



## **MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Caren S. Franzini  
Chief Executive Officer  
**DATE:** February 10, 2009  
**SUBJECT:** Agenda for Board Meeting of the Authority February 10, 2009

### **Notice of Public Meeting**

### **Roll Call**

### **Approval of Previous Month's Minutes**

### **Chief Executive Officer's Monthly Report to the Board**

### **Bond Projects**

### **Loans/Grants/Guarantees**

### **Incentive Programs**

### **Board Memorandums**

### **Real Estate**

### **Authority Matters**

### **Public Comment**

### **Adjournment**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**January 13, 2009**

**MINUTES OF THE MEETING**

Members of the Authority present: Joseph McNamara, Vice Chairman; James Kelly, representing the State Treasurer; Dan Ryan representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Marilyn Davis representing the Commissioner of the Department of Labor and Workforce Development; Steve Plofker, Charles Sarlo, Thomas Manning, Public Members; Raymond Burke, First Alternate Public Member; and Elliot M. Kosoffsky, Second Alternate Public Member.

Present via conference call: Angie McGuire representing the Governor's Office, and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Carl Van Horn, Chairman; and Public Members: Timothy Carden, Philip Kirschner, and Richard Tolson.

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

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

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

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

**MINUTES OF AUTHORITY MEETING**

The next item of business was the approval of the December 9, 2008 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Manning and was approved by the 10 voting members present.

The next item of business was the approval of the December 9, 2008 executive session meeting minutes of the Board. A motion was made to approve the minutes by Mr. Manning, seconded by Mr. Plofker and was approved by the 10 voting members present.

The next item of business was the approval of the December 19, 2008 special meeting minutes of the Board. A motion was made to approve the minutes by Ms. Davis, seconded by Mr. Manning and was approved by the 10 voting members present.

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

## BOND RESOLUTIONS

The next item was to approve the resolution approving the 2008 carry forward request for unused private activity bond volume cap and authorizing the Chief Executive Officer to file Form 8328 with the IRS.

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

The next item was to approve the NJEDA/School Facilities Construction Bonds, 2009 Series Par Amount Not to Exceed \$1.2 billion for calendar year 2009. The first series issued in calendar year 2009 is expected to be issued in January and designated "2009 Series Z Bonds" and each series designation thereafter to be sequentially lettered commencing with Series AA. (i) approve the adoption of the Twenty-First Supplemental Resolution authorizing the issuance of the 2009 Series Bonds in the principal amount not to exceed \$1.2 billion as well as other matters in connection with the issuance and sale thereof; (ii) approve several actions and delegation of actions to an Authorized Officer as may be necessary or advisable in light of changing market conditions in order to issue the 2009 Series Bonds on terms most favorable to the Authority; (iii) approve several actions and delegation of actions to an Authorized Officer to permit amendments to the swaps related to each of the bond issues or entering into new swaps; (iv) authorize an Authorized Officer to negotiate or renegotiate the fee structures of the remarketing agreements related to variable interest rate bonds; (v) authorize the use of the aforementioned professionals; (vi) reduce the Authority's closing fee to no less than half the regulatory bond closing fee on each 2009 Series Bond; and (vii) authorize Authority staff to take all necessary actions incidental to the issuance of the 2009 Series Bonds; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Plofker AYES: 9  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

Charles Sarlo abstained because his employer may be involved in projects funded with the bond proceeds.

**PROJECT:** 633 Nassau Realty, LLC **APPL.#23047**

**LOCATION:** North Brunswick/Middlesex Cty.

**PROCEEDS FOR:** building acquisition

**FINANCING:** \$2,225,000 Tax-Exempt Bond

**MOTION TO APPROVE: Mr. Ryan SECOND: Ms. Davis AYES: 10  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**PROJECT:** EASCO Shower Doors Company **APPL.#23944**

**LOCATION:** Trenton/Mercer Cty.

**PROCEEDS FOR:** equipment purchase

**FINANCING:** \$1,700,000 Tax-Exempt Bond

**MOTION TO APPROVE: Mr. Ryan    SECOND: Mr. Manning    AYES: 10**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

**PROJECT:    ONB Holding Group LLC    APPL.#23484**

**LOCATION: Piscataway/Middlesex Cty.**

**PROCEEDS FOR: building acquisition and renovation**

**FINANCING: \$4,639,000 Tax-Exempt Bond and \$500,000 Tax Exempt Bond**

**MOTION TO APPROVE: Ms. Davis    SECOND: Mr. Plofker    AYES: 10**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**COMBINATION PRELIMINARY AND BOND RESOLUTIONS**

**PROJECT:    4 Over, Inc.\*    APPL.#24727**

**LOCATION: Moonachie/Bergen Cty.**

**PROCEEDS FOR: equipment purchase**

**FINANCING: \$3,049,790 Tax-Exempt Bond**

**MOTION TO APPROVE: Mr. Ryan    SECOND: Mr. Manning    AYES: 10**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**PUBLIC HEARING: Yes**

**PUBLIC COMMENT: None**

**PUBLIC HEARING ONLY**

**PROJECT:    SWP Real Estate, LLC\*    APPL.#23722**

**LOCATION: Tinton Falls/Monmouth Cty.**

**PROCEEDS FOR: building acquisition & renovation**

**PUBLIC HEARING: Yes**

**PUBLIC COMMENT: None**

**PROJECT:    East Coast Power Services LLC,  
                  East Coast Power Systems\*    APPL.#21955**

**LOCATION: Tinton Falls/Monmouth Cty.**

**PROCEEDS FOR: equipment purchase**

**PUBLIC HEARING: Yes**

**PUBLIC COMMENT: None**

**DIRECT LOANS**

**PROJECT:    ILS GRAND, LLC d/b/a Karlan Services Inc.    APPL.#24246**

**LOCATION: Paterson/Passaic Cty.**

**PROCEEDS FOR:** purchase of the company

**FINANCING:** \$615,000 Direct Term loan

(Additional condition on closing that the appraisal be a minimum of \$950,000 or applicant required to contribute additional equity.)

**MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Davis AYES: 10**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**PROJECT:** SWP Real Estate, LLC

**APPL.#24966**

**LOCATION:** Tinton Falls/Monmouth Cty.

**PROCEEDS FOR:** land & building acquisition

**FINANCING:** \$1,250,000 Direct loan

**MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Kosoffky AYES: 10**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**PROJECT:** East Coast Power Services LLC,  
East Coast Power Systems\*

**APPL.#24962**

**LOCATION:** Tinton Falls/Monmouth Cty.

**PROCEEDS FOR:** equipment purchase

**FINANCING:** \$1,000,000 Direct Term loan

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Kosoffky AYES: 10**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

#### **STATEWIDE LOAN POOL PROGRAM**

**PROJECT:** Regus Holdings, LLC

**APPL.#24911**

**LOCATION:** Union Twp./Union Cty.

**PROCEEDS FOR:** building acquisition and renovation

**FINANCING:** \$425,000 (22.08%) participation in a \$1,925,000 bank loan

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 10**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

#### **LOCAL DEVELOPMENT FINANCING FUND**

**PROJECT:** Passaic Family Head Start, Inc.

**APPL.#24883**

**LOCATION:** Passaic/Passaic Cty.

**PROCEEDS FOR:** building purchase

**FINANCING:** \$300,000 Local Development Financing Fund Loan

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Ryan AYES: 10**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

#### **FUND FOR COMMUNITY ECONOMIC DEVELOPMENT**

**PROJECT:** Cooperative Business Assistance Corporation

**APPL.#24533**

**LOCATION:** Camden/Camden Cty.

**PROCEEDS FOR:** refinance existing debt & loan funding

**FINANCING:** \$500,000 Fund for Community Economic Development Loan

**MOTION TO APPROVE:** Ms. Davis      **SECOND:** Mr. Plofker      **AYES:** 10

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 10

**PROJECT:** Woodrose Properties Golden Swan, LLC

**APPL.#21755**

**LOCATION:** Trenton/Mercer Cty.

**PROCEEDS FOR:** renovation of existing building

**FINANCING:** \$750,000 Fund for Community Economic Development Loan

**This project was withheld from consideration.**

### CAMDEN ECONOMIC RECOVERY BOARD

**PROJECT:** Heart of Camden

**APPL.#16954**

**LOCATION:** Camden/Camden Cty.

**FINANCING:** \$50,000 ERB non-recoverable grant

**MODIFICATION:** 1) approve a modification to extend the grant term to May 31, 2009 for the \$1,150,000 infrastructure grant to the Heart of Camden to fund Phase I of the Environmental Mitigation and Landscape Master Plan for the Waterfront South neighborhood of Camden and 2) approve a reallocation of \$50,000 in project management fees from the Camden Redevelopment Agency to the HOC.

**MOTION TO APPROVE:** Mr. Burke      **SECOND:** Mr. Ryan      **AYES:** 10

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 11

**PROJECT:** Rutgers – The State University of New Jersey

Camden Campus

**APPL.#18292**

**LOCATION:** Camden/Camden Cty.

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

**MODIFICATION:** extend the grant term to September 31, 2010

**MOTION TO APPROVE:** Mr. Ryan      **SECOND:** Mr. Manning      **AYES:** 10

**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 12

### PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

**PROJECT:** Salvatore Corvino

**APPL.#23214**

**LOCATION:** West Orange/Essex Cty.

**PROCEEDS FOR:** site remediation

**FINANCING:** \$189,992 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

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

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of December 2008. **(For Informational Purposes Only)**

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM**

The following projects presented under the Hazardous Discharge Site Remediation Fund Program (municipal projects and commercial loan).

**MOTION TO APPROVE: Ms. Davis      SECOND: Mr. Ryan      AYES: 10**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

**PROJECT:** Township of Bridgewater  
(Dept. Public Works Muni Garage) **APPL.#24813**

**LOCATION:** Bridgewater/Somerset Cty.

**PROCEEDS FOR:** site investigation

**FINANCING:** \$109,054 Hazardous Discharge Site Remediation Fund

**PROJECT:** Township of Carney's Point (A. Clemente Asphalt Plant) **APPL.#23644**

**LOCATION:** Carney's Point/Salem Cty.

**PROCEEDS FOR:** remedial investigation

**FINANCING:** \$24,092 Hazardous Discharge Site Remediation Fund

**PROJECT:** City of Neptune (East Coast Ice Company) **APPL.#24888**

**LOCATION:** Neptune/Monmouth Cty.

**PROCEEDS FOR:** remedial investigation

**FINANCING:** \$571,978 Hazardous Discharge Site Remediation Fund

**PROJECT:** City of Newark (Internatl Metallurgical Svcs) **APPL.#24884**

**LOCATION:** Newark/Essex Cty.

**PROCEEDS FOR:** remedial investigation

**FINANCING:** \$158,187 Hazardous Discharge Site Remediation Fund

**PROJECT:** City of Paterson (Apollo Dye House) **APPL.#24886**

**LOCATION:** Paterson/Passaic Cty.

**PROCEEDS FOR:** remedial investigation

**FINANCING:** \$705,018 Hazardous Discharge Site Remediation Fund

**PROJECT:** G & N Partnership

**APPL.#21430**

**LOCATION:** Roxbury/Morris Cty.

**PROCEEDS FOR:** remedial investigation/action

**FINANCING:** \$204,399 Hazardous Discharge Site Remediation Fund Loan

The next item was a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of December 2008. **(For Informational Purposes Only)**

Mr. McNamara left the meeting at 10:45 a.m.

### **EDISON INNOVATION FUND**

**PROJECT:** GlobalPrint Systems, Inc.

**APPL.#24708**

**LOCATION:** Evesham/Burlington Cty.

**PROCEEDS FOR:** growth capital

**FINANCING:** \$446,000 Edison Innovation Fund investment

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

### **INCENTIVE PROGRAMS**

#### **BROWNFIELD REIMBURSEMENT PROGRAM**

The next item was to approve the brownfield application of Park Willow, LLC for reimbursement for clean-up costs for a Hoboken redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to \$750,000.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

The next item was to approve the brownfield application of Ridgewood 120, LLC for reimbursement for clean-up costs for a Ridgewood redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to \$203,250.

**MOTION TO APPROVE: Mr. Manning SECOND: Ms. Davis AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

The next item was to approve the brownfield application of Sayreville Seaport Associates, L.P. for reimbursement for clean-up costs for a Sayreville redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to \$29,879,890.

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Plofker AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 18**

### UEZ/SALEM SALES TAX EXEMPTION

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Renewal Application of General Mills Operations, Inc. (GMI), a manufacturer that is located in Vineland. The estimated annualized U-STX benefit to GMI is \$225,000.

**MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Davis AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

**Mr. Poliner entered the meeting at 11 a.m.**

**Ms. McGuire left the meeting at 11:05 a.m.**

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Renewal Application of Leone Industries (LI), a manufacturer that is located in Bridgeton. The estimated annualized U-STX benefit to LI is \$900,000.

**MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Plofker AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

### BUSINESS INCENTIVE EMPLOYMENT PROGRAM

**PROJECT:** Albany Pipe and Nipple Manufacturing, Inc. **APPL.#125079**  
**LOCATION:** Perth Amboy/Middlesex Cty. **BUSINESS:** industrial/electrical equipment  
**GRANT AWARD:** 65% Business Employment Incentive grant, 10 years

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Manning AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

**PROJECT:** ITT Corp. **APPL.#24065**  
**LOCATION:** Clifton/Passaic **BUSINESS:** industrial/electrical equipment  
**GRANT AWARD:** 65% Business Employment Incentive grant, 10 years

Ms. Franzini presented a memo discussing legal matters relating to the applicant.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

**PROJECT:** Elephant Group, Inc. dba Saveology.com LLC **APPL.#125079**

**LOCATION:** Edison Twp/Middlesex Cnty. **BUSINESS:** call center operations  
**GRANT AWARD:** 55% Business Employment Incentive grant, 10 years  
**MOTION TO APPROVE:** Ms. Davis **SECOND:** Mr. Ryan **AYES:** 9  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 20

**BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT TAX  
CREDIT TRANSFER PROGRAM**

**PROJECT:** Elephant Group, Inc. dba Saveology.com LLC **APPL.#125079**  
**LOCATION:** Perth Amboy/Middlesex Cty. **BUSINESS:** call center operations  
**GRANT AWARD:** 165,000, 5 years  
**MOTION TO APPROVE:** Ms. Davis **SECOND:** Mr. Ryan **AYES:** 9  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 21

The next item was to grant final approval of the Business Retention and Relocation Assistance Grant Tax Credit Certificate Transfer Program application of Deloitte LLP to Johnson & Johnson International.

**MOTION TO APPROVE:** Mr. Ryan **SECOND:** Ms. Davis **AYES:** 9  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 22

**BOARD MEMORANDUMS**

**PROJECT:** Roebing Urban Renewal Associates, LLC **APPL.#00559**  
**LOCATION:** Trenton/Mercer Cty.  
**FINANCING:** \$851,071 Local Development Financing Fund Loan  
**MODIFICATION:** extend the LDFE loan maturity from 08/01/2011 to 03/01/2015  
**MOTION TO APPROVE:** Ms. Davis **SECOND:** Mr. Kelly **AYES:** 9  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 23

The next item was a summary of projects approved under Delegated Authority for Q4 2008. **(For Informational Purposes Only)**

**PROJECT:** United States Trust Company of New York  
and U.S. Trust Technology and Support Services, Inc. **APPL.#10503**  
**LOCATION:** Jersey City/Hudson Cty. **BUSINESS:** financial services  
**GRANT AWARD:** 80% Business Employment Incentive grant, 10 years  
**MODIFICATION:** Approve the following changes:

- The name change of UST Co to USTC-NA resulting from the conversion from a New York chartered bank to a national bank
- The sale of the stock of the U.S. Trust Corporation (“UST Corp.”), the parent company of UST Co, to Bank of America Corporation (“BOA”), and the

subsequent merger of UST Corp into N B Holdings Corporation (“NBHC”), a wholly owned subsidiary of BOA

- The removal of USTC-NA, which was dissolved in 2008 from the grant and whose functions at the Project Site have been replaced by Bank of America NA, a subsidiary of NBHC
- The reduction of the grant award percentage from 80% to 60% for grant year 2008 and going forward
- The institution of a 20% cap above the dollar amount of the withholdings attributed to the new employment commitment.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

**PROJECT:** NBC, Inc.; CNBC, Inc.; and CNBC.com **APPL.#11113**  
**LOCATION:** Englewood Cliffs/Bergen Cty. **BUSINESS:** news and entertainment  
**GRANT AWARD:** 80% Business Employment Incentive grant, 10 years

**MODIFICATION:** Approve 1) the merger between NBC, Inc. and Vivendi Universal Entertainment, 2) the name change from NBC, Inc. to NBC Universal, Inc., and 3) the addition of several entities to the NBC, Inc.; CNBC, Inc. and CNBC.com LLC Grant Agreement.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Kelly AYES:9  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

**PROJECT:** AT&T New Cingular Wireless PCS, LLC and Cingular Wireless Employee Services, LLC

**LOCATION:** Paramus/Bergen Cty. **BUSINESS:** communications  
**MODIFICATION:** 1) approve the reduction in the number of eligible retained/relocated employees in the original BRRAG application from 1,634 to 1,106 employees and 2) approve the reduction in estimated BRRAG tax credit benefit for Cingular from \$2,451,000 (1,634 x \$1,500) to \$1,659,000 (1,106 x \$1,500).

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Poliner AYES: 9  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26**

The next item was for Cooper Medical Services, Inc. (P24772) Series B & C bonds to be restructured as taxable bonds for the first seven years of the term and automatically convert to tax-exempt bonds at the beginning of the 8<sup>th</sup> year. **(For Informational Purposes Only)**

The next item was to approve the addition of Citizens Bank as a Preferred Lender.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Ryan AYES: 9  
RESOLUTION ATTACHED AND MARKED EXHIBIT:27**

The next item was a summary of projects approved under Delegated Authority for December 2008. **(For Informational Purposes Only)**

**New Jersey Business Growth Fund:** Colmen Realty, LLC; G&J Solutions and 419 Madison, LLC; LLC to be formed (Camden Flooring Company); Neta Scientific, Inc.; Watt Electric, Inc.

**Fast Start Direct Loan Program:** JMAC Properties Limited Liability Company

**Edison Innovation Fund:** Biopticon Corporation; Urovalve, Inc.

### **AUTHORITY MATTERS**

The next item was to approve an amendment to the proposed rules implementing the InvestNJ Business Grant Program to include a definition of “common ownership” and “common control.”

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 28**

### **REAL ESTATE**

The next item was to increase the litigation budget for legal defense related to the BIL Management (BIL) case that has been settled.

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Ryan AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 29**

The next item was to authorize an amendment to the December 18, 2007 Ground Lease with L’Oreal USA Products, Inc. providing L’Oreal the option of extending its Due Diligence Period through March 6, 2009 for certain limited items that remain outstanding.

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Poliner AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 30**

The next item was to approve a Memorandum of Understanding with Treasury to facilitate the acquisition and rehabilitation of six State Police Barracks and establish a feasibility budget to advance the Project.

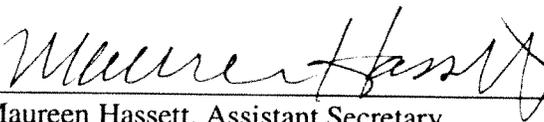
**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 31**

**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 11:30 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.

  
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Maureen Hassett, Assistant Secretary



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**RE:** Chief Executive Officer's Report to the Board

### **EDISON INNOVATION FUND**

Applications are now online at [www.njeda.com](http://www.njeda.com) for the Edison Innovation Clean Energy Manufacturing Fund. The program is designed to encourage manufacturers of renewable energy, clean technology and energy-efficiency products and services to locate and grow in New Jersey by providing non-recoverable grants and no-interest loans totaling up to \$3.3 million per company per project. The program is a joint effort of the EDA and the New Jersey Board of Public Utilities that will enable New Jersey to be a leader in the clean technology arena by promoting new jobs and economic growth while addressing the goals of Governor Corzine's comprehensive Economic Growth Strategy and the New Jersey Energy Master Plan.

The EDA closed two Edison Innovation Fund direct investments in January totaling \$1.2 million. The most recent was with Biopticon Corporation, a tenant at the EDA's Waterfront Technology Center at Camden, which received a \$200,000 investment that will be used as growth capital for the commercialization of its TumorImager, which uses laser scanning technology for three-dimensional imaging of surface features on live tissue such as tumors, lesions and wounds. Earlier in the month, the EDA finalized a \$1-million direct investment with Semprae Laboratories of Paramus, which will combine with \$7.5 million in funding from Quaker BioVentures and be used in connection with research and development and marketing of its health products. The two companies plan to create a total of 20 new jobs.

### **NEW JERSEY URBAN FUND**

In January, the Boys & Girls Club of Camden County closed a \$2.2-million tax-exempt bond, directly purchased by TD Bank, N.A., which will be used to refinance a mortgage arranged with Commerce Bank in 2007 for a 24,000-square-foot clubhouse project at the

Catto Elementary School. The club is located in the eastern section of the city and boasts more than 1,000 members. The 20-year, variable-rate bond, which initially closed at 3.08 percent, is expected to save the club \$46,000 in interest costs.

### **OTHER URBAN ACTIVITY**

Flexabar Corporation, a Lakewood-based manufacturer of coatings and compounds used in marine applications, closed a \$650,000 loan with TD Bank in January that included a \$154,000 EDA participation made under the Preferred Lender Program. The funding is being used to purchase new equipment and machinery and to refinance existing higher-cost debt.

The EDA also closed a \$2-million loan with the Jewish Renaissance Medical Center to help finance the transformation of a 49,000-square-foot department store in Perth Amboy into a \$14-million medical office building that will provide family, pediatric and dental services to low-income and under-insured Middlesex County residents. This latest funding will augment a \$7.5-million bond previously issued by the EDA, \$2.5 million in federal and state grants, and bank debt. The project is expected to create 37 new jobs.

### **CORE ACTIVITY**

A real estate holding company for C&A Marketing, a distributor of digital cameras, camcorders and related accessories, will purchase and renovate a 164,000-square-foot building in Ridgefield Park Village with the help of a \$3.7-million TD Bank loan that includes a \$1-million EDA participation. The loan, which was completed in January, will enable company owners to relocate the business from Brooklyn and bring 75 new jobs to New Jersey.

### **OTHER NEWS**

#### **Early Response Very Strong to New State Economic Stimulus Programs**

The business and banking communities have responded strongly to the new InvestNJ and Main Street Business Assistance programs that were signed into law by Governor Corzine in December.

Through Feb. 2, exactly one month from the time that applications first were made available at [www.njeda.com](http://www.njeda.com), we received 271 applications for InvestNJ, which offers \$120 million in grants to stimulate capital investment and job creation in New Jersey. The InvestNJ applicants are seeking grants of more than \$18 million for the creation of almost 7,200 new jobs and \$21 million for investments in capital projects.

We also received our first applications for the \$50-million Main Street program during the last week of January, one for a \$211,000 guarantee of bank financing and the other for a \$150,000 guarantee of a bank line of credit.

Main Street applications will take longer to develop because of the due diligence that banks must perform prior to bringing lending opportunities to the EDA, which includes an examination of year-end financial statements of the small and mid-size businesses seeking funding. Several other potential projects for funding through the Main Street program are pending.

Through January, the EDA website had recorded nearly 4,200 total visits to InvestNJ and Main Street information pages. Additionally, the state's Call Center and the EDA's designated Customer Care telephone line had answered nearly 500 inquiries about the new programs.

**Speaking Engagements:**

EDA representatives also participated as attendees, exhibitors or speakers at 38 events in January. These included the Hudson County Economic Development Corporation Workshop in Jersey City, Chamber of Commerce Southern New Jersey Quarterly Business Outlook in Cherry Hill, Hamilton Partnership Economic Development Program in Hamilton Township, BioNJ Annual Meeting in East Brunswick, Cumberland Development Corporation Board Meeting in Bridgeton, Greater Camden Partnership Annual Meeting in Camden, and the New Jersey Technology Council Capital Conference in Princeton.



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## **BOND RESOLUTIONS**

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

**APPLICANT:** Tribeca Oven, Inc.

P24300

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 447 Gotham Parkway

Carlstadt Borough (N)

Bergen

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

Tribeca Oven, Inc. continues to serve and thrive as an artisan bread company. Due to growth, in 1997, Tribeca Oven moved its bakery from Manhattan to Brooklyn, and in answer to increasing demand, production moved to Carlstadt, New Jersey in 2004. Tribeca Oven's par-baked (85% baked) breads are baked to old-world standards and flash-frozen to preserve the complexity of flavors, the rich and chewy textures, and the freshness of more than 36 artisan loaves and rolls. Their breads are mostly unbranded or private label branded. They ship their par-baked, frozen breads to Specialty Food Distributors and Fine Food Stores located all over the country. It takes another 9-12 minutes of final baking in special ovens to achieve the final product, that on-premises baked fresh bread, at the sites of their customers.

Tribeca Oven is expanding again. They are adding new mixing automation, conveying, shaping line, proofing, oven loading, new oven, blast freezer and packing automation equipment and related systems.

In 2004, Authority approved a BEIP grant for the Applicant (P15803, \$122,500 over the 10 year grant term at 45%) in connection with their move from New York to New Jersey.

**APPROVAL REQUEST:**

Authority assistance will enable the acquisition and installation of machinery and equipment for use in food and bread manufacturing and processing operations.

The difference between the project costs and the bond amount will be funded by equity.

**FINANCING SUMMARY:**

**BOND PURCHASER:** Sun National Bank

**AMOUNT OF BOND:** \$6,000,000 (maximum) Tax-Exempt Bond

**TERMS OF BOND:** 11 years (max), Up to 1 year interest only; variable rate at 80% of one month LIBOR plus 300, 275 or 250 bps -based upon the quarterly ratio of Senior Funded Debt to EBITDA- (one-month LIBOR is 0.38938% as of 01/22/2009; indicative variable t/e rate is 3.06150% with the 275 bps spread); On the closing date, the borrower may enter into a swap agreement to a fixed rate (indicative t/e fixed swap rate as of 01/22/2009 is 4.960%).

