Cty.
MODIFICATION: to approve a change in project scope from the development of 60 affordable rental units to 40 rental units and to rescind the \$1,050,000 infrastructure grant and approve a \$1,050,000 non-recourse, non-amortizing loan priced at 1% for a term of 30 years to allow Fairview to maximize the amount of equity from the Low Income Housing Tax Credits that will be utilized on the project.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

The next item was to recommend \$75,000 approval of planning and project management assistance for the Camden Redevelopment Agency under the agreement with the University of Pennsylvania, Fels Institute, for activities to be directed by John Kromer.

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

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following project presented was a grant under the Petroleum Underground Storage Tank Program.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

PROJECT: Ken Behr for the benefit of Acrosstown, Inc. **APPL.#17511**
LOCATION: Middletown Twp./Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$132,900 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

The next item was the Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of December 2006. **(For Informational Purposes Only)**

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: CommVault Systems, Inc. **APPL.#17896**
LOCATION: Locations Unknown **BUSINESS:** Provider of data management software
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. McGuire **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Integrium, LLC **APPL.#17895**
LOCATION: Bedminster Twp./Somerset Cty. **BUSINESS:** Contract research organization
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: NovaDel Pharma Inc. **APPL.#17893**
LOCATION: Flemington Boro./Hunterdon Cty. **BUSINESS:** Pharmaceutical company
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

The next item was Business Employment Incentive Program Modifications that were approved in the quarter ending December 31, 2006. **(For Informational Purposes Only)**

BOARD MEMORANDUMS

PROJECT: Andrews Glass Co., Inc. **APPL.#09132**
LOCATION: Vineland City/Cumberland Cty.
MODIFICATION: to extend the maturity date on the Borrower's outstanding principal balance of \$158,978 for an additional five years.
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: Pecaso Realty LLC **APPL.#15336 & 15764**
LOCATION: Hillside Twp./Union Cty.
MODIFICATION: to subordinate the Authority's existing \$697,000 LDFF loan balance to a new loan from Crown Bank in the amount of \$5,000,000 and obtain EDA's consent to a new \$2,500,000 working capital facility.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Town of Phillipsburg **APPL.#16396**
LOCATION: Phillipsburg Town/Warren Cty.
MODIFICATION: to extend the commitment to provide for a closing by June 30, 2007 and to waive the \$750 commitment extension fee.
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. McGuire **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

PROJECT: Vineland Adult Education/Aquatic Center **APPL.#17484**
LOCATION: Vineland City/Cumberland Cty.
MODIFICATION: to approve a request for a \$3,500,000 New Markets Tax Credits allocation from NJCDE, LLC., to newly formed NJCDE-2, LLC., in support of a Demonstration School project.
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

The next item was the approval of the following projects under Delegated Authority for the month of December 2006: **(For Informational Purposes Only)**

New Jersey Business Growth Fund: Bright Lights USA, Inc., Leonard Katz for the benefit of Katz Pierz Inc., TIPS/WCC Inc., TJLA Enterprises, LLC, and Village Capital and Investment, LLC.

Preferred Lender Program: Chelton House Products, Inc.

Camden ERB: Camden Law Building, LLC and Loughry and Lindsay, LLC, and Lotus Medicine d/b/a Westfield Family Pharmacy.

REAL ESTATE

The next item was the approval to revise delegation of leasing authority for the Commercialization Center for Innovative Technologies to allow for the lease of space to established, larger technology companies seeking to create spin-out businesses focused on the development and marketing of new technologies. Approval was granted with the agreement that the Real Estate Committee will come back to the Board in March with policy recommendations on the delegation of authority.

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

The next item was the approval to enter into a License Agreement with the State of New Jersey, Division of Property Management & Construction for space at Renaissance Place at the Trenton Office Complex on a month to month basis, on terms acceptable to the Chief Executive Officer and the Attorney General's Office.

MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

The next item was the approval to enter into an amendment to our sublease agreement with The Greater Camden Partnership to allow GCP to satisfy a rent arrearage at One Market Street by providing in-kind services to the Authority.
This matter was held from consideration.

The next item was the approval to execute an amendment to RealVest Capital Corporation's professional services agreement to pay a supplementary financial advisory fee in connection with RealVest's work in arranging reduced letter of credit fees on the L-3 Communications bond financing.

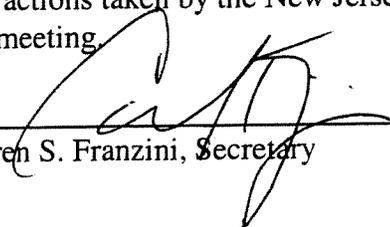
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 22

PUBLIC COMMENT

There was no comment from the public.

There being no further business on a motion by Mr. Plofker, and seconded by Mr. Manning, the meeting was adjourned at 11:04 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.



Caren S. Franzini, Secretary



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: February 13, 2007

SUBJECT: Chief Executive Officer's Report to the Board

EDISON INNOVATION FUND

Second Issue of TechTalk Newsletter Completed; New Fund Website Goes Live

Volume 2 of the EDA's TechTalk newsletter is hot off the presses! The full-color publication features articles on stem cell research legislation, the EDA's initial \$45-million commitment to the Edison Innovation Fund to support Governor Corzine's Economic Growth Strategy, updates on the EDA's technology facilities and Innovation Zones, ProviD Pharmaceuticals, and other state technology programs offered through the EDA and the New Jersey Commission on Science and Technology. Information about the EDA's Edison investment commitments to date, the EDA technology team, and upcoming technology and life sciences events are also included. Internet users can now find information about all state resources available to help grow technology and life sciences businesses in New Jersey at www.edisoninnovationfund.com, a new website that was introduced earlier this month.

NEW JERSEY URBAN FUND

League of Municipalities Closes Loans with EDA to Finance New Headquarters

The EDA and the New Jersey State League of Municipalities finalized two loans totaling \$1.39 million in January that are being used as part of the permanent financing for the League's new headquarters in the former Roebling Mansion at 222 W. State St., Trenton. The League purchased the 5,000-square-foot structure, located within the State House Historic District, in 2005 and has restored much of the exterior and first floor. The second and third floors have been transformed into modern office space. The League also added approximately 11,000 square feet of office space to the rear of the building, which is now available for lease. Wachovia Bank and the Garden State Historic Preservation Trust Fund also provided financing that enabled the League to move from its long-time home at 407 W. State St. It is a major move for the League and a historically significant undertaking for the city.

ENCOURAGING BROWNFIELDS REDEVELOPMENT

Governor Signs Bill to Remove Limit on HDSRF Grants

Governor Corzine has signed legislation that removes the limitation on the amount of grant money that may be allocated from the Hazardous Discharge Site Remediation Fund (HDSRF). The amount of grant money that may be awarded from the HDSRF has been limited to 70 percent of the total amount of financial assistance and grants awarded annually. The new law, strongly supported by the EDA, removes the limitation on total grant awards from the HDSRF in any given year. It is retroactive to Sept. 1, 2006, which will allow certain municipal applications that would have originally been evaluated for loans to be processed for grants.

OTHER

EDA Seeks Proposals for Marketing and Advertising Services

Eleven agencies attended a mandatory pre-bid conference in January in response to the EDA's Notice of Request for Qualifications and Proposals for Marketing and Advertising Services. The EDA is seeking proposals from full-service firms interested in developing marketing communications tools and an integrated marketing and promotions strategy for the Authority in coordination with the Governor's business outreach focus through the Office of Economic Growth. Bids are due at the close of business today. After evaluating the submissions, the EDA will ask three or four of the top-rated agencies to make presentations. We expect to choose a firm by the end of February.

EDA Financings:

In January, the EDA closed seven financings totaling \$2.3 million in assistance that will support the creation of 22 full-time jobs and leverage more than \$8.6 million in public/private investment in New Jersey.

Speaking Engagements:

Throughout the month of January, EDA representatives participated as attendees or speakers at five events. These events included a SMART (Strengthening the Mid-Atlantic Region for Tomorrow) awards event in Delaware, a brownfields redevelopment conference in Philadelphia, a New Jersey Women in Public Finance event in Newark, a New Jersey Association of Women Business Owner's business loan fair in Union, and the annual meeting of the Biotechnology Council of New Jersey.



**SUMMARY OF PROJECT REQUESTS
FEBRUARY 13, 2007**

	NJ URBAN FUND	EDISON INNOVATION FUND	CORE: BUSINESS/NON- PROFIT FINANCING
<u>BOND PROJECTS</u>			
Bond Resolutions			
2 Fairfield Crescent, LLC			2,350,000
Preliminary Approvals			
B & M Building Co., LLC			2,125,000
Homeland Vinyl Products, Inc.	9,257,500		
Jewish Renaissance Medical Center, Inc.	14,537,000		
St. John Vianney High School			3,190,000
Bonds with Authority Exposure			
Edward & David Koplowitz (Perth Amboy Tire)	2,800,000		
 <u>LOANS/GRANTS/GUARANTEES</u>			
Statewide Loan Pool			
Atlantic City Fondue, LLC	667,500		
Joseph DeAngelis and Michael Jason Reed	400,000		
Racoon Creek LLC			360,500
LDFP			
Elizabethport Presbyterian Center, Inc.	450,000		
Edward Koplowitz and David Koplowitz	750,000		
 PUST Loans/Grants/Municipal			
- Delegated Authority Total (42 Projects)			479,222
George Finck			28,882
 HDSRF Loans/Grants/Municipal			
Bains Automotive, Inc.			708,916
Shore Gas & Oil, Inc.			750,000
Bain's Automotive, Inc.			199,922
Lincoln Park/Coast Cultural District, Inc.	197,318		
John Magullian	168,170		
City of Millville	833,127		
Borough of National Park			266,537
City of New Brunswick	1,000,000		
City of Rahway	438,976		
Borough of Roselle Park			158,522
City of Trenton	104,009		

**SUMMARY OF PROJECT REQUESTS
FEBRUARY 13, 2007**

BEIP

Capitol Records, Inc. dba EMI Music NA
Henry RAC Holding Corporation
Wyndham Worldwide Corporation

BOARD MEMOS

Delegated Authority

NJ Business Growth Fund
A H White Enterprises dba JL Lawson
Bindgraphics, Inc.
Plastics Consulting & Mfg. Co., Inc.
Rutler Screen Printing Inc.
Tri-Nova Enterprises, Inc.

	NJ URBAN FUND	EDISON INNOVATION FUND	CORE: BUSINESS/NON- PROFIT FINANCING
	1,911,000		344,250 5,941,432
	80,000		
	33,413		
	26,500		
	25,000		
	124,990		
Total Assistance	33,804,503	0	16,903,183
# of Projects	19	0	54



MEMORANDUM

TO: Directors of the Corporation

FROM: Larry Hanover
Public Information Officer

DATE: January 12, 2007

SUBJECT: New Jersey Schools Construction Corporation (SCC)
December Progress Report

Introduction

During December, SCC representatives joined school district officials, students, parents and community supporters to celebrate the following milestones:

- The opening of a new elementary school in Fairfield Township;
- The groundbreaking for a new elementary school in East Orange.

In December, the SCC took significant steps toward recovering taxpayer dollars spent to correct faulty design or construction work or to pay for environmental cleanups. Attorney General Stuart Rabner and Scott Weiner, CEO of SCC, announced the filing of a lawsuit to recoup over \$3.5 million in costs incurred by SCC to repair structural and design defects in the new Mount Vernon Elementary School in Irvington. A lawsuit also was filed seeking to recover costs incurred by SCC in cleaning up a contaminated Getty service station property and an adjoining site acquired for a school project in Elizabeth. The actions marked the start of SCC initiatives to recoup tens of millions of dollars.

Also in December, under an agreement between the SCC and Inspector General Mary Jane Cooper, two IG staff members were assigned to SCC offices in Trenton. IG Cooper expressed confidence in ongoing reforms undertaken by the SCC and said the agreement signals her office's continuing commitment to help SCC operate at the highest standards of accountability.

SCC, Hillier Architecture Win Smart Growth Award

Hillier Architecture of Philadelphia and the SCC have received a 2006 Smart Growth Architecture Award for the design of the new Octavius V. Catto Community School – a key component of a New Jersey Demonstration Project that is helping to revitalize an East Camden neighborhood.

Hillier and the SCC were recognized by the NJ Department of Community Affairs' Office of Smart Growth and the New Jersey Chapter of the American Institute of Architects for excellence in school construction design for the Catto School project, which incorporates the Camden County Boys & Girls Club community center. The awards to Hillier and the SCC note the project serves as a revitalization anchor and encompasses mixed-use development, mass-transit accessibility and sustainable economic and social development. The awards were presented by DCA Commissioner Susan Bass Levin at the state League of Municipalities Conference in Atlantic City.

Currently under construction, the new 122,000-square-foot Catto School at Westfield Avenue and Dudley Street will ease overcrowding and provide quality education for 540 pre-kindergarten through 6th grade students. The new school will include several additional classrooms as well as common areas such as a library/media center, auditorium and gymnasium.

SCC Sues to Recover \$3.5 Million to Correct Irvington School Defects

On December 27th, New Jersey Attorney General Stuart Rabner and Scott Weiner, chief executive officer of the SCC, announced the filing of a lawsuit to recover over \$3.5 million in costs incurred by the agency to repair structural and design defects found in a school construction project in Essex County. The four-count SCC lawsuit names as defendants STV Architects, Inc. of Newark, and El Taller Colaborativo of Newark, an engineering firm hired by STV as a subcontractor on the Mount Vernon Elementary School construction project in Irvington. The suit was filed in Superior Court in Trenton.

Construction Update

Construction Starts

As of December 31, 2006, the SCC has entered into construction contracts that total \$2,920,836,412 since its inception in 2002.

Contractor Procurement

Five construction bids were advertised in December for school projects in Irvington, Newark, Perth Amboy and Union. (Exhibit A)

Four design bids were advertised in December for school projects in Jersey City and Newark. (Exhibit B)

School District Grants

From its inception in 2002 through December 31, 2006, the SCC has executed 2,555 Section 15 grant agreements in all 21 counties with districts that receive less than 55% of

their budget in state aid. To date, 1,429 schools in 472 districts have been impacted by the Section 15 grant program. Total project costs amounted to \$7,117,707,062 for which the state share totaled \$2,208,407,698. In 2006 alone, the SCC executed 148 Section 15 grants totaling \$43,584,871 toward project costs totaling \$132,390,600. These grants impacted 135 schools in 77 districts in 18 counties throughout the state.

Conferences/Presentations

Langston Hughes Elementary School Groundbreaking, 12/1/2006, East Orange

Fairfield Township Elementary School Ribbon Cutting, 12/16/06, Fairfield Township

Larry Hanover



BOND RESOLUTIONS

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

APPLICANT: 2 Fairfield Crescent, LLC

P17852

PROJECT USER(S): Original Bagel & Bialy Co., Inc. *

* - indicates relation to applicant

PROJECT LOCATION: 2 Fairfield Crescent

West Caldwell Township (N)

Essex

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

2 Fairfield Crescent, LLC was formed in order to own assets which are to be leased to its related entity, The Original Bagel & Bialy Co., Inc. 2 Fairfield Crescent, LLC intends to acquire new production equipment and renovate their existing facility in Essex County.

Original Bagel is a wholesale bakery that has been in business since 1995. Original Bagel creates authentic, water boiled bagels, for in-store bakeries and food service distributors to bring "super-premium" to the bagel category.

APPROVAL REQUEST:

Authority assistance will enable 2 Fairfield Crescent, LLC to acquire new production equipment providing Original Bagel with increased manufacturing capacity for its existing products. In addition, it will allow Original Bagel to manufacture new products. The applicant anticipates employing 46 employees after completion of the project.

The difference between the maximum amount of the bonds and total project costs will be funded by applicant's equity.

FINANCING SUMMARY:

BOND PURCHASER: Commerce Bank (Direct Purchase)

AMOUNT OF BOND: \$2,350,000 (Max) (Tax-Exempt)

TERMS OF BOND: 15 years maximum; Fixed interest rate based on 111% of the 5 year Treasury with a floor of 4.97%, reset every 5 years at the same index. Estimated fixed tax-exempt rate as of 1/23/2007 is 5.28%, for the initial 5 years.

ENHANCEMENT: N/A

PROJECT COSTS:

Purchase of equipment & machinery	\$2,350,000
Legal fees	\$30,000
Finance fees	\$30,000
Renovation of existing building	\$15,000
Construction of roads, utilities, etc.	\$15,000
Engineering & architectural fees	\$10,000
Interest during construction	\$1,750

TOTAL COSTS

\$2,451,750

JOBS: At Application 40 Within 2 years 6 Maintained 0 Construction 0

PUBLIC HEARING: 02/13/07 (Published 01/30/07) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: R. Fischer **APPROVAL OFFICER:** K. DeLuca

PRELIMINARY RESOLUTIONS

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

APPLICANT: B & M Building Co., LLC.

P17998

PROJECT USER(S): Signal Sign Co., LLC. *

* - indicates relation to applicant

PROJECT LOCATION: 105 Dorsa Avenue

Livingston Township (N)

Essex

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

B & M Building Co., LLC. (B&M), incorporated in 2006, was formed to lease, with an option to purchase the land and building to be leased to its related entity, Signal Sign Co., LLC (Signal), formed in 2006. The operating business, which has been in operation since 1956, manufactures and fabricates signs for all purposes, primarily through collaboration with the architectural and corporate communities in the design of their sign projects. Signal's customer base includes U.S. and international corporations/institutions and national retail accounts throughout the 50 states, with such prestigious names as Discovery Channel Stores, Marriott Hotels, Port Authority of NY/NJ, Maersk Inc., Washington Mutual Bank, St. Barnabas Healthcare Systems, Bloomberg, LP, CoachUSA and Atlantic Health System.

APPROVAL REQUEST:

Authority assistance will enable the applicant to purchase and renovate a 13,750 s.f. manufacturing facility, situated on a 1 acre site in Livingston, as well as acquire new equipment. As the new space was vacant, B&M was able to negotiate a lease to immediately occupy the facility, with an option to purchase. The new space, provides the applicant with two times the space it previously occupied to expand its growing business. The plant will employ 14 full-time skilled and semi-skilled craftsman.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$1,100,000
Renovation of existing building	\$600,000
Purchase of equipment & machinery	\$300,000
Engineering & architectural fees	\$50,000
Legal fees	\$50,000
Finance fees	\$20,000
Accounting fees	\$5,000
TOTAL COSTS	\$2,125,000

JOBS: At Application 12 Within 2 years 2 Maintained 0 Construction 18

PUBLIC HEARING:

BOND COUNSEL: Wolff & Samson

APPROVAL OFFICER: M. Krug

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

APPLICANT: Homeland Vinyl Products, Inc.

P17972

* - indicates relation to applicant

PROJECT USER(S): Same as applicant

PROJECT LOCATION: 1701 Eden Road

Millville City (T/UA)

Cumberland

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Homeland Vinyl Products, Inc., incorporated in Alabama in 1994, is a manufacturer of various PVC building materials. Among Homeland Vinyl's major products are privacy fencing, railing and decking products. Homeland Vinyl is headquartered in Birmingham, AL and together with manufacturing facilities in Mississippi and Utah employs approximately 360 people.

The applicant was approved for an 80% BEIP grant (P17568) in May 2006 for an estimated grant of \$522,000.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to purchase approximately 26 acres and a 250,000 sq. ft. building, make renovations and purchase machinery and equipment, to establish its manufacturing operations in Millville. The Applicant expects to create approximately 125 new jobs within 2 years.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$4,675,000
Purchase of equipment & machinery	\$3,000,000
Renovation of existing building	\$650,000
Construction of roads, utilities, etc.	\$437,500
Land	\$325,000
Finance fees	\$120,000
Legal fees	\$50,000
TOTAL COSTS	\$9,257,500

JOBS: At Application 0 Within 2 years 125 Maintained 0 Construction 33

PUBLIC HEARING:

DEVELOPMENT OFFICER: H. Friedberg

BOND COUNSEL: Archer & Greiner

APPROVAL OFFICER: T. Wells

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

APPLICANT: Jewish Renaissance Medical Center, Inc.