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Purchase of equipment & machinery	\$5,500,000
Other-infrst,utl,eng	\$500,000
Installation	\$400,000
Legal fees	\$44,000
Finance fees	\$40,000
Accounting fees	\$3,500

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TOTAL COSTS

\$6,487,500

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**JOBS:** At Application    145 Within 2 years    20 Maintained    0 Construction    14

**PUBLIC HEARING:** 02/10/09 (Published 01/27/09)    **BOND COUNSEL:** Wolff & Samson

**DEVELOPMENT OFFICER:** J. Colon    **APPROVAL OFFICER:** D. Sucsuz

**COMBINATION PRELIMINARY AND BOND RESOLUTIONS**

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

**APPLICANT:** Arc of Bergen and Passaic Counties, Inc., The

P24931

**PROJECT USER(S):** Arc Bergen and Passaic Counties, Inc. \*  
West Bergen Mental Healthcare Corp.

\* - indicates relation to applicant

**PROJECT LOCATION:** Various

Single County - Multi City (N)

Bergen

**GOVERNOR'S INITIATIVES:**

Urban Fund  Other Urban  Edison  Core

**APPLICANT BACKGROUND:**

The Arc of Bergen and Passaic Counties, Inc., (Arc) is a private not-for-profit 501(c)(3) membership based organization of families, self advocates, professionals and community members dedicated to assisting individuals with developmental disabilities and their families. The Arc provides a range of services which support and assist individuals and families throughout their lifetime. Starting at birth, the Arc offers early intervention and family support programs during the school years, summer camp, after school and education advocacy programs and through adulthood, the Arc provides vocational, residential, recreation, family support and guardianship programs.

In 2003, the Arc received Authority assistance via tax-exempt bond financing in the amount of \$1,241,750 to refinance two existing conventional mortgages at sites which serve as the agency's program service center and vocational training center. The project is in compliance.

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 (i) to finance a portion of the purchase price of a three level 13,900 sq. ft. office building on approx. .68 acres to establish a Family and Child Center to support infants diagnosed with development disabilities and their families in Oakland, Bergen County and (ii) to refinance an existing conventional loan (in the original amount of \$700,000 with Valley National Bank at 6.25% for 20 years) used for renovations at its vocational training workshop and office in Elmwood Park.

Only a portion of the Oakland project property can be financed with tax-exempt bonds as some of the facility is leased to private use tenants. The Arc will initially occupy 1,807 sq. ft. and the West Bergen Mental Health, a 501(c)(3) organization, leases 3,058 sq. ft. As leases expire, the Arc hopes to expand into additional space.

The difference between the bond amount and the project costs will be funded by a conventional loan provided by TD Bank.

**FINANCING SUMMARY:**

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

**AMOUNT OF BOND:** \$1,500,000 (Tax-exempt bond)

**TERMS OF BOND:** 20 years; Variable interest rate based on the tax-exempt equivalent of 1-month LIBOR plus 200 basis points, subject to call option on the 10th anniversary. On the closing date, the Applicant will enter into a 10 year swap agreement to an indicative fixed rate of 3.75% as of 2/2/09.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Acquisition of existing building	\$2,500,000
Refinancing	\$617,000
Legal fees	\$40,000
Finance fees	\$27,000
<b>TOTAL COSTS</b>	<b>\$3,184,000</b>

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

**PUBLIC HEARING:** 02/10/09 (Published 01/26/09)      **BOND COUNSEL:** McManimon & Scotland

**DEVELOPMENT OFFICER:** M. Abraham      **APPROVAL OFFICER:** T. Wells

**PUBLIC HEARING ONLY**

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

**APPLICANT:** St. Joseph's School for the Blind

P14808

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 761 Summit Ave.

Jersey City (T/UA)

Hudson

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

St. Joseph's School for the Blind, founded and sponsored by the Sisters of St. Joseph of Peace in 1891 as an outgrowth of the Home for the Blind, provides educational and residential services for the visually impaired and those that are also multiple handicapped. The age range of students is birth to twenty-one years. St. Joseph's is licensed by the New Jersey Department of Human Services. The school is presently occupying space in an 8 story building in Jersey City. An existing 2-story residential facility, funded by the federal government, is also located at this new project site.

This project is related to application #P012004 for the construction of a 63,500 sq ft addition to an existing 56,000 sq ft nursing home that is adjacent to the present school site. The original EDA bond of \$17,000,000 closed in March of 2000 and is in compliance.

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 via tax exempt bonds that closed on June 23, 2005 enabled the applicant to construct a two level school facility of approximately 75,000 sq ft on 2.8 acres of land donated by The City of Jersey City. This expansion project, known as the Concordia Learning Center, opened to students in February 2007 and enabled the applicant to increase enrollment from approximately 56 to 100 students and increase the number of classrooms from 8 to 17.

THIS PROJECT IS BEING PRESENTED AT THE FEBRUARY 10, 2009 BOARD MEETING FOR A PUBLIC HEARING ONLY in anticipation of a proposed amendment to the 2005 Bond being negotiated between the applicant and the bond purchaser, TD Bank (formerly Commerce Bank, North).

**FINANCING SUMMARY:**

**BOND PURCHASER:** Commerce Bank, North (Direct Purchase)

**AMOUNT OF BOND:** \$15,000,000

**TERMS OF BOND:** 20 year term; First 18 months interest only. Fixed interest rate of 4.25% at the tax-exempt equivalent of the greater of 6.5% or 10 year Treasuries plus 200 bp. Rate reset on tenth anniversary of closing at same index above.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Construction of new building or addition	\$14,903,377
Purchase of equipment & machinery	\$1,350,000
Soft Costs	\$1,221,247
Construction Contingency	\$1,116,377
Finance fees	\$800,000

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TOTAL COSTS

\$19,391,001

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**JOBS:** At Application      35 Within 2 years      17 Maintained      0 Construction      447

**PUBLIC HEARING:** 07/13/04 (Published 06/29/04)      **BOND COUNSEL:** Riker, Danzig, Scherer, Hyland &  
**DEVELOPMENT OFFICER:**      **APPROVAL OFFICER:** C. DeGiulio

**BOND RESOLUTIONS WITH AUTHORITY EXPOSURE**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - BOND WITH AUTHORITY EXPOSURE**

**APPLICANT:** SWP Real Estate, LLC

P23722

**PROJECT USER(S):** East Coast Panelboard, Inc \*  
East Coast Control & Automation, LLC, \*  
East Coast Power Services, LLC \*  
East Coast Power Systems, LLC \*

\* - indicates relation to applicant

**PROJECT LOCATION:** 1457 Shafto Road Tinton Falls Borough (N) Monmouth

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

SWP Real Estate, LLC (SWP), a real estate holding company, will own the property to be occupied by its related operating company, East Coast Panelboard, Inc and affiliates (tenants). East Coast Panelboard, Inc was formed in 1983 by Salvatore and Mary Rinaldi & their children Salvatore III and Maria Rahner, as a reseller of electrical components and builder of small assembled parts. In January 1999, East Coast Power Systems, LLC (ECPS) was formed as the new parent company for East Coast Panelboard, Inc, the original core company, East Coast Control & Automation, LLC, and East Coast Power Services, LLC. Today, the primary business is building lighting panelboard and switchboards to protect and distribute electricity in commercial buildings. The applicant and tenant's continue to be family owned businesses, with Salvatore III as the CEO. ECPS' doubling in size over the past few years is driving the need to move to a larger facility.

At the May 2008 Board meeting, the Authority approved a preliminary bond for East Coast Power Services and affiliates (P21955) to acquire new metal working machines, storage systems and a powder coat paint system, rather than moving outdated machines to a new facility.

At the January 2009 Board meeting, the Authority approved a \$1 million direct loan for East Coast Power Services, LLC. (P24962) to acquire equipment, and \$1.25 million for SWP Real Estate, LLC. (P24966) to buy land and building.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to acquire and renovate the 92,179 s.f. building, situated on 10 acres, they are currently leasing. The applicant leased the building, with an option to purchase, in August 2007, enabling them to move from a 22,000 s.f. facility to the new facility. It is anticipated that the applicant will utilize 50% for immediate occupancy, with room to grow.

The Authority's aggregate assistance to SWP Real Estate, LLC, and East Coast Power Services, LLC., will be \$11,770,486 with total project cost of \$13,611,686:

Tax-Exempt Bonds:	\$8,770,486
Direct Loans:	\$2,250,000
Guarantee:	\$ 750,000

**FINANCING SUMMARY:**

**BOND PURCHASER:** The Provident Bank (Direct Purchase)

**AMOUNT OF BOND:** \$6,550,000 tax-exempt bond with an 11.45% Authority guarantee of the principal not to exceed \$750,000 for five years.

**TERMS OF BOND:** 10 year term (25 year amortization) with three 5 year renewal options at the sole option of Provident Bank; interest rate for the initial 10 year term is the tax-exempt equivalent of the 10-year US Treasury + 250 basis points (with a floor of 6.75%). The indicative rate is 4.39% as of February 2, 2009.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Renovation of existing building	\$4,805,643
Acquisition of existing building	\$2,400,000
Land	\$2,200,000
Closing Costs	\$508,759
Construction of roads, utilities, etc.	\$476,798
<b>TOTAL COSTS</b>	<b>\$10,391,200</b>

<b>JOBS:</b> At Application	<u>0</u>	Within 2 years	<u>0</u>	Maintained	<u>0</u>	Construction	<u>0</u>
Jobs on Related 21955	<u>41</u>		<u>23</u>		<u>0</u>		<u>0</u>

**PUBLIC HEARING:** 01/13/09 (Published 12/29/08) **BOND COUNSEL:** Gluck Walrath, LLP

**DEVELOPMENT OFFICER:** R. Fischer **APPROVAL OFFICER:** M. Krug / M. Conte

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

**APPLICANT:** East Coast Power Services, LLC, East Coast Power Systems, P21955

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 1457 Shafto Rd

Tinton Falls Borough (N)

Monmouth

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

East Coast Power Systems, LLC (ECPS) was formed in January 1999 as the new parent company for East Coast Panelboard, Inc., the original core company, East Coast Control & Automation, LLC, and East Coast Power Services, LLC. East Coast Panelboard, Inc. was formed in 1983 by Salvatore and Mary Rinaldi, with their two children Salvatore III and Maria Rahner, as a reseller of electrical components and builder of small assembled parts. Today, the co-applicant's primary business is building lighting panelboard and switchboards to protect and distribute electricity in commercial buildings. The co-applicants continue to be family owned businesses, with Salvatore III as the CEO. ECPS' doubling in size over the past few years is driving the need to move to a larger facility.

At the February 2009 Board meeting, SWP Real Estate, LLC (P23722), a real estate holding company to own the property to be occupied by the applicant, will be requesting Authority approval of a \$6,550,000 (P23722) tax-exempt bond with an 11.45% Authority guarantee of the principal, not to exceed \$750,000 for five years. The proceeds will be used to acquire and renovate a 92,179 s.f. building, situated on 10 acres, that they are currently leasing. Preliminary Board approval was received at the October 2008 Board meeting.

At the January 2009 Board meeting the Authority approved a \$1 million direct loan for East Coast Power Services, LLC. and affiliates (P24962) to acquire equipment, and \$1.25 million for SWP Real Estate, LLC. (P24966) to buy land and building.

**APPROVAL REQUEST:**

Authority assistance will enable the co-borrowers to acquire new metal working machines, storage systems and a powder coat paint system, rather than moving outdated machines. The applicant will be moving from a 22,000 s.f. facility to a 92,179 s.f. facility, utilizing 50% for immediate occupancy, with room to grow.

The Authority's aggregate assistance to SWP Real Estate, LLC, and East Coast Power Services, LLC., will be \$11,770,486 with total project cost of \$13,611,686:

Tax-Exempt Bonds:	\$ 8,770,486
Direct Loans:	\$ 2,250,000
Guarantee:	\$ 750,000

**FINANCING SUMMARY:**

**BOND PURCHASER:** Provident Bank (Direct Purchase)

**AMOUNT OF BOND:** \$2,220,486 Tax-Exempt Bond

**TERMS OF BOND:** 5 year term (15 year amortization) with two 5 year renewal options at the sole option of Provident Bank; interest rate for the initial 5 year term is the tax-exempt equivalent of the 5-year US Treasury Note rate plus 250 basis points (with a floor of 6.25%). The indicative rate is 4.06% as of February 2, 2009.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Purchase of equipment & machinery	\$3,182,486
Finance fees	\$23,000
Legal fees	\$15,000
<b>TOTAL COSTS</b>	<b>\$3,220,486</b>

**JOBS:** At Application    41    Within 2 years    23    Maintained    0    Construction    0

**PUBLIC HEARING:** 01/13/09 (Published 12/29/08)    **BOND COUNSEL:** Gluck Walrath, LLP

**DEVELOPMENT OFFICER:** R. Fischer    **APPROVAL OFFICER:** M. Krug

**LOCAL DEVELOPMENT FINANCING FUND**

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

**APPLICANT:** Cameron Bayonne Urban Renewal, LLC

P23796

**PROJECT USER(S):** various tenants

\* - indicates relation to applicant

**PROJECT LOCATION:** 550 Route 440 North

Bayonne City (T/UA)

Hudson

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

Cameron Bayonne Urban Renewal, LLC is a single purpose real estate entity formed to acquire a 31 acre site in Bayonne, Hudson County for a new retail power center with net rentable space of approximately 350,000 square feet which will be leased by an estimated twenty-four tenants (including Lowe's, Walmart, Sleepy's, New York Sports Club, Subway, Supercuts and Longhorn with 80% of the available space pre-leased).

**APPROVAL REQUEST:**

\$2 million LDFF loan is requested to provide the gap funding necessary to complete the sources for the project. Simultaneously being presented for approval is P 25513, a \$1 million Predevelopment Smart Growth loan (which will be repaid by project financing such that NJEDA exposure at no time will be above \$2 million).