P17916

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 275 Hobart Street

Perth Amboy (T/UA)

Middlesex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Jewish Renaissance Medical Center, Inc. (JRMC) is a non-profit, non-sectarian 501(c)(3) health care organization that provides medical and mental health care services to residents of Perth Amboy and nearby communities without regard to race, religion, or capacity to pay. JRMC was started in December, 2001 by the Jewish Renaissance Foundation (Foundation), a non-profit, non-sectarian, service organization also based in Perth Amboy. JRMC is a Faith-Based Federally Qualified Health Care Center, independent of the Foundation, having distinct management, operations, staff, and board members. JRMC's revenues are derived principally from New Jersey Charity Care, Medicare, and Medicaid. The majority of patients are children and their mothers. In addition, the organization provides in-school medical care for students in the Perth Amboy and Newark Public School systems.

JRMC acquired a 3 story, approximately 50,000 square foot commercial building in 2003. The plan is for the building to be predominately owner-occupied, but also leased to three unrelated tenants, a pharmacy, a vision services company, and a lab. The expansion will allow JRMC to increase care giving and also offer dental care.

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 JRMC to utilize tax-exempt bonds to obtain permanent financing for the new building, currently financed with an interim loan (line of credit from Provident Bank), make renovations and purchase equipment in order to relocate and expand their medical care facilities in Perth Amboy. JRMC will employ approximately 58 employees after completion of the medical facilities. Proceeds from the tax-exempt bond will be used to fund that portion of the project allocable to the space occupied by JRMC.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Renovation of existing building	\$7,795,000
Refinancing of Existing Building	\$2,100,000
Purchase of equipment & machinery	\$1,601,000
Capitalized Interest	\$800,000
Engineering & architectural fees	\$780,000
Refinancing	\$771,000
Construction of roads, utilities, etc.	\$179,000

Working capital	\$178,000
Legal fees	\$133,000
Consulting	\$113,000
Finance fees	\$87,000
TOTAL COSTS	\$14,537,000

JOBS: At Application 21 Within 2 years 37 Maintained 0 Construction 239

PUBLIC HEARING:

DEVELOPMENT OFFICER: R. Fischer

BOND COUNSEL: McManimon & Scotland

APPROVAL OFFICER: K. DeLuca

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

APPLICANT: St. John Vianney High School

P17980

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 540A Line Road

Holmdel Township (N)

Monmouth

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

St. John Vianney High School ("St. John") is a co-educational 9-12 grade regional Diocesan High School. Established in 1969, St. John's instructional program is geared towards college preparation with Honors, Advanced Placement and special needs courses. The school's unique Block Schedule allows its teachers a longer period of time for instruction. The class schedule enrolls students in four courses a semester, which meet every day for 90 days. Year long courses are completed in one semester. Currently, the applicant has an enrollment of 1,000 students.

The school is currently not air-conditioned and the heating system is in need of immediate repair. The school has 25 varsity athletic teams whose constant use of the outside facilities is destroying old natural grass surfaces and maintenance of these fields is becoming impossible.

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 renovate the heating and air conditioning system throughout the entire school and install an artificial surface on one field, which will reduce its maintenance and energy costs.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Renovation of existing building	\$2,350,000
Site Improvements	\$750,000
Finance fees	\$55,000
Legal fees	\$35,000
TOTAL COSTS	\$3,190,000

JOBS: At Application 94 Within 2 years 4 Maintained 0 Construction 71

PUBLIC HEARING:

BOND COUNSEL: McManimon & Scotland

APPROVAL OFFICER: L. Petrizzi

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

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

APPLICANT: Edward Koplowitz and David Koplowitz and Perth Amboy Tire Inc. P17915

PROJECT USER(S): Perth Amboy Tire Inc. *

* - indicates relation to applicant

PROJECT LOCATION: 449 Blair Road

Woodbridge Township (T/UA)

Middlesex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Edward Koplowitz and David Koplowitz and Perth Amboy Tire Inc. ("Applicant") are co-applicants. Perth Amboy Tire Inc. ("Company") established its business in 1962 as a Firestone passenger tire dealership. The company's site is primarily used to retread tires. In addition, the company offers auto service and a complete line of quality tires. The Company is currently located in a 39,000 sf facility in Perth Amboy and is looking to move to a 67,000 sf facility on 6.1 acres of land in Woodbridge Township.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to acquire an existing 67,000 sf facility on 6.1 acres of land, perform necessary renovations, purchase machinery and equipment, as well as paying for costs of issuance, in order to expand its current tire retreading operations. The difference between the project costs and the bond will be funded with applicant equity and a LDF loan provided by the Authority under P#17908 in the amount of \$750,000, which is currently under consideration from the Board.

FINANCING SUMMARY:

BOND PURCHASER: North Fork Bank (Direct Purchase)

AMOUNT OF BOND: \$2,800,000 Tax-Exempt Bond

TERMS OF BOND: 20 years; Fixed rate of interest for 10 years based on the tax-exempt equivalent of the average weekly yield on 10 year US Treasury Securities plus 200 bps adjusted to constant maturity of 10 years. Rate reset at the end of year 10 at the same formula. Call option at year 10. Indicative rate as of 1/19/07 is 4.36%.

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$4,350,000
Renovation of existing building	\$750,000
Purchase of equipment & machinery	\$250,000
Legal fees	\$20,000
Finance fees	\$20,000
Accounting fees	\$20,000
TOTAL COSTS	\$5,410,000

JOBS: At Application 32 Within 2 years 20 Maintained 0 Construction 23

PUBLIC HEARING: 01/09/07 (Published 12/26/06) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: M. Piliere

APPROVAL OFFICER: L. Petrizzi



STATEWIDE LOAN POOL PROGRAM

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

APPLICANT: Atlantic City Fondue, LLC

P17955

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 906 Atlantic Avenue

Atlantic City (T)

Atlantic

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

This project involves the start-up of a new franchise location in Atlantic City, NJ. Atlantic City Fondue, LLC., is a newly created entity to serve as the operating company of the franchise and Borrower of project financing.

The Melting Pot Restaurants, Inc., is the nation's largest fondue restaurant chain. The Company has 86 corporate-owned and franchise locations nationwide and several locations under development.

APPROVAL REQUEST:

Approval of a \$667,500 participation loan is requested.

FINANCING SUMMARY:

LENDER: Sun National Bank

AMOUNT OF LOAN: \$1,335,000 bank loan with a \$667,500 (50%) Authority participation

TERMS OF LOAN: Bank loan fixed at the five year FHLB plus 250 basis points (7.75% indicative).
Five-year term, 10-year amortization.

TERMS OF PARTICIPATION: Fixed for five years at the time of closing at the five year US Treasury plus .50% with a floor of 4.00%. Five-year term, 10-year amortization.

PROJECT COSTS:

Renovation of existing building	\$937,000
Purchase of equipment & machinery	\$370,000
Soft Costs	\$172,500
Working capital	\$130,625
TOTAL COSTS	\$1,610,125

JOBS: At Application 0 Within 2 years 25 Maintained 0 Construction 28

DEVELOPMENT OFFICER: H. Friedberg

APPROVAL OFFICER: D. Lawyer

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

APPLICANT: Joseph DeAngelis and Michael Jason Reed (or Nominee) P17970
PROJECT USER(S): SJ Flex, LLC dba Flex Family Fitness Center * * - indicates relation to applicant
PROJECT LOCATION: 110 Cornwell Drive Bridgeton City (T/UA) Cumberland

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Joe DeAngelis and Michael Jason Reed purchased an existing fitness center known as The Workout Warehouse in November of 2006 and thereby formed SJ Flex, LLC dba Flex Family Fitness Center ("Flex"). Joe DeAngelis (a former Mr. America and Mr. Universe title holder) has a great deal of industry experience and will be responsible for managing the daily operations of Flex.

Mr. DeAngelis and Mr. Reed are seeking to purchase the 17,000 square foot commercial property located at 110 Cornwell Drive in Bridgeton for \$1.25 million. Sun National Bank has approved a \$1.15 million loan contingent upon a \$400,000 (34.8%) Authority participation. The proceeds will be used in conjunction with \$100,000 of equity to fund the acquisition.

The project adheres to the Governor's Strategic Economic Growth Plan as part of the New Jersey Urban Fund by assisting in the creation of eight new full-time jobs and 10 new part-time jobs within an Urban Aid municipality.

APPROVAL REQUEST:

Approval is requested for a \$400,000 participation loan as proposed.

FINANCING SUMMARY:

LENDER: Sun National Bank

AMOUNT OF LOAN: \$1,150,000 with a \$400,000 (34.8%) Authority participation

TERMS OF LOAN: Rate at 7.00%; 5 year term, 25 year amortization.

TERMS OF PARTICIPATION: Rate fixed at the 5 year Treasury plus 1% at time of closing with a floor of 4%, or floating at Prime minus 2% with a floor of 3%. 5 year term, 25 year amortization.

PROJECT COSTS:

Acquisition of existing building	\$1,250,000
Finance fees	\$9,000

TOTAL COSTS	\$1,259,000
--------------------	--------------------

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

DEVELOPMENT OFFICER: H. Friedberg

APPROVAL OFFICER: S. Brady

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

APPLICANT: Racoon Creek LLC

P17804

PROJECT USER(S): Corporate Facility Services, LLC *

* - indicates relation to applicant

PROJECT LOCATION: 3rd and Church Streets

Swedesboro Borough (T)

Gloucester

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Racoon Creek, LLC is a real estate holding company formed to purchase commercial property located at 3rd and Church Streets, Swedesboro, NJ. The property will primarily house Corporate Facility Strategies (CFS). Corporate Facility Services LLC delivers and installs office furniture and related products. This company is a spin-off of Bellia Office Furniture with 2005 as its first tax filing year.