**FINANCING SUMMARY:**

**LENDER:** LDFF

**AMOUNT OF LOAN:** \$2,000,000

**TERMS OF LOAN:** Fixed at closing at 50% of the Federal Discount Rate or 2% whichever is greater. Five year fixed rate to be reset for a second five years at a similar index. Ten year term based on a twenty year amortization.

**PROJECT COSTS:**

Land	\$20,516,899
Construction of new building or addition	\$18,522,126
Working capital	\$11,931,167
Environmental costs	\$11,650,000
Construction of roads, utilities, etc.	\$11,612,088
Debt service reserve fund	\$3,000,000
Interest during construction	\$2,395,000
Engineering & architectural fees	\$2,156,839
Contingency	\$2,151,504
offsite	\$1,331,775
Legal fees	\$746,148
Finance fees	\$330,000
<b>TOTAL COSTS</b>	<b>\$86,343,546</b>

**JOBS:** At Application    0 Within 2 years    500 Maintained    0 Construction    904

**DEVELOPMENT OFFICER:** M. Abraham

**APPROVAL OFFICER:** M. Conte

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - SMART GROWTH PRE-DEVELOPMENT FUNDING PROGRAM**

**APPLICANT:** Cameron Bayonne Urban Renewal, LLC

P25513

**PROJECT USER(S):** various tenants

\* - indicates relation to applicant

**PROJECT LOCATION:** 550 Route 440 North

Bayonne City (T/UA)

Hudson

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

Cameron Bayonne Urban Renewal, LLC ("CBUR") is a single purpose real estate entity formed to acquire a site in Bayonne, Hudson County (designated brownsfield and redevelopment zone) for a new retail power center with net rentable space of approximately 350,000 square feet on just over 31 acres which will be leased by an estimated twenty-four tenants (including Lowe's, Walmart, Sleepy's, New York Sports Club, Subway, Supercuts and Longhorn with approximately 80% of the space pre-leased).

**APPROVAL REQUEST:**

Approval is requested for a \$1 million predevelopment smart growth loan (for up to 12 months) and a \$2 million LDFP loan (P 23796 being presented for approval simultaneously). Note that the predevelopment loan will be repaid via the proceeds of the Key Bank / LDFP loans upon closing/disbursement (such that the NJEDA exposure will at no time be above \$2 million).

**FINANCING SUMMARY:**

**LENDER:** NJEDA

**AMOUNT OF LOAN:** \$1,000,000

**TERMS OF LOAN:** Borrowers option of: fixed at time of closing at 5-year US Treasury + 50 bp or floating at Wall Street Journal Prime minus 3% (floor is 3%). Loan term is up to 12 months interest only with full payment of principal at earlier of maturity or time of closing on bank financing.

**PROJECT COSTS:**

**TOTAL COSTS**

\_\_\_\_\_ **\$0 \***  
=====

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

**JOBS:** At Application  
Jobs on Related 22796

Within 2 years

Maintained

Construction

**DEVELOPMENT OFFICER:** M. Piliere

**APPROVAL OFFICER:** M. Conte

**PETROLEUM UNDERGROUND STORAGE TANK  
PROGRAM**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Caren S. Franzini  
Chief Executive Officer  
**DATE:** February 10, 2009  
**SUBJECT:** NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

**Private Grant:**  
Sylvia Timms ..... \$109,045

**Total UST funding for February 2009.....\$109,045**

Prepared by: Lisa Petrizzi

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

**APPLICANT:** Sylvia Timms

P24539

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 15 Jackson Lane

Winslow Township (T/UA)

Camden

**GOVERNOR'S INITIATIVES:**

Urban Fund  Other Urban  Edison  Core

**APPLICANT BACKGROUND:**

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

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

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$109,045 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$10,905 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP

**FINANCING SUMMARY:**

**GRANTOR:** Petroleum UST Remediation, Upgrade & Closure Fund

**AMOUNT OF GRANT**\$109,045

**TERMS OF GRANT:** No Interest; No Repayment

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$109,045
NJDEP oversight cost	\$10,905
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<b>\$120,200</b>

**APPROVAL OFFICER:** L. Petrizzi



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

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

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

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

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

Summary:		# of Grants	\$ Amount
	Leaking tank grants awarded	114	\$1,581,804
	Non-leaking tank grants awarded	250	\$647,571

Applicant	Description	Grant Amount	Awarded to Date
Adamsbaum, David and Karen (P24731)	Initial grant for upgrade, closure and remediation	\$4,452	\$4,452
Alfaro, Miguel (P23801)	Initial grant for upgrade, closure and remediation	\$15,802	\$15,802
Arias, Jose (P24564)	Initial grant for upgrade, closure and remediation	\$10,297	\$10,297
Ascencio, Alejandro (P23352)	Supplemental grant for upgrade, closure and remediation	\$2,230	\$13,397
Banasiak, Casimiera (P24642)	Initial grant for upgrade, closure and remediation	\$19,121	\$19,121
Barker, Cecil (P24856)	Initial grant for upgrade, closure and remediation	\$11,623	\$11,623
Bernardo, Hilario (P24713)	Initial grant for upgrade, closure and remediation	\$11,527	\$11,527
Bettermann, Robert and Jodi (P23940)	Initial grant for upgrade, closure and remediation	\$10,631	\$10,631
Boniello, Vincent (P24478)	Initial grant for upgrade, closure and remediation	\$2,952	\$2,952
Boyce, Carol (P24969)	Initial grant for upgrade, closure and remediation	\$10,083	\$10,083

Applicant	Description	Grant Amount	Awarded to Date
Boyle, Elizabeth (P25032)	Initial grant for upgrade, closure and remediation	\$8,437	\$8,437
Boyle, Jennifer (P24484)	Initial grant for upgrade, closure and remediation	\$9,827	\$9,827
Brashear, Mary Lou (P24715)	Supplemental grant for upgrade, closure and remediation	\$9,839	\$28,047
Burgoyne, Lois (P24524)	Initial grant for upgrade, closure and remediation	\$13,744	\$13,744
Butler, Ernest (P24572)	Initial grant for upgrade, closure and remediation	\$7,418	\$7,418
Butts, James (P25033)	Initial grant for upgrade, closure and remediation	\$10,361	\$10,361
Cannizzo, John (P24471)	Initial grant for upgrade, closure and remediation	\$21,936	\$21,936
Cardell, Michael J. (P24872)	Initial grant for upgrade, closure and remediation	\$9,197	\$9,197
Cascais, Alfred and Isabel (P23353)	Initial grant for upgrade, closure and remediation	\$28,653	\$28,653
Cherry, Robert and Nancy (P23690)	Initial grant for upgrade, closure and remediation	\$3,824	\$3,824
Chisolm, Joseph (P24761)	Initial grant for upgrade, closure and remediation	\$27,249	\$27,249
Corriere, Eileen Finan (P24486)	Initial grant for site remediation	\$3,125	\$3,125
Czupak, William (P24635)	Initial grant for upgrade, closure and remediation	\$7,006	\$7,006
DelGaudio, Penny (P23860)	Initial grant for upgrade, closure and remediation	\$77,155	\$77,155
Devaney, Elizabeth (P23016)	Initial grant for upgrade, closure and remediation	\$5,344	\$5,344
DiFazio, Marion (P24867)	Initial grant for upgrade, closure and remediation	\$26,248	\$26,248
DiStefano, Samuel J. (P24786)	Supplemental grant for upgrade, closure and remediation	\$3,385	\$16,005
Dirupo, Paul (P25036)	Initial grant for upgrade, closure and remediation	\$7,130	\$7,130
Donnelly, Paul and Jean M. (P24220)	Initial grant for upgrade, closure and remediation	\$2,550	\$2,550
Dowd, Andrew James (P24984)	Initial grant for upgrade, closure and remediation	\$8,434	\$8,434
Dukes, Deborah G. (P24177)	Initial grant for upgrade, closure and remediation	\$19,707	\$19,707
Eglow, Dianne and Michael (P24230)	Initial grant for upgrade, closure and remediation	\$7,056	\$7,056
Fedlam, Teresa (P24764)	Initial grant for upgrade,	\$4,237	\$4,237

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Feliks, Richard and Rita (P24538)	Initial grant for upgrade, closure and remediation	\$12,691	\$12,691
Finn, Carol (P24860)	Initial grant for upgrade, closure and remediation	\$19,082	\$19,082
Freda, Richard (P24483)	Initial grant for upgrade, closure and remediation	\$9,775	\$9,775
Garcia, Ricardo (P24775)	Initial grant for upgrade, closure and remediation	\$60,516	\$60,516
Geardino, Ruthe (P23978)	Initial grant for upgrade, closure and remediation	\$9,230	\$9,230
Graul, Steve and Elisa (P24377)	Initial grant for upgrade, closure and remediation	\$14,095	\$14,095
Gresseau, Jacqueline (P24221)	Initial grant for upgrade, closure and remediation	\$2,600	\$2,600
Hadley, Bruce and Linda (P24720)	Initial grant for upgrade, closure and remediation	\$10,899	\$10,899
Heller, Owen (P24656)	Initial grant for upgrade, closure and remediation	\$20,743	\$20,743
Hentz, Pamela (P24991)	Initial grant for upgrade, closure and remediation	\$6,263	\$6,263
Higgins, Frank (P24972)	Initial grant for upgrade, closure and remediation	\$3,505	\$3,505
Hissim, Michael (P24170)	Initial grant for upgrade, closure and remediation	\$14,644	\$14,644
Iuliano, Mario and Maria (P24776)	Initial grant for upgrade, closure and remediation	\$39,253	\$39,253
Izzo, Mark and Lori (P23929)	Initial grant for upgrade, closure and remediation	\$6,387	\$6,387
Jakimowicz, Rosemary (P24461)	Initial grant for upgrade, closure and remediation	\$48,634	\$48,634
Jascha, Cheryl (P24477)	Initial grant for upgrade, closure and remediation	\$13,608	\$13,608
Jordan, William and Rose (P24488)	Initial grant for upgrade, closure and remediation	\$15,673	\$15,673
Karden Rabin (P22816)	Initial grant for upgrade, closure and remediation	\$11,721	\$11,721
Katz, Heather (P24487)	Initial grant for upgrade, closure and remediation	\$12,833	\$12,833
Klamik, Michael (P24955)	Initial grant for upgrade, closure and remediation	\$5,614	\$5,614
Kreider, Kent (P24640)	Initial grant for upgrade, closure and remediation	\$3,289	\$3,289
Kunkel, Colette (P24217)	Initial grant for upgrade, closure and remediation	\$2,500	\$2,500

Applicant	Description	Grant Amount	Awarded to Date
Laue, Ray (P22789)	Initial grant for upgrade, closure and remediation	\$66,271	\$66,271
Lesanics, Dorothy (P24650)	Initial grant for upgrade, closure and remediation	\$23,283	\$23,283
Longobardi, George (P24636)	Initial grant for upgrade, closure and remediation	\$42,794	\$42,794
Lukach, Robert (P24673)	Initial grant for upgrade, closure and remediation	\$14,154	\$14,154
Luu, Khiem (P24714)	Initial grant for upgrade, closure and remediation	\$3,000	\$3,000
Lynch, Judith (P23574)	Initial grant for upgrade, closure and remediation	\$12,000	\$12,000
Malanka, Dan and Rhoda (P24354)	Initial grant for upgrade, closure and remediation	\$11,680	\$11,680
Martinho, Theresa (P24716)	Initial grant for upgrade, closure and remediation	\$14,596	\$14,596
Mathews, Leon (P24130)	Initial grant for upgrade, closure and remediation	\$8,484	\$8,484
McFelle, Clare and Wayne (P24545)	Initial grant for upgrade, closure and remediation	\$23,023	\$23,023
Mehta, Rajesh and Hina (P24778)	Initial grant for upgrade, closure and remediation	\$8,185	\$8,185
Michelson, Leslie (P24777)	Initial grant for upgrade, closure and remediation	\$33,058	\$33,058
Mihavetz, Linda A. (P24771)	Initial grant for upgrade, closure and remediation	\$9,619	\$9,619
Mistkowski, Ruth (P24350)	Initial grant for upgrade, closure and remediation	\$18,827	\$18,827
Morrone, Dennis (P24479)	Initial grant for upgrade, closure and remediation	\$10,654	\$10,654
O'Neil, Georgina (P23669)	Supplemental grant for upgrade, closure and remediation	\$1,500	\$9,735
Okafor, Emeka (P24241)	Initial grant for upgrade, closure and remediation	\$9,353	\$9,353
Palazzo, Antonio (P24228)	Initial grant for upgrade, closure and remediation	\$3,700	\$3,700
Payne, Alfred (P24576)	Initial grant for upgrade, closure and remediation	\$9,901	\$9,901
Peltz, Stephanie (P24557)	Initial grant for upgrade, closure and remediation	\$68,423	\$68,423
Pereira, William (P24088)	Initial grant for upgrade, closure and remediation	\$19,098	\$19,098
Popelak, Peter and Madeline (P24873)	Initial grant for upgrade, closure and remediation	\$13,243	\$13,243
Pugliese, Anthony C., Sr.	Initial grant for upgrade,	\$4,712	\$4,712

Applicant	Description	Grant Amount	Awarded to Date
(P25035)	closure and remediation		
Rangachar, Sumana (P23939)	Initial grant for upgrade, closure and remediation	\$11,164	\$11,164
Ricci, Patrick J. (P24868)	Initial grant for upgrade, closure and remediation	\$5,972	\$5,972
Riola, Rose (P24571)	Initial grant for upgrade, closure and remediation	\$4,035	\$4,035
Ritner, Kathryn (P23502)	Initial grant for upgrade, closure and remediation	\$8,268	\$8,268
Ritter, Theresa (P24482)	Initial grant for upgrade, closure and remediation	\$13,257	\$13,257
Salmon, Keane and Nicole (P24000)	Supplemental grant for upgrade, closure and remediation	\$23,133	\$34,819
Santa Maria, James and Kathy (P24979)	Initial grant for upgrade, closure and remediation	\$15,928	\$15,928
Schmitt, Greg (P23575)	50% Initial grant for upgrade, closure and remediation	\$7,781	\$7,781
Serecka, John and Karen (P24373)	Initial grant for upgrade, closure and remediation	\$8,610	\$8,610
Sheeran, Gerard F. (P24074)	Initial grant for upgrade, closure and remediation	\$10,237	\$10,237
Sheridan, Kathleen M. (P24877)	Supplemental grant for upgrade, closure and remediation	\$19,652	\$83,260
Simonelli, Julius (P24768)	Initial grant for upgrade, closure and remediation	\$3,993	\$3,993
Sohayda, Roger (P24992)	Supplemental grant for upgrade, closure and remediation	\$6,650	\$21,659
Steinberg, Arthur (P24573)	Initial grant for upgrade, closure and remediation	\$15,630	\$15,630
Stires, Lawrence and Mildred (P24490)	Initial grant for upgrade, closure and remediation	\$4,607	\$4,607
Sweeney, Barbara (P24115)	Initial grant for upgrade, closure and remediation	\$9,937	\$9,937
Tassopoulos, Terry and Linda (P24769)	Initial grant for upgrade, closure and remediation	\$6,950	\$6,950
Tolleson, Mark (P24497)	Initial grant for upgrade, closure and remediation	\$9,450	\$9,450
Tomaszewski, Donna (P24757)	Initial grant for upgrade, closure and remediation	\$7,998	\$7,998
Trauger, Ervin and Pina (P25026)	Initial grant for upgrade, closure and remediation	\$6,295	\$6,295
Trinity, Mary (P23935)	Initial grant for upgrade, closure and remediation	\$5,300	\$5,300
Tsetsekas, Peter E. (P24109)	Initial grant for upgrade, closure and remediation	\$11,532	\$11,532

Applicant	Description	Grant Amount	Awarded to Date
Vega, Jenny (P24876)	Initial grant for upgrade, closure and remediation	\$11,048	\$11,048
Verblaauw, Tunis (P23997)	Initial grant for upgrade, closure and remediation	\$18,773	\$18,773
Vezzosi, Peter (P24686)	Initial grant for upgrade, closure and remediation	\$19,520	\$19,520
Villanueva, Jr., Paciano (P24080)	Initial grant for upgrade, closure and remediation	\$13,840	\$13,840
Washington, Sean (P24648)	Initial grant for upgrade, closure and remediation	\$9,731	\$9,731
White, Janice (P24858)	50% Initial grant for upgrade, closure and remediation	\$2,683	\$2,683
Wilson, John (P24654)	Initial grant for upgrade, closure and remediation	\$13,257	\$13,257
Witkowski, Roman and Teresa (P23676)	Initial grant for upgrade, closure and remediation	\$11,130	\$11,130
Wohlgemuth, Barbara K. (P24232)	Initial grant for upgrade, closure and remediation	\$12,064	\$12,064
Wolf, Mary (P24575)	Initial grant for upgrade, closure and remediation	\$5,283	\$5,283
Wong, Kevin (P24869)	Initial grant for upgrade, closure and remediation	\$11,722	\$11,722
Yapondjian, Melkon (P24076)	Initial grant for upgrade, closure and remediation	\$8,276	\$8,276
Zero Twenty Four Gas Station (P24692)	Supplemental grant for upgrade, closure and remediation	\$13,540	\$21,178
Zhu, Andrew Yonggang (P24353)	Initial grant for upgrade, closure and remediation	\$20,865	\$20,865

**114 Grants**

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

**\$1,581,804**

Alfano, Frank and Carol Ann (P25156)	Grant to remove an underground storage tank	\$1,200	\$1,200
Ambler, Aldonna R. (P24829)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Amodeo, Amy Dee (P24997)	Grant to remove an underground storage tank	\$1,200	\$1,200
Andrews-Kelly, Genevieve (P24703)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,400	\$2,400
Aumack, Lisa (P24513)	Grant to install an above ground storage tank	\$3,000	\$3,000
Bachman, Bruce and Lisa	Grant to remove an underground	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
(P24852)	storage tank and install an above ground storage tank		
Bandy, Robert J. and Mary C. (P24468)	Grant to remove an underground storage tank	\$1,075	\$1,075
Banford, Robert and Cheryl (P24630)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Barrow, Richard and Mary (P24499) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Barrow, Richard and Mary (P24500) Tank B	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Bell, Ronald and Gwendolyn (P24802)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,811	\$2,811
Berman, Rochelle (P25005)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Berry, Lois and Davis, Alex (P24616)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Bianco, Steven (P24747)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Blejwas, Christopher and Maureen (P25053)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Bock, Darlene (P24693)	Grant to install an above ground storage tank	\$1,800	\$1,800
Boomer, Helen and Principal, Daniel (P25243)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Borowski, Leonard and Dawn (P24604)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Bowers, Jordan and Tatiana (P24907)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Bowman, Irv and Donna (P24409)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Broyde, Yitzchock and Rochelle (P25190)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Cantarella, Vincent and Julianne (P24682)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
Cargill, Ursula (P21588)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Carstens, Sebastiana (P25276)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Casazza, Richard R. and Maureen (P24511)	50 % grant to remove an underground storage tank and install an above ground storage tank	\$1,500	\$1,500
Castagna, Marge (P24939)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Cawley, Daniel P. and Mary Beth (P24912)	Grant to install an above ground storage tank	\$3,000	\$3,000
Chance, Emma (P24921)	Grant to remove an underground storage tank	\$1,200	\$1,200
Charlesworth, Jr., R.J. and Melanie (P24347)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,710	\$2,710
Cihocki, John and Margaret (P25115)	Grant to remove an underground storage tank	\$1,200	\$1,200
Clemenko, David (P24685)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,725	\$2,725
Codispoti, Mario B. and Barbara E. (P24990)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Conrad, Maria (P25189)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Costello, Matthew (P25107)	Grant to remove an underground storage tank	\$1,200	\$1,200
Crawford, Stephen R. and Noel A. (P25044)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Crozier, Craig and Pamela T. (P25113)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Cygan, Steve and Denise (P25151)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Daly, Eamon (P25289)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,399	\$2,399
Daquila, Gene and Sue Ellen (P24420)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
DeLaney, James L. (P25202) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$2,740	\$2,740
DeSarno, Samuel and Deborah (P24598)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Delmour, Joanne (P24597)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
DiRoma, Antonio P. and Dorothy (P25014)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Diana, John and Denise (P24970) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Diana, Karen A. (P25157)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Dillon, William J. and M. Christine (P24803)	Grant to remove an underground storage tank	\$1,045	\$1,045
Dispenziere, Connie (P24291)	Grant to remove an underground storage tank	\$1,200	\$1,200
Dolan, Robert J. and Mary Anne (P25193)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Drew, Arnold Jr. and Stefania (P25196)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Dyer IV, Benjamin W. and Susan (P25360)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Eberly, Dan (P25011)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,827	\$2,827
Eccher, Corinne and Stephen (P25174)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,525	\$2,525
Fagan, Michael E. and Pamela R. (P25158)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Fagin, Randi (P25175)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Fahrer, Harold and Karen (P24998)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Fauerbach, Rudolph and Margaret (P24844)	Grant to remove an underground storage tank and install an above	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Fertonani, Andrew (P24657)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Filiberti, John and Laurie (P25179)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Finley, Patricia (P25087)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,600	\$2,600
Franklin, Irene E. (P24658)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Freedman, Lynne Robin (P24788) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$2,653	\$2,653
Freedman, Lynne Robin (P24789) Tank B	Grant to remove an underground storage tank	\$1,143	\$1,143
Freeman, James and Sandra (P24746)	Grant to remove an underground storage tank	\$1,200	\$1,200
Gagne, Ross and Lilli (P25008)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Galati, Albert S. and Patricia A. (P25167)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,609	\$2,609
Garnis, Elizabeth (P25182)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Geist, Lawrence W. and Linda J. (P25245)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,400	\$2,400
Gelli, Alfred J. and Rita M. (P24904)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,879	\$2,879
Gerberg, Don and Roberta (P24610)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Gerberi, Larry J. and Marie (P24948)	Grant to remove an underground storage tank	\$1,200	\$1,200
Getz, Pam and Andy (P24327)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,804	\$2,804
Gilenson, David and Debbie (P23897)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,900	\$2,900

Applicant	Description	Grant Amount	Awarded to Date
Gilmore, Howarth and Karen (P25186)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Gorrell, Samuel L. (P25009)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,963	\$2,963
Gover, Dan and Janice Harris (P25307)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Grant, Victoria (P24691)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,693	\$2,693
Guarente, Carlo and Kelly (P24744)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Hager, Susan F. (P25162)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Haggerty, Dennis R. and Carol A. (P24933)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Handeland, Ken and Petersen-Handeland, Megan M. (P25116)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Harlow, Craig and Kim (P25047)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,931	\$2,931
Hartmann, Edward (P24591)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Heller, Daniel and Dolores (P24783)	Grant to remove an underground storage tank	\$900	\$900
Henry, Carolyn (P24704)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Herman, Lois A. and James R. Clemo (P25097)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Hibbard, Peter and Susan (P24847)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,999	\$2,999
Hollinger, Alfred (P23334)	Grant to remove an underground storage tank	\$1,200	\$1,200
Holloway, Diane (P25003)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Howard, Lester (P24606)	Grant to remove an underground storage tank and install an above	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Huber, William H. (P24611)	50 % grant to remove an underground storage tank and install an above ground storage tank	\$1,500	\$1,500
Issertell, James J. and Florence M. (P24586)	Grant to remove an underground storage tank	\$1,200	\$1,200
Jones, Joanne Rose and Norman (P25367)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kakos, Barry (P24938)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kaufman, William E.Jr, and Tina L. (P24701)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,735	\$2,735
Kavka, Sam and Ludmila (P25317)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Kaye, Blanca (P24968)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Keegan, Wayne J. and Dana E. (P25119)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,590	\$2,590
Kern, George P. (P25013)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kettle III, John R. (P25362)	Grant to remove an underground storage tank	\$1,200	\$1,200
Kimmick, Richard J., Jr. and Leigh Ann (P25398)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kinney, Anna Rebecca and Leo C., Jr. (P25181)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kipness, Aaron and Megan (P25002)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kirschner, Neal C. and Dawn (P24509)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Klein, Robert (P25380)	Grant to remove an underground storage tank	\$1,200	\$1,200
Knoeller, Charles and Doris (P24056) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$2,550	\$2,550

Applicant	Description	Grant Amount	Awarded to Date
Knoll, Barbara L. (P24707)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,948	\$2,948
Kovacs, Edward J., Jr. (P24227)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kowalick, Kenneth and Diane (P24965)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kraetsch, Trudy (P25080)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Krahl, Anthony and Cheryl (P25216)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,978	\$2,978
Krsulic, Thomas and Marie (P24827)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kulychuk-Olson, Sally (P25269)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kwasnik, Judith (P25015)	Grant to remove an underground storage tank	\$1,200	\$1,200
La Vere, G. Stephen and Barbara A. (P24698) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Laden, Denise and James (P25114)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Lamont, Mary (P25004)	Grant to remove an underground storage tank	\$1,200	\$1,200
Lane, Harry A. and Drew M. (P24473)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Lashley, William H. and Barbara R. (P25103)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
LeRose, Michael and Lisa (P25110)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Leighty, Jessica and Eamon (P24398)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,864	\$2,864
Liebler, Ken and Linda (P25109)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Lodato, Lawrence L. and Marzena M. (P25148)	Grant to remove an underground storage tank and install an above	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Lombardi, Joseph and Ann (P25264)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Long, Timothy and April (P25046)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,751	\$2,751
Lorenzen, Melody and Hans (P25088)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,897	\$2,897
Louie ,David and Rebecca (P25300)	Grant to remove an underground storage tank	\$1,200	\$1,200
Lowe, John (P24723)	Grant to install an above ground storage tank	\$3,000	\$3,000
Lozosky, Nancy M. (P24795)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,802	\$2,802
Lucariello, Matthew and Sandra (P24987)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Lucas, Dorothy (P24724)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,297	\$2,297
Luckman, Kevin and Carly (P25315)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,343	\$2,343
Macaluso, Joseph C. (P24816)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Macedo, Goncalo and Liana da Costa (P25150)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Mangerpan, Louis and Barbara (P24815)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,412	\$2,412
Manneback, Ruth (P25106)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Manning, David and Kathryn (P25210)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Marino, Raymond and JoAnn Murphy (P25010)	Grant to remove an underground storage tank	\$1,200	\$1,200
Marshall, Lloyd A. and Matto, Rodney S. (P24676)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Martinez, Henry (P24697)	Grant to remove an underground	\$2,502	\$2,502