APPROVAL REQUEST:

The company is seeking to purchase a 68,000 square feet commercial property located at 3rd and Church Streets, Swedesboro, NJ for \$940,000. The proposed financing is being provided by The Bank in the amount of \$566,500 and \$360,500 from the Authority. The proposed property will be occupied by Corporate Facility Services (35,000 sq ft) and future tenants in the remaining square footage.

FINANCING SUMMARY:

LENDER: The Bank

AMOUNT OF LOAN: \$927,000 bank loan with a \$360,500 (38%) Authority participation.

TERMS OF LOAN: Six months interest only at WSJ Prime plus 1%, thereafter fixed at 7.875% for five years followed by a variable rate of WSJ Prime plus 1%. Five year term, 20 year amortization.

TERMS OF PARTICIPATION: Fixed for five years at the time of closing at the five year Treasury plus .50% with a floor of 4.00%. Rate reset at the end of five years for an additional five years. Five year term, 20 year amortization.

PROJECT COSTS:

Acquisition of existing building	\$940,000
Purchase of equipment & machinery	\$80,000
Finance fees	\$10,000
TOTAL COSTS	\$1,030,000

JOBS: At Application 6 Within 2 years 8 Maintained 6 Construction 0

DEVELOPMENT OFFICER: H. Friedberg

APPROVAL OFFICER: T. Melton



LOCAL DEVELOPMENT FINANCING FUND

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - LOCAL DEVELOPMENT FINANCING FUND PROGRAM**

APPLICANT: Elizabethport Presbyterian Center, Inc.

P13158

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 184 First Street

Elizabeth City (T/UA)

Union

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Applicant is a private, 501 (c)(3) not-for-profit corporation established in 1964 which provides social services (namely child care, summer camps & food programs) within Elizabeth. Funding sources include NJ Department of Human Services, City of Elizabeth/Board of Education (Abbott), Department of Agriculture, United Way and Union County Department of Human Services. New project is to build a 20,000 square foot center to enable expansion of Abbott and infant/toddler daycare services by six classrooms and add a center for senior, youth and training and employment services.

APPROVAL REQUEST:

\$450,000 LDFF loan in permanent financing to supplement \$2 million in New Markets Tax Credits from Greater Newark Business Development Consortium and \$962,000 in loans/grants from Elizabeth Development Company. PNC Bank and Nonprofit Finance Fund will provide the majority of the construction funding (along with applicant equity raised via a capital campaign).

FINANCING SUMMARY:

LENDER: Local Development Financing Fund

AMOUNT OF LOAN: \$450,000

TERMS OF LOAN: Fixed at closing at 1/2 of the Federal Discount Rate, subject to a floor of 3% for five years, with a rate reset at the then prevailing LDFF rate for an additional five years; 10 year term and 20 year amortization.

PROJECT COSTS:

Construction of new building or addition	\$2,700,000
Contingency	\$270,000
Interest during construction	\$180,000
Purchase of equipment & machinery	\$175,000
Working capital	\$154,000
Finance fees	\$65,000
Developers Fee	\$60,000
Project Manager	\$60,000
Engineering & architectural fees	\$40,000
Legal fees	\$40,000
Accounting fees	\$40,000
TOTAL COSTS	\$3,784,000

JOBS: At Application 31 Within 2 years 12 Maintained 0 Construction 81

DEVELOPMENT OFFICER: M. Piliere

APPROVAL OFFICER: M. Conte



CAMDEN ECONOMIC RECOVERY BOARD



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: February 13, 2007

SUBJECT: Camden Redevelopment Agency (CRA) – Neighborhood and Redevelopment
Planning Funds
P015686

The Members of the Authority are asked to approve an increase in the amount of grant funding to the CRA from \$641,250 to \$723,945 to fund an additional redevelopment plan, a portion of the Camden Historic Survey, and for more staff time needed to update certain plans. In addition, the Members are asked to extend the grant term from May 19, 2006 to May 19, 2008.

Background

At the March 23, 2004 and April 13, 2004 Board Meetings, the Members of the ERB and the NJEDA respectively approved \$641,250 to the CRA to assist with the development of 7 neighborhood plans and 14 redevelopment plans for the City of Camden.

To date, the CRA has completed 4 neighborhood plans and 14 redevelopment plans. The Planning Board and City Council adopted the Liberty Park and Centerville neighborhood plans. The Fairview and Parkside neighborhood plans were approved by the Planning Board and will be presented to the City Council within the next few months. The following redevelopment plans were approved by the Planning Board and the City Council: Centerville, Parkside, Broadway, Whitman Park I, Cramer Hill, Downtown, Bergen Square, Central Waterfront, Cooper Plaza, Rosedale, Gateway, and Liberty Park. The Lanning Square and Marlton redevelopment plans were approved by the Planning Board and will be presented to the City Council for approval within three (3) months. To date, the ERB has disbursed a total of \$83,219 to the CRA for expenses incurred for the preparation of plans. In addition, the CRA has provided a schedule of the status of the plans; the estimated completion dates; the difference in budget amounts; and maps of the completed plans.

Subsequent to the grant approval, several changes occurred. The Marlton Redevelopment Plan was originally intended as 2 plans for 2 areas of the census tract and the plans were going to be prepared by a consultant. These plans will now be consolidated into one plan for the entire census tract and will be prepared by Charles Lyons, the Chief of Planning. The Downtown Camden, Bergen Square, and the Cooper Plaza redevelopment plans were completed, but the plans will need to be re-introduced to the Planning Board and City Council due to a court ruling requiring the swearing in of planning officials at Planning Board hearings. The Bergen Square

Re: Camden Redevelopment Agency – Neighborhood & Redevelopment Planning Funds

Redevelopment Plan will need to be updated due to the delay in time between the completion of the plan and approval.

Although the Central Waterfront Redevelopment Plan was completed and approved by the Planning Board, the plan was tabled at the City Council meeting on account of an impending legal challenge by a group of businesses calling themselves the Waterfront Alliance to Save the Port (WASP). At this time, the plan will need to be completely updated to incorporate WASP's concerns.

In addition to preparing the required updates to these redevelopment plans, the CRA is seeking to prepare the Dudley Redevelopment Plan as well as the Geographic Information Systems/Global Positioning System (GIS/GPS) component of a Camden Cultural Services Survey (aka Camden Historic Survey). The cost of the Survey is \$82,318. The NJ State Historic Preservation Office is requiring the City to include a GIS/GPS element to their recently completed Cultural Resource Services Survey in order to conform to the State and Federal guidelines for these historic properties so that the City may provide timely and efficient environmental reviews when requested by the State or Federal governments. Also, the Camden Historic Survey will become the Historic Preservation section of the City Master Plan. The CRA has incurred \$67,318 in expenses and is requesting \$15,000 to complete the GIS/GPS portion of the Survey.

Due to the additional costs associated with the update and completion of these plans, the CRA is requesting an increase in the amount of \$82,695 required to the ERB planning grant from \$641,250 to \$723,945. The 2-year grant term expired for this project on May 19, 2006, and therefore needs to be extended to May 19, 2008 to enable the CRA to complete all of the plans. This extension to the grant term is consistent with the definition of a "revitalization project" per the ERB Guide to Program Funds, which states that the project must be capable being started in two years and completed in four years.

The CRA is staffed with qualified individuals from the Division of Planning, who are certified planners and planning aides that are assisting with preparation of the plans. In addition, the CRA has been working with John Kromer on several of these plans. Mr. Kromer is a senior consultant with the Fels Center of Government at the University of Pennsylvania. He is now the interim Executive Director of the CRA. Other third party consultants selected by the neighborhood organizations and developers for the areas have and will continue to complete work on some of the plans as well.

Due to the complexity and protracted pace of the planning process, CDBG funding was reduced and allocated toward other eminent projects. Also, due to the litigation requiring the need for updates to some plans, there was an administrative decision made to not allow the potential developers to pay for certain plans. Lastly, by dedicating additional staff time to prepare and complete the plans, the project budget was reduced by \$212,933. Below are the original and revised sources and uses of funds for the completion of the plans.

RE: Camden Redevelopment Agency - Neighborhood & Redevelopment Planning Funds

Sources of Funds

<i>Original</i>	<i>Revised</i>	
\$205,115	261,987	City of Camden/CRA (in-kind contribution)
150,000	90,000	City Community Development Block Grant (CDBG)
591,800	299,300	Various private third party developers/organizations
<u>641,250</u>	<u>723,945</u>	ERB Grant
\$1,588,165	1,375,232	Total

Uses of Funds

<i>Original</i>	<i>Revised</i>	
\$129,500	196,500	Staff Expense
1,155,000	916,200	Consultant Fees
228,050	197,045	Other Expenses (mailing, copies, etc.)
<u>75,615</u>	<u>65,487</u>	Project Management Fee
\$1,588,165	\$1,375,232	Total

Disbursement of Funds

The disbursement of funds will be subject to receipt and satisfactory review of the contracts for service, fee schedule, and reports detailing the scope of work and related time schedule.

Recommendation

Staff has reviewed the modification request for consistency with the Act, the Master Plan and the Strategic Revitalization Plan. It meets the statutory requirements for plans required for the ERB. The plans and reports will be important documents used in the revitalization of the City.

On January 22, 2007, the Members of the ERB approved this modification with a recommendation to the EDA to approve the funding. Accordingly, the Members of the Authority are asked to approve the funding authorization to increase the grant amount to \$723,945 and to extend the grant term to May 19, 2008.


Caren S. Franzini

Prepared By: Mujiba Salaam Parker, Finance Officer



**PETROLEUM UNDERGROUND STORAGE TANK
PROGRAM**



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: February 13, 2007

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

The following commercial project has been approved by the Department of Environmental Protection for a loan to perform site remediation. The scope of work is described on the attached project summary.

Loan:
George Finck. \$28,882

Total UST funding for February 2007 \$28,882



Prepared by: Lisa Petrizzi

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

APPLICANT: George Finck

P17879

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 406 New Milford Avenue

Dumont Borough (N)

Bergen

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

George Finck is the owner of the property located at 406 New Milford Avenue in Dumont Borough which is occupied by a service station that is owned by his sons. The Applicant has previously received two grants totaling \$178,000 for prior clean up projects, however, the project is in need of additional remediation. The current project consists of soil and groundwater remediation with an estimated cost of \$33,270. NJDEP has reviewed the project and deemed the Applicant technically eligible for a \$28,882 loan.

APPROVAL REQUEST:

Approval is recommended for a \$28,882 PUST loan as proposed.

FINANCING SUMMARY:

LENDER: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF LOAN: \$28,882

TERMS OF LOAN: Rate fixed at 3%. 10 year term and amortization.

PROJECT COSTS:

Remediation	\$28,882
NJDEP oversight cost	\$2,888
EDA administrative cost	\$1,500
TOTAL COSTS	\$33,270

APPROVAL OFFICER: S. Brady



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: February 13, 2007

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

Pursuant to the Board's approval on May 9, 2006, the Chief Executive Officer ("CEO") and the Senior Vice President ("Sr. VP") has 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.

In August 2006, the Petroleum Underground Storage Tank Program legislation was amended to allow funding for the closure and/or replacement of non-leaking residential underground storage tanks. The limits allowed under the amended legislation is \$1,200 for the closure and \$3,000 for the 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 month of January 2007.

Applicant	Description	Grant Amount	Awarded to Date
Rose Mary Arianno P17816	Initial grant for upgrade, closure and remediation	\$16,826	\$16,826
Nancy & Dennis Bennett / P17751	Initial grant for upgrade, closure and remediation	\$9,808	\$9,808
John Bianchi P17434	Initial grant for upgrade, closure and remediation	\$10,952	\$10,952
James Boyce P17744	Initial grant for site remediation	\$8,977	\$8,977

Norma Brewer P17560	Initial grant for upgrade, closure and remediation	\$51,350	\$51,350
Kenneth and Brenda Barros-Buffaloe P17713	Initial grant for site remediation	\$6,645	\$6,645
Linda Collette P17783	Initial grant for upgrade, closure and remediation	\$9,682	\$9,682
Benhur Elbrus P17724	Supplemental grant for site remediation	\$17,281	\$267,281 **\$17,281 aggregate supplemental delegated authority approval
Berthold and Gulseren Gillum / P17817	Initial grant for upgrade, closure and remediation	\$11,811	\$11,811
Heidi and Stephen Godau / P17786	Initial grant for upgrade, closure and remediation	\$10,195	\$10,195
Joseph and Brenda Graffagnino / P17866	Initial grant for upgrade, closure and remediation	\$17,331	\$17,331
Laila Hull P17877	Initial grant for upgrade, closure and remediation	\$24,007	\$24,007
Rosa Joao P17872	Supplemental grant for upgrade, closure and remediation	\$85,843	\$163,337 **85,843 aggregate supplemental delegated authority approval
Richard C. Martindale P17873	Supplemental grant for site remediation	\$66,777	\$337,203 **66,777 aggregate supplemental delegated authority approval
Charles Mornan P17814	Initial grant for upgrade, closure and remediation	\$5,532	\$5,532
Lana Quach P17782	Initial grant for upgrade, closure and remediation	\$8,958	\$8,958

William Rhodes P17555	Initial grant for upgrade, closure and remediation	\$7,783	\$7,783
Thomas & Patricia Smith / P17787	Initial grant for upgrade, closure and remediation	\$4,895	\$4,895
Bridget Stoltman P15084s	Supplemental grant for remediation	\$16,140	\$46,090
Hugo & Emma Teran P17711	Initial grant for upgrade, closure and remediation	\$22,492	\$22,492
Lien Chin Yen P17719	Initial grant for upgrade, closure and remediation	\$5,425	\$5,425
Zero Twenty-Four Gas Station / P17586	Initial grant for site remediation	\$7,638	\$7,638
22 Grants	Total Delegated Authority funding for Leaking Tank applications in January 2007	\$426,348	

Yechiel Berman P17975	Grant for removal and replacement of an underground storage tank	\$2,086	\$2,086
Irene Buckley P17898	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Charles Coyle P17919	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Patricia Dagounis P17888	Grant for removal and replacement of an underground storage tank	\$2,845	\$2,845
Cecilia Davidson P17801	Grant for removal and replacement of an underground storage tank	\$2,950	\$2,950
Maureen Dougherty P17849	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Leroy Getsinger P17921	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Nicole Kelly P17918	Grant for removal and replacement of an underground storage tank	\$2,754	\$2,754
Orrie & Gloria Manuele / P17882	Grant for removal and replacement of an underground storage tank	\$2,900	\$2,900
Patricia Meravi P17944	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000

Brian & Elisabeth Michels / P17885	Grant for removal of an underground storage tank	\$1,115	\$1,115
Stephen & Deborah Petitie / P17842	Grant for removal and replacement of an underground storage tank	\$2,299	\$2,299
Russell Seaman P17887	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Peter and Evelyn Subotin / P17920	Grant for removal and replacement of an underground storage tank	\$2,575	\$2,575
Wallace Tunison P17890	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Rita Ulan P17899	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Lorraine Wentzel P17909	Grant for removal and replacement of an underground storage tank	\$2,150	\$2,150
Etta Werner P17780	Grant for removal of an underground storage tank	\$1,200	\$1,200
Christopher & Nicole Winnie / P17831	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Stanley Zborowski P17922	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
20 Grants	Total Delegated Authority funding for Non-Leaking Tank applications in January 2007	\$52,874	


 Caren S. Franzini

Prepared by: Lisa Petrizzi



**HAZARDOUS DISCHARGE SITE REMEDIATION FUND
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: February 13, 2007
SUBJECT: Hazardous Discharge Site Remediation Fund Program

The following commercial and municipal projects have been approved by the Department of Environmental Protection to perform preliminary assessment, site investigation, remedial investigation and remedial action. The scopes of work are described on the attached project summaries.

Commercial Loans:

Bain's Automotive, Inc.	\$708,916
Shore Gas & Oil, Inc.	\$750,000
Total Commercial Loans	\$1,458,916

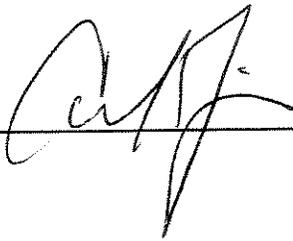
Commercial Grants:

Bain's Automotive, Inc.	\$199,922
Lincoln Park/Coast Cultural District, Inc.	\$197,318
John Magullian	\$168,170
Total Commercial Grants	\$565,410

Municipal Grants:

City of Millville (Millville Senior Housing)	\$833,127
Borough of National Park (Robert Hawthorne Landfill)	\$266,537
City of New Brunswick (Heldrich Center)	\$1,000,000
City of Rahway (Essex Street Riverfront Park)	\$438,976
Borough of Roselle Park (Youth Baseball Field Complex)	\$158,522
City of Trenton (Pukala Site)	\$104,009
Total Municipal Grants	\$2,801,171

Total HDSRF funding for February 2007 \$4,825,497



Prepared by: Lisa Petrizzi

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

APPLICANT: Bains Automotive, Inc.

P17727

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 65 Route 10 East

Roxbury Township (N)

Morris

GOVERNOR'S INITIATIVES:

NJ Urban Fund Edison Innovation Fund Core Ready for Growth

APPLICANT BACKGROUND:

Bain's Automotive, Inc. ("BAI") is the owner of the project site, which is an automobile repair facility. The NJDEP Bureau of Case Management 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 loan (\$708,916) and a 25% Matching Grant (\$199,922) under N.J.S.A. 58:10B-Subsection 2, Series A.

The project has a total estimated cost of \$897,160. The scope of work includes remedial action activities utilizing innovative technology to upgrade the existing remediation system.

NJDEP has requested special consideration for the proposed project due to the immediate environmental concern. The project site is in a residential area with 20 potable wells within 1,000 feet and two neighboring residences have been impacted by toxic or harmful gas exposure.

APPROVAL REQUEST:

Approval is recommended for a \$708,916 loan as proposed.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: \$708,916

TERMS OF LOAN: 5%; 10 year term with a 3 year principal and interest moratorium followed by a 7 year term and amortization

PROJECT COSTS:

Remedial Action	\$726,986
NJDEP oversight cost	\$163,676
EDA administrative cost	\$6,498
TOTAL COSTS	\$897,160

APPROVAL OFFICER: S. Brady

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

APPLICANT: Shore Gas & Oil, Inc.

P17425

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 1630-1636 Poplar Road

Ocean Twp. (N)

Monmouth

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Seaboard Services, Inc. ("SSI") owns the property located at 1630-1636 Poplar Road in Ocean which is in need of environmental remediation. The project has an estimated cost of \$1,376,687 which consist primarily of soil excavation and groundwater monitoring. SSI is responsible for 50% of the cost with the prior owner OXY USA, Inc. responsible for the other half. NJDEP has determined that the project costs are technically eligible and that the project requires special consideration as there is an immediate environmental concern.

APPROVAL REQUEST:

Approval is recommended for a three year term with no payments required. Interest will be accrued and a full balloon payment will be due at the earlier of the maturity date or upon sale of the property.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: \$750,000

TERMS OF LOAN: 5%; 3 year term with no payments required, interest will be accrued and a full balloon payment will be due at the earlier of the maturity date or upon sale of the property.

PROJECT COSTS:

Remedial investigation	\$684,444
NJDEP oversight cost	\$65,556
EDA administrative cost	\$8,000
TOTAL COSTS	\$758,000

APPROVAL OFFICER: S. Brady

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

APPLICANT: Bains Automotive, Inc.

P17728

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 65 Route 10 East

Roxbury Township (N)

Morris

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Bain's Automotive, Inc. is the owner of the project site, which is an automobile repair facility located in Morris County. The NJDEP Bureau of Case Management 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 of total remedial action costs in the amount of \$726,986. The applicant is requesting a loan in the amount of \$708,196 under P17727 which is being considered at this Board meeting.

The scope of work includes remedial action activities utilizing innovative technology to upgrade the existing remediation system. In addition, pursuant to the evaluation it has been determined that the applicant meets the Authorities standard guidelines under the program.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$199,922 to perform the approved scope of work at the project site.