Applicant	Description	Grant Amount	Awarded to Date
	storage tank and install an above ground storage tank		
Masterson, Anthony (P25124)	Grant to remove an underground storage tank	\$1,200	\$1,200
McHugh, Lawrence and Catherine (P25368)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
McVaugh, William and Barbara (P25092)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Mehta, Sudhir and Sabine (P25280)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,315	\$2,315
Menna, John and Maria (P23964)	Grant to remove an underground storage tank	\$1,200	\$1,200
Midura, Ronald S. and Mary (P25125)	Grant to remove an underground storage tank	\$1,200	\$1,200
Milligan, Michael and Mary Ann (P24843)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Mills, Burton L. and Barbara R. (P24602)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Mitchell, Gary M. and Jill (P25111)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Moraga, Frank and Luz (P24296)	Grant to remove an underground storage tank	\$1,200	\$1,200
Moshinsky, Howard and Rula Jean (P24607)	50 % grant to remove an underground storage tank and install an above ground storage tank	\$1,313	\$1,313
Mottershead, Harry E. and Leslie H. (P25084)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Mundy, Jamie and Christina (P24891)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Murphy, Dale (P24754)	Grant to remove an underground storage tank	\$2,580	\$2,580
Murphy, Evelyn R. (P25123)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,903	\$2,903
Myman, Darin and Joann (P25074)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Nasos, William and Mary	Grant to remove an underground	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
(P24923)	storage tank and install an above ground storage tank		
Nasto, Laura A. (P24793) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Nestoras, Barbara (P25129)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,423	\$2,423
Nettuno, Dale and John (P24999)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Nicasio, Victor and Maria (P25118)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Nolan, Christine and Matthew (P24940)	Grant to remove an underground storage tank and install an above ground storage tank	\$1,996	\$1,996
O'Leary, Kevin and Patrice (P25214)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Obermueller, Edward and Erin (P25131)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Olivo, John A. and Kristin M. (P25082)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Oppenheimer, John M. and Maureen (P24958)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Orfini, Harry and Violet (P24599)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,950	\$2,950
Ostroff, Edward and Laura (P25117)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,710	\$2,710
Ostrzyzek, Thomas and Lorraine (P25178) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$2,580	\$2,580
Panfile, Marc A. (P24785)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Pazarino, Frank (P24833)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Pecha III, Anton F. and Patricia (P24668)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Pellegrino, Peter and	Grant to remove an underground	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
Darlene (P25170)	storage tank and install an above ground storage tank		
Pepe, Sal (P23656)	Grant to remove an underground storage tank	\$936	\$936
Petersen, Richard and Mary (P25086)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Petrokofsky, Rose (P24910)	Grant to remove an underground storage tank	\$1,200	\$1,200
Pierson Joseph W., Jr. and Patricia D. (P25184)	Grant to remove an underground storage tank	\$1,200	\$1,200
Pietroluongo, Stephen and Elizabeth (P25093)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Poray, Douglas and Jeanne (P25133)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Preisler, Steven and Lucy (P24915)	Grant to remove an underground storage tank	\$1,050	\$1,050
Procopio, Frederick and Deborah (P24850)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Purrelli, Ray and Dawn (P24560)	Grant to remove an underground storage tank	\$1,100	\$1,100
Quarno, Mark and Jennifer (P24980)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,300	\$2,300
Quirk, David J. and LuAnn M. (P24615)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Ramirez, Donna Lee and Michael (P25060)	Grant to remove an underground storage tank	\$1,200	\$1,200
Reale, Matthew and Michele (P25164)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Rendina, Pablo and Karen (P24914)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Riccitelli, Richard (P24838)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Rice, Marie Ranere (P24149)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,950	\$2,950
Richter, Charles and Lorraine (P24263)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
Ricigliano, Frank and Margaret (P24671)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Robinson, Carol A. (P24832)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Rogers, John and Lynn (P25192) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$2,125	\$2,125
Rollo, Frederick and Anna (P25171)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Rome, Grant W. and Sharon A. (P25057)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Ross, Heather G. (P25335)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Roth, Richard and Andrea (P24748)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Rubingh, Trevor and Linda (P24934)	Grant to remove an underground storage tank	\$1,200	\$1,200
Rukki, Theodore (P25188)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Ryczek, Richard and Anna (P25197)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Sanseverino, Drew and Judy (P24908)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,300	\$2,300
Sasso, Joseph L. and Carol Ann (P24689)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Sattar, Ahmed Abdel (P25168)	Grant to remove an underground storage tank	\$1,200	\$1,200
Scarlatelli, Kenneth (P24410)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Schultz, Nancy and Richard (P24841)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Schwinder, Avrohom and Faiga (P23235)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Scofi, Joseph and Kathleen (P24894)	Grant to remove an underground storage tank	\$1,200	\$1,200

Applicant	Description	Grant Amount	Awarded to Date
Sernotti, Daniel and Kristin (P24807)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Sharkey, Gregory T. and Donna J. (P24946)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,900	\$2,900
Skelly, Joseph W. and Diane P. Geer (P25122)	Grant to remove an underground storage tank	\$1,200	\$1,200
Smith, David M. and Susan K. Sterikoff (P24836)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Smith, Leon and Josephine (P25273)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Smith, Linda A. and Robert M. (P24828)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,727	\$2,727
Smith, Peter S. and Heidi M. (P25200)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,950	\$2,950
Soden, Gilbert, Sr. and Jane M. (P25064)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,948	\$2,948
Soltz, Debra and David (P25016)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,700	\$2,700
Soto, Luis E. (P25292)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Springer, Patricia and Charles (P25052)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,275	\$2,275
Stiemann, Theodore and Shirley (P25076)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,997	\$2,997
Stoll, Jack O. and Judith (P25120) Tank A	Grant to remove an underground storage tank and install an above ground storage tank	\$2,560	\$2,560
Strauss, Alexandra and Emanuel (P25341)	Grant to remove an underground storage tank	\$1,200	\$1,200
Sullivan, John W., Jr. and Sharon G. (P25166)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Tamburrino, Margaret (P25017)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Tavormina, Charlie, Jr. and Jennifer (P24753)	Grant to remove an underground storage tank and install an above	\$2,992	\$2,992

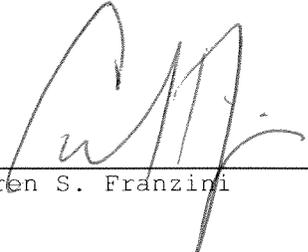
Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Templeton, Steven A. and Dunn, Laurie A. (P25284)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,450	\$2,450
Tomasulo, Thomas (P25045)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,525	\$2,525
Tramontana, Richard and Jerri (P25207)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,950	\$2,950
Trzaskawka, Edward J. and Joan M. (P25098)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,275	\$2,275
Tucker, Samuel L. and Joyce (P24927)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Ullman, Jane (P25058)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Vallier, Cynthia and William (P25056)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Van Duzer, Frank (P24947)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Varcadipane, Joseph and Jeannette (P25108)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Vasertriger, Josif L. and Maria (P25089)	Grant to remove an underground storage tank	\$1,200	\$1,200
Venturini, Tony and Pamela (P25066)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Ver Hoven, Donna (P23844)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,984	\$2,984
Vitale, Carol and Thomas (P24368)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,702	\$2,702
Vu, Ton and Truc Dao (P25183)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Wagner, Ellen P. and David (P25225)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,953	\$2,953
Warner, James R. and Walter D. Van Iderstine, Jr. (P25282)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,952	\$2,952

Applicant	Description	Grant Amount	Awarded to Date
Wieseltier, Mark and Mary Ann (P24752)	Grant to remove an underground storage tank	\$1,200	\$1,200
Wilczek, Jerome and Joan (P25209)	Grant to remove an underground storage tank	\$1,200	\$1,200
Wiley, Stanley B. and Dorothy M. (P25224)	Grant to remove an underground storage tank and install an above ground storage tank	\$1,775	\$1,775
Wood, Grant (P24447)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,700	\$2,700
Wormann, Warren and Geraldine (P25130)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Worts, Craig and Lisa (P24743)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Yambao, Joselito and Maria Milagros F. Yambao (P24423)	Grant to remove an underground storage tank	\$1,200	\$1,200
Young, James E. and Lisa (P24978)	Grant to remove an underground storage tank and install an above ground storage tank	\$1,725	\$1,725
Zachowski, Wayne and Pamela (P25077)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Zirkin, Yisrael and Tziona (P24800)	Grant to remove an underground storage tank	\$1,200	\$1,200
de Boer, Armineh (P24796)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000

**250 Grants**

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

**\$647,571**

  
 \_\_\_\_\_  
 Caren S. Franzini

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND  
PROGRAM**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Caren S. Franzini  
Chief Executive Officer  
**DATE:** February 10, 2009  
**SUBJECT:** Hazardous Discharge Site Remediation Fund Program

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

**Municipal Grants:**

Township of Haddon (Lahn Property).....	\$158,129
Borough of Northvale (Deluxe Dry Cleaners).....	\$399,300

**Total HDSRF funding for February 2009 .....\$557,429**

Prepared by: Lisa Petrizzi

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

**APPLICANT:** Township of Haddon (Lahn Property)

P25576

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 209 Highland Avenue

Haddon Township (N)

Camden

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

Township of Haddon received a grant in October 2008 under P22326 in the amount of \$259,636 to perform Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI) activities. The project site, identified as Block 21.05, Lots 43-47 is a residential and commercial property which has potential environmental areas of concern (AOC's). The Township of Haddon intends to acquire the project site and has satisfied Proof of Site Control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed-use.

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

**APPROVAL REQUEST:**

The Township of Haddon is requesting supplemental grant funding to perform RI in the amount of \$158,129 at the Lahn Property project site, for a total funding to date of \$417,765.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT**\$158,129

**TERMS OF GRANT:** No Interest; No Repayment

**PROJECT COSTS:**

Remedial investigation	\$143,754
NJDEP oversight cost	\$14,375
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$158,629</b>

**APPROVAL OFFICER:** L. Petrizzi

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

**APPLICANT:** Borough of Northvale (Deluxe Dry Cleaners)

P25314

**PROJECT USER(S):** Same as applicant

\* - indicates relation to applicant

**PROJECT LOCATION:** 115 Livingston Street

Northvale Borough (N)

Bergen

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

The Borough of Northvale received grant funding to perform a Preliminary Assessment (PA) in the amount \$8,375 at the Deluxe Cleaners project site on 5/04/01 under P12842; to perform Site Remediation (SI) in the amount of \$39,526 on 4/22/02 under P13738; to perform additional SI activities in the amount of \$25,977 on 10/6/05 under P13738s; to perform additional SI activities in the amount of \$11,143 on 12/5/06 under P17496; and to perform Remedial Investigation (RI) activities in the amount of \$337,181 under P18263. The project site, which was a former dry cleaning establishment, has additional areas of environmental concerns (AOC's) based on the investigation activities performed to date. NJDEP is currently requiring and has approved Remedial Investigation (RI) activities for the project site. The Borough of Northvale currently holds a Tax sale Certificate and has satisfied Proof of Site Control. It's the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed-use.

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

**APPROVAL REQUEST:**

The Borough of Northvale is now requesting supplemental grant funding to perform additional RI activities required by NJDEP in the amount of \$399,300 at the Deluxe Cleaners project site, for total funding to date of \$821,502.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT:** \$399,300

**TERMS OF GRANT:** No Interest; No Repayment

**PROJECT COSTS:**

Remedial investigation	\$363,000
NJDEP oversight cost	\$36,300
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$399,800</b>

**APPROVAL OFFICER:** L. Petrizzi



**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

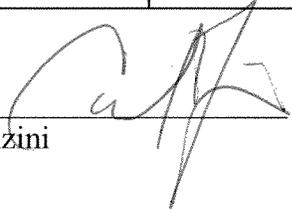
**SUBJECT:** Hazardous Discharge Site Remediation Fund - Delegated Authority Approvals  
(For Informational Purposes Only)

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

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

<b>Applicant</b>	<b>Description</b>	<b>Grant Amount</b>	<b>Awarded to Date</b>
Township of Hammonton (Celona Property) P23645	Initial grant to perform preliminary assessment and site investigation to redevelop for affordable housing	\$33,044	\$33,044
McConnell Realty Co. P22845	25% matching grant to perform remedial action activities	\$26,460	\$26,460
City of Newark (Former Duralac Facility) P24382	Supplemental grant to perform preliminary and remedial investigation to redevelop for parking	\$79,585	\$145,268

City of Newark (1700 McCarter Hwy) P21623	Initial grant to perform preliminary assessment and site investigation to redevelop for industrial/manufacturing	\$54,973	\$54,973
<b>4 Grants</b>	<b>Approved in January 2009</b>	<b>\$194,062</b>	

  
Caren S. Franzini

Prepared by: Lisa Petrizzi, Finance Officer

## **INCENTIVE PROGRAMS**

**BUSINESS EMPLOYMENT INCENTIVE PROGRAM**



## FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Locations Unknown</b>	N/A
2. Job Creation	<b>1600</b>	5
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	<b>0</b>	0
4. Industry:	<b>Financial services</b>	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	<b>3 to 1 and up</b>	2
6. Capital Investment:	<b>\$45,000,000</b>	3
7. Average Wage:	<b>\$ 130,000</b>	4
<b>TOTAL:</b>		<b>16</b>

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

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

**Total Bonus Points:**

**30 %**

**Total Score :**

**Total Score per formula:**

16 = 45 %

**Construction/Renovation :**

5 %

**Bonus Increases :**

30 %

**Total Score (not to exceed 80 %):**

80 %



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**RE:** Dey, L.P., Mylan Inc. and Affiliates - BEIP Application  
Application Number: P25018

This memorandum addresses a 2005 civil jury verdict based on antitrust violations for which the Board could seek to disqualify Mylan Inc., Dey, L.P. and its affiliates from receiving a BEIP grant.

### Company Background

Based in Napa, California, Dey, L.P. (“Dey”), a subsidiary of Mylan Inc., is a specialty pharmaceutical company focused on the development, manufacturing and marketing of prescription drug products for the treatment of respiratory diseases, respiratory-related allergies, and emergency care medicine. In 2007, Mylan Inc. acquired Dey as part of its acquisition of Merck KGaA’s generics business.

Based in Canonsburg, Pennsylvania, Mylan Inc. (hereinafter individually or together with its subsidiaries as a group, “Mylan”) is the third-largest generic pharmaceutical company in the world and the nation's largest. Mylan went global in 2007. In January 2007, it closed on the acquisition of a 71.5% controlling interest in Matrix Laboratories Limited, a Hyderabad, India-based supplier of active pharmaceutical ingredients. Just a few months later, Mylan completed an even larger acquisition, when it won the bidding war for Germany-based Merck KGaA's generics business. With the Merck generics acquisition, the company achieved a global scale and reach matched by only a few other firms. Mylan now has commercial operations in more than 140 countries and territories. Mylan is in the process of realigning Dey's business and its operations. They are considering moving Dey's commercial operations from Napa, California to the East Coast.

### Grounds Within Board’s Discretion to Seek to Disqualify Applicant

Pursuant to the Authority’s regulations regarding disqualification, (N.J.A.C. 19:30-2.1 et seq), the Authority may decline to give financial assistance, or approval as a tenant in any Authority financed project, or contract with any persons for certain reasons which include: violation of Federal or State

antitrust statutes; commission of an offense indicating a lack of business integrity; and violation of any law which may bear upon a lack of responsibility or moral integrity.

### **Analysis of Litigation Matter**

Discussed below are the facts of the civil judgment for antitrust violations as provided by Mylan and reviewed by the staff with the assistance of the Attorney General's Office. Based on this judgment, the Board could in its discretion seek to disqualify Mylan, Dey and their affiliates from receiving a BEIP grant.

### **Lorazepam and Clorazepate Antitrust Case**

In 2005, in the United States District Court of the District of Columbia, a jury rendered a civil verdict against Mylan, its subsidiary MPI and two codefendants for violations of the antitrust laws of the states of Massachusetts, Minnesota and Illinois. The plaintiffs were four health insurers who opted out of a 2001 class action settlement involving numerous states, including New Jersey, and the Federal Trade Commission. (The settlement which involved an injunction and \$100,000,000 in payments involved no admissions or findings of wrongdoing that can be used in debarment proceedings. It cannot be the basis of debarment by the Board.) The plaintiffs prevailed on their claim that through a 1998 exclusive supply agreement between and among Mylan and its supplier and broker for two drugs, Lorazepam and Clorazepate and subsequent price increases for the drugs, the defendants willfully, unreasonably restrained the trade and lessened competition in the market for these drugs in violation of the state antitrust laws of Massachusetts, Minnesota and Illinois. After the verdict, the judge granted the plaintiffs request for treble damages and entered judgment for approximately \$69 million. Mylan has posted a surety bond and its appeal is pending.

### **Mitigating Factors**

The following mitigating factors were presented by Mylan:

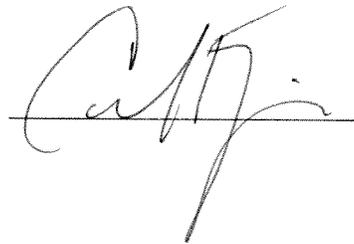
- The conduct upon which the verdict was based on events took place more than a decade ago, 1997-1998.
- Upon learning of the FTC's view of the supply agreement, Mylan immediately and voluntarily ceased using it. This agreement had been approved by outside counsel and Mylan is suing such counsel for this advice.
- Since the time of the conduct underlying the verdict, Mylan adopted a robust corporate compliance program that complies with guidelines issued by the US Department of Health and Human Services, Office of Inspector General.

- The company's management is largely different than it was in 1998.
- Plaintiffs opted out from a class action lawsuit that was settled in 2001 by numerous states and the Federal Trade Commission. There were no debarments or criminal prosecutions as a result of the conduct covered by the 2001 settlement and the 2005 judgment.
- Mylan hopes to prevail on appeal and does not believe it has engaged in any wrongdoing. After a brief price increase, the price of the drugs came back down, competition increased and Mylan's market share declined.
- There have been no similar judgments against Mylan since this one from 2005.

**Conclusion**

Staff has performed a review of this action and its jury verdict with assistance from the Attorney General's Office. In determining the seriousness of the findings, staff has considered the mitigating factors presented by Mylan and does not believe disqualification is warranted.

Prepared by: David Sucsuz

A handwritten signature in black ink, appearing to be "C. Sucsuz", written over a horizontal line.

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

**APPLICANT:** Dey, L.P., Mylan Inc. and Affiliates

P25018

**PROJECT LOCATION:** TBD

Locations Unknown (N)      Unknown County

**GOVERNOR'S INITIATIVES:**

Urban Fund    Other Urban    Edison    Core

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

Based in Napa, California, Dey, L.P. ("Dey"), a subsidiary of Mylan Inc. (NASDAQ: MYL), is a specialty pharmaceutical company focused on the development, manufacturing and marketing of prescription drug products for the treatment of respiratory diseases, respiratory-related allergies, and emergency care medicine. As the U.S. leader in sales of nebulized respiratory medication, Dey, L.P. develops, manufactures, and markets innovative airway and allergy medications that save and improve lives, such as EpiPen, AccuNeb, CuroSurf, Perforomist, DuoNeb and CyanoKit. In 2007, Mylan Inc. acquired Dey as part of its acquisition of Merck KGaA's generics business.

Based in Canonsburg, Pennsylvania, Mylan Inc. ("Mylan") is the third-largest generic pharmaceutical company in the world and the nation's largest. They hold the top-five positions in 13 different established markets worldwide and are building a strong presence in many emerging generics markets. The company maintains one of the industry's broadest -- and highest quality -- product portfolios, supported by a robust product pipeline; owns a controlling interest in the world's third largest active pharmaceutical ingredient manufacturer; and operates a specialty business focused on respiratory and allergy therapies. Mylan went global in 2007. In January 2007, it closed on the acquisition of a 71.5% controlling interest in Matrix Laboratories Limited, a Hyderabad, India-based supplier of active pharmaceutical ingredients. Just a few months later, Mylan completed an even larger acquisition, when it won the bidding war for Germany-based Merck KGaA's generics business. With the Merck generics acquisition, the company achieved a global scale and reach matched by only a few other firms. Mylan now has commercial operations in more than 140 countries and territories.

Mylan is in the process of realigning Dey, L.P.'s business and its operations. They are considering moving Dey's commercial operations from Napa, California to the East Coast. The companies are economically viable.

**MATERIAL FACTOR:**

Dey, L.P., Mylan Inc. and Affiliates are seeking a BEIP grant to support relocating 83 positions from California to New Jersey. The companies have indicated that a favorable decision by the Authority to award the BEIP grant is a material factor in the Applicants' decision for the selection of a project location and therefore picking New Jersey over Pennsylvania. The Authority staff recommends the award of the proposed BEIP grant for 10 years.

**APPROVAL REQUEST:**

**PERCENTAGE:** 35%  
**TERM:** 10 years

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

**TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 1,731,670**  
(not to exceed an average of \$50,000 per new employee over the term of the grant)

**NJ EMPLOYMENT AT APPLICATION:** 10

**ELIGIBLE BEIP JOBS:** Year 1 42 Year 2 41 Base Years Total = 83

**ANTICIPATED AVERAGE WAGES:** \$132,000

**ESTIMATED PROJECT COSTS:** \$600,000

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10** \$4,947,630

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15** \$5,689,775

**PROJECT IS:** ( ) Expansion (X) Relocation Napa, California

**CONSTRUCTION:** ( ) Yes (X) No

**PROJECT OWNERSHIP HEADQUARTERED IN:** Pennsylvania

**APPLICANT OWNERSHIP:**(X) Domestic ( ) Foreign

**DEVELOPMENT OFFICER:** P. Ceppi

**APPROVAL OFFICER:** D. Sucsuz

## FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: <b>Locations Unknown</b>	N/A
2. Job Creation <b>83</b> Targeted : _____ Non-Targeted : <u> X </u>	2
3. Job at Risk: <b>0</b>	0
4. Industry: <b>Pharmaceuticals</b> Designated : <u> X </u> Non-Designated : _____	2
5. Leverage: <b>3 to 1 and up</b>	2
6. Capital Investment: <b>\$600,000</b>	1
7. Average Wage: <b>\$ 132,000</b>	4

TOTAL:  11

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

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

**Total Bonus Points:**

**0 %**

**Total Score :**

**Total Score per formula:** 11 = 35 %

**Construction/Renovation :** 0 %

**Bonus Increases :** 0 %

**Total Score (not to exceed 80 %):** 35 %



## FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Locations Unknown</b>	N/A
2. Job Creation	<b>15</b>	<b>1</b>
	Targeted : <u>  X  </u> Non-Targeted : _____	
3. Job at Risk:	<b>12</b>	<b>1</b>
4. Industry:	<b>Biotechnology</b>	<b>2</b>
	Designated : <u>  X  </u> Non-Designated : _____	
5. Leverage:	<b>3 to 1 and up</b>	<b>2</b>
6. Capital Investment:	<b>\$425,000</b>	<b>0</b>
7. Average Wage:	<b>\$ 75,000</b>	<b>3</b>
<b>TOTAL:</b>		<b>9</b>

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

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

**Total Bonus Points:**

**0 %**

### Total Score :

**Total Score per formula:**

**9 = 30 %**

**Construction/Renovation :**

**5 %**

**Bonus Increases :**

**0 %**

**Total Score (not to exceed 80 %):**

**35 %**

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

**APPLICANT:** Thorlabs, Inc.

P25147

**PROJECT LOCATION:** 56 Sparta Avenue

Newton Town (T)

Sussex County

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

Thorlabs, Inc. (Thor), founded in 1989, is a leading designer and manufacturer of photonics equipment and advanced imaging systems for research, manufacturing, and biomedical applications. The applicant's designs support developing and manufacturing of opto-mechanics, motion control electronics, nano-positioning stages, fiber and optical components, laser diodes, tunable lasers, and vibration isolation systems. The applicant is headquartered in Newton, New Jersey, with global employment in excess of 500 throughout the United States, United Kingdom, Germany, Sweden, Japan, and China. The applicant is economically viable.

Thor is seeking at the February 2009 Board meeting the Authority's approval of a BRRAG grant to retain 287 jobs, with an award value of \$430,500.

**MATERIAL FACTOR:**

Thor is seeking a BEIP grant to create 126 new jobs to support its global growth plans. Under consideration is leasing a 100,000 s.f. building in Newton, to be constructed for use by 2010. Also under consideration is acquiring in Scranton, Pennsylvania, an 86.5 acre, 365,000 s. f. site, originally built in 2001 by Corning. The Scranton site was never occupied by Corning, and minimally used by others to date. Management has indicated that the award of the BEIP grant is a material factor in their decision to expand in New Jersey.

**APPROVAL REQUEST:**

**PERCENTAGE:** 80%

**TERM:** 10 years

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

**TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:** \$ 1,471,341  
(not to exceed an average of \$50,000 per new employee over the term of the grant)

**NJ EMPLOYMENT AT APPLICATION:** 316

**ELIGIBLE BEIP JOBS:** Year 1 50 Year 2 76 Base Years Total = 126

**ANTICIPATED AVERAGE WAGES:** \$56,981

**ESTIMATED PROJECT COSTS:** \$20,000,000

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10** \$1,839,177

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15** \$1,287,424

**PROJECT IS:** (X) Expansion (X) Relocation Newton NJ

**CONSTRUCTION:** (X) Yes ( ) No

**PROJECT OWNERSHIP HEADQUARTERED IN:** New Jersey

**APPLICANT OWNERSHIP:** (X) Domestic ( ) Foreign

**DEVELOPMENT OFFICER:** M. Abraham

**APPROVAL OFFICER:** M. Krug

## FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Newton Town</b>	N/A
2. Job Creation	<b>126</b>	<b>3</b>
	Targeted : <u>  X  </u> Non-Targeted : _____	
3. Job at Risk:	<b>316</b>	<b>3</b>
4. Industry:	<b>Electronic device technology</b>	<b>2</b>
	Designated : <u>  X  </u> Non-Designated : _____	
5. Leverage:	<b>3 to 1 and up</b>	<b>2</b>
6. Capital Investment:	<b>\$20,000,000</b>	<b>3</b>
7. Average Wage:	<b>\$ 56,981</b>	<b>3</b>
<b>TOTAL:</b>		<b>16</b>

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

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>  20%  </u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	<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%	<u>  10%  </u>
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:**

**45 %**

**Total Score :**

**Total Score per formula:** **16 = 45 %**

**Construction/Renovation :** **5 %**

**Bonus Increases :** **45 %**

**Total Score (not to exceed 80 %):** **80 %**

**BUSINESS RETENTION AND RELOCATION ASSISTANCE  
GRANT**

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

**APPLICANT:** Dr. Leonard's Healthcare Corp.

**COMPANY ADDRESS:** 100 Nixon Lane Edison Middlesex County

**PROJECT LOCATION:** 100 Nixon Lane Edison Middlesex County

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

**APPLICANT BACKGROUND:** Dr. Leonard's Healthcare Corp. (Dr. Leonard), formed in 1980, operates an online general goods store selling items ranging from home healthcare equipment and remedies to apparel, personal products, wallets, jewelry, watches, home furnishings and accessories, exercise equipment, and herbal supplements. On December 11, 2007, Dr. Leonard's was acquired by AmeriMark Direct, LLC. (AmeriMark), in Cleveland, Ohio. AmeriMark was formed in 1969, and is a leading direct marketer of similar goods to Dr. Leonard's and sells its merchandise through 8 distinctive catalogs: Anthony Richards, Beauty Boutique, Complements by Anthony Richards, Essentials by Anthony Richards, Healthy Living, Time for Me, FeelGood Store, and Windsor Collection.