The NJDEP estimated oversight fee is \$18,175. 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: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$199,922 (25% Matching Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

NJDEP oversight cost	\$18,175
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$18,675 *</u></u>

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

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Lincoln Park/Coast Cultural District, Inc.

P17734

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: various

Newark City (T/UA)

Essex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Lincoln Park/Coast Cultural District, Inc. ("Lincoln Park") is a non-profit 501(c)(3) entity and the owner of the project site. Lincoln Park's mission is to plan, design and develop a comprehensive cultural and arts district in the Lincoln Park/Coast area of the City of Newark. The project site has potential environmental areas of concern (AOC's). Lincoln Park currently owns the project site and has satisfied Proof of Site Control. It is the applicant's intent, upon completion of the environmental investigation activities, to redevelop the project site as a mixed-use, mixed-income, arts and cultural district.

NJDEP has approved this request for Preliminary Assessment (PA) Site Investigation (SI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 6, Series A.

According to the amended HDSRF legislation, the Authority and the NJDEP can award grants to non-profit 501(c)(3) entities for Preliminary Assessment, Site Investigation and Remedial Investigation activities. As required by the legislation, all of the limitations and conditions for the award applicable to municipalities shall apply to the award of grants to non-profit (501(c)(3) entities.

APPROVAL REQUEST:

Lincoln Park is requesting grant funding to perform PA & SI in the amount of \$197,318 at the Lincoln Park/Coast Cultural District project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$197,318 (Non-Profit Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Site investigation	\$150,880
Preliminary assessment	\$28,500
NJDEP oversight cost	\$17,938
EDA administrative cost	\$500
TOTAL COSTS	\$197,818

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: John Magullian

P14333s

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 589-629 Passaic Avenue

Kearny Town (T/UA)

Hudson

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

John Magullian received grant funding in the amount of \$123,292 in August 2002 under P14333 to conduct remedial activities at the project site. The NJDEP Bureau of State Case Management has found the applicant's proposal for supplemental financial assistance to be administratively and technically complete and has approved the above cost to be provided in the form of a Hazardous Discharge Site Remediation Fund 50% Innocent Party Grant under NJSA 58:10B-6 subsection 4, Series A.

The scope of work involves engineering, inspections, monitoring plan preparations, soil and/or water testing and installation of the new monitoring equipment.

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of \$168,170, for a funding to date of \$291,462.

The NJDEP oversight fee of \$8,008 is the customary 10% of the grant amount. This estimate 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: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$168,170 (50% Innocent Party Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$320,324
NJDEP oversight cost	\$8,008
EDA administrative cost	\$500
TOTAL COSTS	\$328,832

There are project costs reported on the original application, totalling \$271,742

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: City of Millville (Millville Senior Housing)

P17912

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 224 South Second Street

Millville City (T/UA)

Cumberland

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 461, Lot 2 & 3 is a former landfill which has environmental areas of concern (AOC's). The City of Millville 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 senior housing.

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 amended HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 50% of the costs of the remedial action for projects involving the redevelopment of contaminated property for affordable housing. The NJ Department of Community Affairs will deed restrict the project site for purposes of guaranteeing affordable housing use for the next 45 years.

APPROVAL REQUEST:

The City of Millville is requesting grant funding to perform RA in the amount of \$833,127 at the Millville Senior Housing project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: \$833,127 (50% Affordable Housing Grant)
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$1,514,775
NJDEP oversight cost	\$75,739
EDA administrative cost	\$500
TOTAL COSTS	\$1,591,014

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Borough of National Park (Robert Hawthorne Landfill)

P17808

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Grove Avenue

National Park Borough (T)

Gloucester

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 11, Lots 2 & 3 is a former landfill which has potential environmental areas of concern (AOC's). The Borough of National Park 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 warehousing and retail and light industrial development as outlined in the Borough's redevelopment plan.

NJDEP has approved this request for Preliminary Assessment (PA) and Site Investigation (SI) 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 National Park is requesting grant funding to perform PA and SI in the amount of \$266,537 at the Robert Hawthorne Landfill project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$266,537

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Site investigation	\$237,307
NJDEP oversight cost	\$24,230
Preliminary assessment	\$5,000
EDA administrative cost	\$500
TOTAL COSTS	\$267,037

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: City of New Brunswick (Heldrich Center)

P18024

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 107 New Street

New Brunswick (T/UA)

Middlesex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The City of New Brunswick ("City") has a long history of undertaking urban revitalization projects. The Heldrich Center project is consistent with the City's efforts to integrate the community into downtown revitalization efforts. The New Brunswick Development Corporation ("DEVCO") is a private non-profit urban real estate development company created in the mid 1970's to initiate redevelopment projects and to facilitate public and private investment in the City and is the developer of the Heldrich Center.

On October 23, 2001, the New Jersey Redevelopment Authority ("NJRA") approved financial assistance to DEVCO of up to \$1 million for remediation of the project site in accordance with the Remedial Action Workplan approved by the NJDEP. The Remedial Activities included demolition, removal of debris and the removal of underground storage tanks on the project site and under the sidewalks. The NJRA commitment letter dated December 6, 2001 was never signed by DEVCO and the grant was withdrawn. To avoid a delay in the project schedule, DEVCO used its own funds for the remediation. Remedial work at the project site has been completed.

In July 2003, there was an amendment to the HDSRF legislation allowing the Authority to provide grants or recoverable grants from the HDSRF to a municipality for a project if the NJRA had previously made a commitment for that project, prior to the effective date of this 2003 amendment, for funding the implementation of a remedial action and any other activities within the approved scope of work with the redevelopment of a brownfield site. The Heldrich Center project was allocated \$1 million within the 2003 amendment.

APPROVAL REQUEST:

The City is requesting a \$1 million grant from the HDSRF to reimburse DEVCO for the remediation costs expended at the Heldrich Center project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$1,000,000

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$1,314,601
EDA administrative cost	\$500
TOTAL COSTS	\$1,315,101

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: City of Rahway (Essex Street Riverfront Park)

P17913

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Essex Street & East Milton

Rahway City (T/UA)

Union

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 330, Lots 1,2,3,4,5,6,7,9,10,12,13 and Block 305, Lot 2 is a former industrial area which has potential environmental areas of concern (AOC's). The City of Rahway currently owns the project site and has conveyed it for recreation purposes through deed restrictions, which has satisfied Proof of Site Control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site as a park as outlined in the City's site specific redevelopment plan.

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 amended 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 involving the redevelopment of contaminated property for recreation and conservation purposes, provided that the use of the property for recreation and conservation purposes is included in the redevelopment plan and is conveyed by a development easement, deed restriction for development or conservation easement for recreation and conservation purposes.

APPROVAL REQUEST:

The City of Rahway is requesting grant funding to perform RA in the amount of \$438,976 at the Essex Street Riverfront Park project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund
AMOUNT OF GRANT: \$438,976 (75% Grant for Recreation and Conservation)
TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$557,429
NJDEP oversight cost	\$20,904
EDA administrative cost	\$500
TOTAL COSTS	\$578,833

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Borough of Roselle Park (Youth Baseball Field Complex) P17923

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

PROJECT LOCATION: 180 West Webster Avenue Roselle Park Borough (N) Union

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 506, Lot 1 is an underutilized baseball field that has been closed for public use at the request of the USEPA and the NJDEP because of potential environmental areas of concern (AOC's). The Borough of Roselle Park 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 as a new Youth Baseball Field Complex as outlined in the Borough's site specific redevelopment resolution.

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 Borough of Roselle Park is requesting grant funding to perform RI in the amount of \$158,522 at the Youth Baseball Field Complex project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$158,522

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$144,111
NJDEP oversight cost	\$14,411
EDA administrative cost	\$500
TOTAL COSTS	\$159,022

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: City of Trenton (Pukala Site)

P17548

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 121 Poplar Street

Trenton City (T/UA)

Mercer

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 21404, Lots 1 & 2 is a former junkyard which has potential environmental areas of concern (AOC's). The City of Trenton 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 park as part of the Assunpink Creek Greenway project.

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 Trenton is requesting grant funding to perform RI in the amount of \$104,009 at the Pukala project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$104,009

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$94,554
NJDEP oversight cost	\$9,455
EDA administrative cost	\$500
TOTAL COSTS	\$104,509

APPROVAL OFFICER: L. Petrizzi



BUSINESS EMPLOYMENT INCENTIVE PROGRAM

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

APPLICANT: Capitol Records, Inc. dba EMI Music North America

P17982

PROJECT LOCATION: Harborside Fincl Ctr/900 Plaza Jersey City (T/UA)

Hudson County

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Capitol Records, Inc. dba EMI Music North America (EMI), was established in 1948 and is owned by EMI Group PLC, located in the UK. EMI's strength is its current music catalog featuring many of the world's most successful pop and classical artists. EMI focuses on signing and developing recording artists with the potential for growing success over a series of albums. Through targeted marketing and promotion of that music, EMI seeks to build an ever-broadening set of fans for each artist. EMI believes that developing long-term career artists, who have a substantial base of fans eagerly awaiting each new release, is the best way to grow sales and optimize profitability. The music industry is undergoing a transformation brought about by the new digital music formats and channels. Digital technologies offer new ways to consume music and increase the consumer's appetite for music. The explosion in digital music used by portable players such as the iPod and mobile phones is helping to transform the consumer experience and create exciting, new revenue opportunities. EMI is economically viable.

MATERIAL FACTOR:

EMI is requesting a BEIP grant to support the creation of 150 new jobs. Management believes the relocation to New Jersey and the leasehold improvements will allow the company to grow. EMI is looking into 35,000 square feet at Harborside Financial in Jersey City, NJ. EMI has three groups that will be relocating: Royalty Department handles royalty payments to artists and publishers; Music Marketing Department manages the commercial business with their retailers; and Digital Operations is responsible for development and distribution of digital products. The other location under consideration is New York City. Management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to relocate and expand within New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 80%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Capitol Records, Inc. dba EMI Music North America 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: \$ 1,911,000
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 60 Year 2 90 Base Years Total = 150

ANTICIPATED AVERAGE WAGES: \$60,000

ESTIMATED PROJECT COSTS: \$883,894

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$2,388,750

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,672,125

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

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: () Domestic (X) Foreign United Kingdom

APPROVAL OFFICER: K. DeLuca

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Jersey City	N/A
2. Job Creation	150	3
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	communications	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$883,894	1
7. Average Wage:	\$ 60,000	3
TOTAL:		9

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:

9 = 30 %

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: Henry RAC Holding Corporation

P17795

PROJECT LOCATION: 59 East 1st Street

Bayonne City (T/UA)

Hudson County

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Henry RAC Holding Corporation (Henry Repeating Arms Company), a family owned business, is a descendant of a company formed by Benjamin Tyler Henry who conceived the first practical, lever action repeating rifle. The Henry Rifle was patented in 1860. Today, every single part in each Henry rifle is made in America. The corporate motto is "Made in America and Priced Right". Purchase of a Henry rifle must be done through a licensed firearms dealer. Henry RAC Holding Corporation is economically viable.

MATERIAL FACTOR:

Henry RAC Holding Corporation is requesting a BEIP grant to support the creation of 90 new jobs. Management believes the relocation of the entire manufacturing operation and corporate offices to Hudson County, NJ will allow the company to develop their growth and profit potential. The other location under consideration is Brooklyn, New York. Management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to relocate to New Jersey from New York.

APPROVAL REQUEST:

PERCENTAGE: 75%

TERM: 10 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 344,250
(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 90 Year 2 0 Base Years Total = 90

ANTICIPATED AVERAGE WAGES: \$30,500

ESTIMATED PROJECT COSTS: \$8,750,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$459,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$344,250

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

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New York

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: K. DeLuca

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Bayonne City	N/A
2. Job Creation 90	2
Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk: 0	0
4. Industry: industrial/electrical equipment	0
Designated : _____ Non-Designated : <u> X </u>	
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$8,750,000	2
7. Average Wage: \$ 30,500	2
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%	<u>20%</u>
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

Total Bonus Points:

40 %

Total Score :

Total Score per formula:	8 = 30 %
Construction/Renovation :	5 %
Bonus Increases :	40 %
Total Score (not to exceed 80 %):	75 %



BOARD MEMORANDUMS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: February 13, 2007

SUBJECT: Projects Approved Under Delegated Authority
For Informational Purposes Only

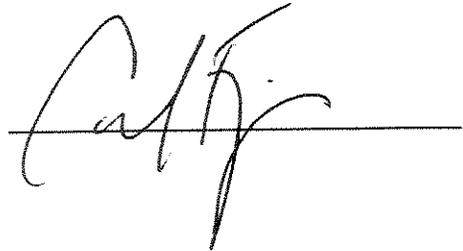
The following projects were approved under delegated authority in January 2007:

New Jersey Business Growth Fund:

- 1) A H White Enterprises Inc. dba JL Lawson Company (P17941) is located in Monroe Township, Gloucester County. The company was formed in 2001 and operates as a wholesaler of industrial compressors. PNC has approved a \$320,000 loan with a 25% (\$80,000) five year guarantee. Proceeds will be used to refinance real estate. The company currently has four employees and anticipates creating an additional seven employees within two years.
- 2) Bindgraphics, Inc. (P17942) is located in Roselle Borough, Union County. The company was formed in 1975 and focuses on the pharmaceutical industry by offering specialized folding services for printed material. PNC has approved a \$133,650 loan with a 25% (\$33,413) five year guarantee. Proceeds will be used for the purchase of equipment and machinery. The company currently has 18 employees and anticipates creating an additional five employees within two years.
- 3) Plastics Consulting & Manufacturing Company, Inc. (P17993) is located in Camden. The company was formed in 1965 and operates as a manufacturer of plastic coating of bakeware for commercial use. PNC has approved a \$106,000 loan with a 25% (\$26,500) five year guarantee. Proceeds will be used to refinance real estate. The company currently has 25 employees.

- 4) Rutler Screen Printing Inc. (P17910) is located in Phillipsburg Town, Warren County. The company was formed in 1976 as a printing press company. PNC has approved a \$100,000 loan with a 25% (\$25,000) five year guarantee. Proceeds will be used to purchase equipment and machinery. The company currently has five employees and anticipates creating an additional five employees within two years.

- 5) Tri-Nova Enterprises, Inc. (P18019) is a real estate holding company located in Gloucester City, Camden County. There are two real estate holding companies: CJ Tool which was established in in 1980 as a manufacturer of tools and dies; and Steering Systems, Inc. which was established in 1985 as a manufacturer of auto parts that are sold to commercial distributors. PNC has approved a \$499,960 loan with a 25% five year guarantee. Proceeds will be used to refinance real estate. The company currently has five employees.

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

Prepared by: S. Mania





MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: February 6, 2007

SUBJECT: Creation of NJCDE-2, LLC; NJCDE-3, LLC; and NJCDE-4, LLC

Background:

New Jersey Community Development Entity, LLC (NJCDE) was created with the intention of creating subsidiary CDEs to fund projects. NJCDE-1, LLC was formed concurrently with the NJCDE to show our intention of forming such entities and was utilized to facilitate the USBanc transaction and subsequent loans to projects.

Staff anticipates using NJCDE-2, LLC to fund the Vineland Adult Education/Aquatics Center project. NJCDE-3, LLC is anticipated to be used to facilitate an additional loan pool, as with NJCDE-1, and NJCDE-4, LLC is being requested to be formed to accommodate future New Markets Tax Credits activity.

As with NJCDE-1 and as required by Federal NMTC regulations, NJCDE will be the managing member of NJCDE-2, NJCDE-3 and NJCDE-4. The Authority is the managing member of NJCDE.

This action was approved by the NJCDE Board in January 2007.

Recommendation:

In anticipation of future projects and loan pools, the members are requested to authorize the creation of NJCDE-2, LLC; NJCDE-3, LLC and NJCDE-4, LLC. The Members are also requested to authorize the Authority's CEO to execute all necessary documents to effect this structure.



Caren Franzini

Prepared by: Kim Ehrlich



REAL ESTATE



MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: February 13, 2007

Re: Assignment of Lease – Ladies Workout Express
Trenton Office Complex Retail Space

Summary

I am requesting the Members' authorization to approve the assignment of a lease at the Trenton Office Complex's retail space to the prospective purchaser of Ladies Workout Express of Trenton, LLC, Ms. Michelle Purvis.

Background

Pursuant to the guidelines of the Capital City Redevelopment Corporation, the Authority included 23,000 square feet of ground floor retail space within the Motor Vehicles Commission building on East State Street. As part of our sublease agreement with the New Jersey Department of the Treasury, the Authority installed all necessary improvements and marketed this space to retail and professional office tenants.

In 2003 the Members approved the lease of Unit #6 (1,550 sf) to a Ladies Workout Express franchisee, Ladies Workout Express of Trenton, LLC, owned by Janet Tracy and Gena Brelsford. Ladies Workout Express is one of the largest chains of women-only centers in the nation. Designed to provide a workout in less than 30 minutes, it operates under a circuit-training concept, where the user spends about 40 seconds on each of the 16 to 24 pieces of hydraulic workout equipment. A division of Lady of America Franchise Corporation, the company is a blend of franchise sales, corporate support and health club operations. Since 1984 they have opened or contracted for over 500 locations worldwide. The members of the LLC obtained financing to cover costs associated with equipment purchase, leasehold improvements and a large portion of the rent obligation. The business is now generating positive cash flow. The LLC's lease extends through December 31, 2008, with a five-year renewal option.

Due to health reasons, Ms. Tracy intends to sell the business and has requested the Authority's consent to assign the LLC's lease to Michelle Purvis. A Ewing resident, Ms. Purvis is employed as a health and physical education teacher by the Trenton Board of Education, and serves as a track coach. She has previous experience as a personal trainer and aerobics teacher at the Trenton YWCA, located two blocks from the Trenton Office Complex. Her husband, Joseph Purvis, is also employed by the Trenton Board of Education and has experience running a small business. Ms. Purvis has been approved to purchase the franchise by Ladies Workout Express. She intends to fund the \$30,000 cost of purchasing the business from savings and pay lease and operating expenses from cash flow.

The Authority will utilize its standard form of lease assignment in connection with this transaction. The final terms of the lease assignment will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

Recommendation

In conclusion, I am requesting the Members' approval to execute an assignment of lease in relation to the sale of Ladies Workout Express of Trenton, LLC to Michelle Purvis, as outlined above.



Prepared by: David E. Nuse





MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Amendment to Sublease Agreement with Greater Camden Partnership
Camden Office Space

DATE: February 13, 2007

Summary

I am asking the Members to approve the attached amendment to the sublease agreement with The Greater Camden Partnership (GCP) for office space the Authority currently leases from Victor Associates, L.P. (Victor).

Background

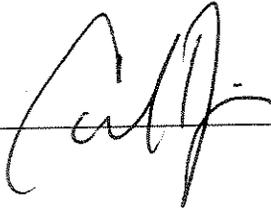
At the March 2004 meeting, the Board approved a sublease agreement with GCP for 1,000 square feet within the Authority's leased space at One Market Street in Camden. The GCP is a non-profit group dedicated to Camden's revitalization. The GCP operates the Camden Special Services District, a program to bring enhanced maintenance and security to downtown Camden.

As of December 2005, GCP had an accumulated balance due to the Authority of \$50,640.50 for rental arrearage, furniture purchases and utilities. The GCP has made current monthly rent payments during 2006. The proposed lease amendment allows the 2005 balance to be offset by additional security and landscaping services provided at the Authority's Waterfront Technology Center. GCP will provide these services at a rate of \$20/hour, plus expenses for landscaping supplies, which is consistent with the rates the Authority pays its security contractor and approximately one-half the rate we pay our property management contractor for landscaping services. Based on this rate and the agreed upon hours of security and landscaping services specified in the proposed sublease amendment, we anticipate that the credit for the additional services will offset the balance due by October of 2007. If this proposed sublease amendment were not executed, the Authority would incur equal or greater expense in procuring security and landscaping services through outside vendors.

The amendment to the sublease is in substantially final form. The final form of the amendment may be subject to revision, although the basic terms and conditions will remain consistent with its current form. The final terms of the amendment will be subject to approval of the CEO and the Attorney General's Office.

Recommendation

In conclusion, I am requesting the Members' approval to enter into an amendment to the sublease agreement with The Greater Camden Partnership on terms generally consistent with the above description.



Prepared by: Christine Roberts
Program Manager - Leasing & Asset Management

LEASE AMENDMENT AGREEMENT

THIS LEASE AMENDMENT AGREEMENT (the "Lease Amendment"), made the ____ day of _____, 2007 is by and between THE GREATER CAMDEN PARTNERSHIP ("Tenant"), and THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY ("Landlord").

WHEREAS, Tenant and Landlord entered into a certain Lease Agreement (the "Lease") dated May 5, 2004 for a portion of certain space located in Retail Unit 1-1C at The Victor Building in Camden, New Jersey (the Premises); and

WHEREAS, by mutual mistake of Tenant and Landlord, Tenant has not paid any Base Rent or Additional Rent for the year 2004 or the year 2005 and there is currently \$50,640.50 of accrued but unpaid Rent and Additional Rent (the "Rental Arrearage") owed by Tenant to Landlord in connection with the Lease; and

WHEREAS, Landlord is the owner of a certain 4.2 acre parcel of land and building in the City of Camden bounded by Delaware Avenue, Federal Street, Third Street and Mickle Boulevard (excluding the YMCA property) and commonly known as the Waterfront Technology Center at Camden (the "WTCC"); and

WHEREAS, Tenant has requested that Landlord allow Tenant to satisfy the Rental Arrearage by performing certain landscaping and ambassador services for Landlord at the WTCC; and

WHEREAS, Landlord and Tenant wish to amend certain provisions contained in the Lease more fully set forth below.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties amend the Lease as follows:

Paragraph 1. The recital clauses set forth above are hereby deemed to be a part of this Lease Amendment as though set forth verbatim at length herein.

Paragraph 2. Landlord and Tenant hereby confirm and agree that as of December 31, 2006, Tenant has satisfactorily performed 810.50 hours of Tenant's Services. Accordingly, as of December 31, 2006, Tenant has earned a credit against Rental Arrearages in the amount of \$16,210 (i.e. 810.50hours x \$20.00 per hour) and the remaining balance of Rental Arrearage (as of December 31, 2006) is \$34,430.50.

Paragraph 3. Tenant shall continue to perform Tenant's Services described in Section 38 (set forth below) until the entire Rental Arrearage has been satisfied. Tenant's Services performed and reported in accordance with Section 38 shall be credited against Rental Arrearage at the rate of twenty (\$20.00) dollars per man-hour of Tenant's Services. In the event that any Rental Arrearage remains

unsatisfied as of October 31, 2009, Tenant shall, on November 1, 2009, pay to Landlord the full amount of the remaining Rental Arrearage.

Paragraph 4. Tenant's Services shall be applied to and credited against only the Rental Arrearage described above; and, in no event shall Tenant's Services be applied to or credited against any Rent, Additional Rent or other charges that accrue on or after January 1, 2006. Tenant shall continue to pay the full amount of Rent and Additional Rent for 2006 and subsequent years of the Term of the Lease.

Paragraph 5. A new Section 38 is added to the Lease as follows:

38. TENANT'S SERVICES.

38.1 Tenant's Services. Tenant shall continue to perform landscaping services and ambassador services at Landlord's WTCC (the "Tenant's Services") as follows:

(i) During the period of April 1st through October 31st of each year until the Rental Arrearage is completely satisfied, Tenant shall perform eight (8) man-hours per week of landscaping, weeding and litter patrol services.

(ii) During the period of November 1st through March 31st of each year until the Rental Arrearage is completely satisfied, Tenant shall perform three (3) man-hours per week of landscaping, weeding and litter patrol services.

(iii) During each year until the Rental Arrearage is completely satisfied, Tenant shall provide forty (40) man-hours per week of ambassador services. Ambassador services shall consist of workers who wear distinct yellow vests while walking and riding bicycles through the WTCC parking lot and around the WTCC building to monitor areas, improve safety and reduce incidents of graffiti. Ambassador services shall be provided from 8 am to 4 pm each business day.

(iv) Until the Rental Arrearage is completely satisfied, Tenant shall provide such additional man-hours of landscaping, weeding, litter patrol and ambassador services requested of Tenant by Landlord via letter or e-mail.

38.2 Anticipated Credits Against Rental Arrearage. It is anticipated that Tenant will earn credit against the Rental Arrearage as follows:

(i) During the period from April 1st through October 31st, \$960.00 per week by providing forty eight (48) man-hours of Tenant's Services per week for thirty-one (31) weeks,

(ii) During the period from November 1st through March 31st, \$860.00 per week by providing forty three (43) man-hours of Tenant Services per week for twenty-one (21) weeks,

(iii) Reasonable, direct costs (without any mark-up added by Tenant) of landscaping materials such as mulch, fertilizer and other similar items needed by Tenant to perform landscaping services at WTCC subject to proof to Landlord's satisfaction that such costs were expended by Tenant.

(iv) It is anticipated that by October 1, 2007, the entire Rental Arrearage will be satisfied and reduced to \$0.00.

38.3 Tenant's Services Reporting. Tenant shall provide to Landlord a monthly certificate stating Tenant's Services rendered during the previous month and the total amount of the credit against Rental Arrearage that Tenant seeks for work performed during the previous month, which Landlord will have thirty (30) days to review.

38.4 Indemnification. Tenant hereby agrees to indemnify, save, defend, and hold harmless the Landlord and its officers, members, and employees from and against any and all liabilities, penalties, damages, claims, costs, charges, and expenses, including without limitation, court costs and reasonable attorney's fees which may be imposed or asserted against Landlord from any cause or in any manner whatsoever from or related in any way to Tenant's Services.

38.5 Insurance. Until the Rental Arrearage is fully satisfied, Tenant shall maintain in full force at its' sole cost and expense the following types and minimum amounts of insurance:

(i) Commercial General Liability and, if necessary, Commercial Umbrella insurance with a combined limit of not less than one million dollars (\$1,000,000) each occurrence. Insurance shall be written on an ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising out of, occasioned by or resulting from, products, completed operations, personal injury and advertising injury, premises, operations, independent contractors, and liability assumed under an insured contract. Any deductible, or self-insured retention, applicable to the aforementioned insurance shall be approved by Landlord, such approval not to be unreasonably withheld or delayed, and written using ISO endorsement CG 03 00 (or a substitute providing similar terms and conditions) which otherwise requires the Tenant to be responsible for the deductible or retention. Landlord shall be included as an additional insured under the Tenant's Commercial General Liability policy using ISO additional insured endorsement CG 20 11 (or a substitute form providing similar coverage), and under the Commercial Umbrella, if any. Coverage shall include contractual liability for the liabilities assumed under Section 38.4, entitled "Indemnification", above.

(ii) Workers' Compensation, and Employers' Liability covering all of its employees performing Tenant's Services on, in, or about WTCC in accordance with applicable statutes of the State of New Jersey and endorsed to include coverage for

any federal or other state law that may be found to have legal jurisdiction. The Employers' Liability limits shall not be less than the amount statutorily required.

38.6 Landlord Termination of Tenant's Services. If, in Landlord's sole discretion, Tenant does not provide Tenant's Services in a manner satisfactory to Landlord, Landlord will provide Tenant with a notice of termination of Tenant's Services and the balance of the Rental Arrearage will become due and payable to Landlord within sixty (60) days of Landlord's notice of termination to Tenant.

38.7 Survival. The agreement and obligations of Tenant to provide Tenant Services as set forth in this Lease Amendment shall survive until the full amount of the Rental Arrearage is reduced to \$0.00 notwithstanding any expiration or earlier termination of the Lease.

Paragraph 7. Miscellaneous

a. Except as expressly modified hereby, all terms, conditions, definitions, undertakings and covenants of the Lease shall remain in full force and effect, are hereby ratified and confirmed by the parties hereto and are in no way abrogated by this Lease Amendment.

b. Capitalized terms used within this Lease Amendment but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

c. This Lease Amendment reflects the entire agreement of the parties with respect to Tenant's Services and supersedes all prior letters or understandings with respect thereto in their entirety.

d. This Lease Amendment may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

e. By signing below, each person represents and warrants, on behalf of the entity for which he or she signs that the execution and delivery of this Lease Amendment and the performance of the obligations created hereby have been duly and properly authorized.

f. If any provision of this Lease Amendment shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or of the Lease.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease Amendment Agreement as of the date first written above.

ATTEST:

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY,
LANDLORD

By: _____
NAME: Caren S. Franzini
TITLE: Chief Executive Officer

ATTEST:

THE GREATER CAMDEN
PARTNERSHIP, TENANT

By: _____
NAME:
TITLE:



AUTHORITY MATTERS



MEMORANDUM

TO: Members of the Authority
FROM: Carl Van Horn, Ph.D.
Chairman
RE: Appointment of Independent Auditor
DATE: February 13, 2007

The engagement of the Authority's independent auditor expires at the conclusion of the fiscal year 2006 audit process. In order for the Audit Committee to commence the selection process for a successor auditor, the Board is required to appoint at least 3 members to serve on an Evaluation Committee.

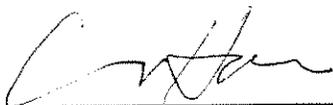
The Evaluation Committee has the responsibility of drafting the Request For Qualifications/Proposal, soliciting responses, and accepting and evaluating proposals. The evaluation process concludes with a written report of the results to the Audit Committee. The Audit committee reviews the findings and submits a recommendation to the members of the Board.

Recommendation:

To effectuate this requirement, I am recommending the appointment of the following individuals to the Evaluation Committee:

James Kelly, Treasurer's Designee to the audit committee
Raymond M. Burke, Public Member
Michael Sheridan, Designee for Commissioner of Department of Banking and Insurance

I also am recommending James Kelly to serve as chair of this committee.


_____ (CVH)