**MATERIAL FACTOR:** Dr Leonard's currently leases 3 facilities in Edison, with total space of 365,000 s. f., employing 391 individuals. The leases expire in 2009. In an effort to reduce costs, Dr. Leonard's is considering three options: 1) renovating their main facility in Edison, 2) moving to Lower Nazareth, Pa, or, 3) moving near the corporate offices in Cleveland. Also under consideration, is relocating 8 jobs from their New York office and up to 60 jobs from Cleveland to the renovated Edison facility. Project costs related to the project is \$500,000. A favorable decision by the Authority to award the BRRAG grant is a material factor for the applicant to remain in its facility in New Jersey.

**APPROVAL REQUEST:**

<b>TERM:</b>	5 years
<b>TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:</b>	<u>\$ 88,000</u>
<b>GRANT AMOUNT PER RETAINED EMPLOYEE (see attached scoresheet):</b>	<u>\$ 1,100</u>
<b>NEW JERSEY EMPLOYMENT AT APPLICA TION:</b>	391
<b>ELIGIBLE BRRAG JOBS:</b>	80
<b>ANTICIPATED AVERAGE WAGES:</b>	\$ 29,288
<b>ESTIMATED PROJECT COST:</b>	\$ 500,000
<b>ESTIMATED TOTAL GROSS PAYROLL:</b>	\$ 13,237,955
<b>ESTIMATED TOTAL GROSS STATE WITHOLDINGS (5YRS) :</b>	\$ 980,285

**PROJECT IS:** (X) Expansion ( ) Relocation      **CONSTRUCTION:** (X) Yes ( ) No

**APPROVAL OFFICER:** M. Krug

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

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

Company: Dr. Leonard's

Date Scored: 02/06/09

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

Range	Eligible Jobs Retained	Score
5 = 410 – 499		
4 = 320 – 409		
3 = 230 – 319		
2 = 140 – 229		
1 = 50 – 139	80	1

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

Range	Avg. Salary	Score
4 = \$75,001 +		
3 = \$50,001 - \$75,000		
2 = \$30,001 - \$50,000		
1 = \$19,001 - \$30,000	\$29,288	1
0 = up to \$19,000		

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

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

**4. Designated industry type – maximum points = 3**

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

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

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

Range	New Jobs	Score
5 = 100 or more new jobs		
4 = 80-99		
3 = 70-79		
2 = 60-69	68	2
1 = 50-59		
0 = <50		

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

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

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

		Score
2 = yes	Yes	2
0 = no		

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

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

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

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

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

Range	Number of Employees in NJ	Score
3 = 350 or greater	391	3
2 = 200-349		
1 = 50-199		

**9. Urban Enterprise Zone – maximum points = 3**

		Score
3= if relocating from non-UEZ site to a site within an UEZ		
0 = no	No	0

**Totals – Value Per Retained Job and Score**

Range	Value Per Retained Job	Score
31-36 = \$1,500		
25-30 = \$1,400		
19-24 = \$1,300		
13-18 = \$1,200		
7-12 = \$1,100	\$1,100	10
0-6 = \$1,000		

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

**APPLICANT:** ThorLabs, Inc.

**COMPANY ADDRESS:** 436 Route 206                      Newton                      Sussex County

**PROJECT LOCATION:** 56 Sparta Avenue                      Newton                      Sussex County

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

**APPLICANT BACKGROUND:**

Thorlabs, Inc. (Thor), founded in 1987, is a leading designer and manufacturer of photonics equipment and advanced imaging systems for research, manufacturing, and biomedical applications. The applicant's designs support developing and manufacturing of opto-mechanics, motion control electronics, nano-positioning stages, fiber and optical components, laser diodes, tunable lasers, and vibration isolation systems. The applicant is headquartered in Newton, New Jersey with a global workforce of over 500 employees throughout the United States, United Kingdom, Germany, Sweden, Japan, and China.

Thor is also seeking a BEIP grant (P25147) at the February 2009 Board meeting to support creation of 126 new jobs, with an award value in excess of \$1.4 million over a ten year term. Under consideration is leasing a 100,000 s.f. building to consolidate its existing operations and future expansion in Newton, to be constructed for use by 2010.

**MATERIAL FACTOR:**

Thor is seeking a BRRAG grant to support retention and relocation of 287 jobs and creating 126 new jobs in Newton. Also under consideration is acquiring in Scranton, Pennsylvania, an 86.5 acre, 365,000 s. f. site, originally built in 2001 by Corning. The Scranton site was never occupied by Corning, and minimally used by others to date. Management has indicated that the award of the BRRAG and BEIP grants are a material factor in their decision to relocate and expand in New Jersey.

**APPROVAL REQUEST:**                      **TERM:**                      5 years

**TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:**                      \$401,800

**GRANT AMOUNT PER RETAINED EMPLOYEE (see attached scoresheet):**                      \$ 1,400

**NEW JERSEY EMPLOYMENT AT APPLICA TION:**                      316

**ELIGIBLE BRRAG JOBS:**                      287

**ANTICIPATED AVERAGE WAGES:**                      \$ 56,981

**ESTIMATED PROJECT COST:**                      \$ 20,000,000

**ESTIMATED TOTAL GROSS PAYROLL:**                      \$ 17,550,000

**ESTIMATED TOTAL GROSS STATE WITHHOLDINGS (5YRS) :**                      \$ 573,263

**PROJECT IS:** ( X ) Expansion ( X ) Relocation                      **CONSTRUCTION:** ( X ) Yes ( ) No

**APPROVAL OFFICER:** M. Krug

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

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

Company: ThorLabs, Inc.

Date Scored: February 2, 2009

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

Range	Eligible Jobs Retained	Score
5 = 410 – 499		
4 = 320 – 409		
3 = 230 – 319	287	3
2 = 140 – 229		
1 = 50 – 139		

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

Range	Avg. Salary	Score
4 = \$75,001 +		
3 = \$50,001 - \$75,000	\$56,981	3
2 = \$30,001 - \$50,000		
1 = \$19,001 - \$30,000		
0 = up to \$19,000		

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

Range	Capital Investment	Score
5 = \$3,500,000 to \$19,000,000+	\$20,000,000	5
4 = \$2,900,000 to \$3,499,000		
3 = \$2,200,000 to \$2,899,000		
2 = \$1,500,000 to 2,199,000		
1 = \$700,000 to \$1,499,000		
0 = \$0 to \$699,000		

**4. Designated industry type – maximum points = 3**

Range	Industry	Score
3 = manufacturing	Photonics and Advanced Imaging Systems	3
2 = targeted = (life science/biotech)		
0 = non-targeted		

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

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

Range	New Jobs	Score
5 = 100 or more new jobs	126	5
4 = 80-99		
3 = 70-79		
2 = 60-69		
1 = 50-59		
0 = <50		

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

Description	Type	Score
4 = located in an area targeted for growth pursuant to the State Development and Redevelopment Plan, the Pinelands Comprehensive Management Plan, Highlands Commission Management Plan, and the Meadowlands Development Commission Plan. This includes brownfield sites.	Newton Planning Area 1 or 2 Center designated by State Planning Commission Area in need of redevelopment	4
0 = non- growth area		0

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

		Score
2 = yes	Yes	2
0 = no		

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

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

Range of Years	Year Started in NJ	Score
3 = 20 plus years of operation in the state	1987	3
2 = 15-19 years		
1 = 10-14 years		

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

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

Range	Number of Employees in NJ	Score
3 = 350 or greater		
2 = 200-349	316	2
1 = 50-199		

**9. Urban Enterprise Zone – maximum points = 3**

		Score
3= if relocating from non-UEZ site to a site within an UEZ		
0 = no	No	0

**Totals – Value Per Retained Job and Score**

Range	Value Per Retained Job	Score
31-37 = \$1,500		
25-30 = \$1,400	\$1,400	30
19-24 = \$1,300		
13-18 = \$1,200		
7-12 = \$1,100		
0-6 = \$1,000		

**DIGITAL MEDIA TAX CREDIT PROGRAM**



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**RE:** Edison Innovation Digital Media Tax Credit Program Overview

**DATE:** February 10, 2009

### **BACKGROUND:**

At the July 8, 2008 Board Meeting, staff presented for informational purposes a summary of the New Jersey Edison Innovation Digital Media Tax Credit Program. This program provides a credit under the New Jersey Corporate Business Tax for digital media content production expenses incurred in New Jersey. The purpose of this tax credit is to encourage digital media content production activities and related employment in New Jersey. Legislation directs the New Jersey Division of Taxation (“Taxation”) and the Authority to implement the program, with the assistance of the New Jersey Motion Picture and Television Commission (“Film Commission”). Taxation is working on promulgating and publishing the required rules needed to implement the program.

A tax credit (or tax transfer certificate) of 20% of the Qualified Digital Media Content Production Expenses may be granted to an applicant if at least \$2,000,000 of the Total Digital Media Content Production Expenses will be incurred in New Jersey; and at least 50% of the Qualified Digital Media Content Production Expenses is comprised of qualified wages and salaries paid to full-time digital media employees in New Jersey (with at least 10 new digital media jobs  $\geq$ \$65,000).

Five million dollars in tax credits are available each state fiscal year (“SFY”) until the program expires in 2015. The tax credit may be utilized by the applicant or sold to another corporation via the issuance of a tax transfer certificate.

Applicants may only apply for the current state fiscal year. None of the digital media employees, jobs or positions, investment or expenses can be included in a current or future NJ BEIP or NJ BRRAG grant program.

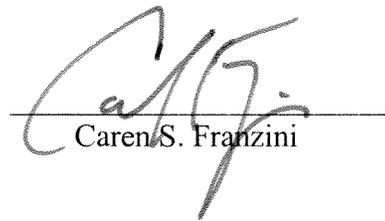
Taxation will verify the actual eligible costs or expenses prior to allowing the tax credit or issuing a tax transfer certificate.

**APPROVAL REQUEST:**

NBC Universal, Inc. and subsidiary companies, collectively NBCU, is the first applicant to this program. The attached project has been reviewed by staff and has been initially deemed to meet the definition of a digital media project by the Film Commission.

**RECOMMENDATION:**

Based on the above, the staff recommends approval of the aforementioned Digital Media Content Production project and its activities and employment in SFY 2009 with a maximum tax credit totaling \$6,480,000 (up to \$5,000,000 from SFY 2009 and up to \$1,480,000 from SFY 2010), subject to the Act, pending Regulations and further satisfactory review by the staff, Film Commission and Taxation.



Caren S. Franzini

Prepared by: John Rosenfeld/David Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - DIGITAL MEDIA TAX CREDIT PROGRAM**

**APPLICANT:** NBC Universal, Inc. and Subsidiaries

**PROJECT LOCATION:** 900 Sylvan Avenue      Englewood Cliffs Boro      Bergen County

**GOVERNOR'S INITIATIVES:**

Urban Fund       Other Urban       Edison       Core       RFG

**APPLICANT BACKGROUND:**

NBC Universal, Inc. ("NBCU") is one of the world's leading media and entertainment companies in the development, production, and marketing of entertainment, news, and information to a global audience. Formed in May 2004 through the combining of NBC and Vivendi Universal Entertainment, NBC Universal owns and operates a valuable portfolio of news and entertainment networks, a premier motion picture company, significant television production operations, a leading television stations group, and world-renowned theme parks. NBC Universal is 80% owned by General Electric Company and 20% owned by Vivendi.

**DIGITAL MEDIA PROJECT:**

NBCU has launched an interactive media unit that is dedicated to designing, producing and distributing digital content over the Internet. The digital media content will focus on, among others, entertainment, lifestyle and finance. One example NBCU is giving as a sample interactive media content is their [www.cnn.com](http://www.cnn.com) website.

**PROJECTIONS FOR STATE FISCAL YEAR 2009 (JULY 1, 2008 – JUNE 30, 2009):**

**Wages: \$20,636,000** (approximately 69 newly created digital media jobs)

**Other (Non-Wages): \$11,764,000**

**INITIAL MAXIMUM QUALIFIED EXPENSE ALLOCATION: \$32,400,000**

**INITIAL MAXIMUM CALCULATED TAX CREDIT ALLOCATION: \$6,480,000**  
**(\$5,000,000 from State Fiscal Year 2009 and \$1,480,000 from State Fiscal Year 2010)**

**APPROVAL REQUEST:**

The Members of the Authority are asked to approve the proposed tax credit allocation to encourage NBC Universal, Inc. to increase investment and employment in New Jersey, subject to the Act, pending Regulations and further satisfactory review by the staff, Film Commission and Taxation.

**PREPARED BY:** John Rosenfeld/David Sucsuz

**FILM TAX CREDIT TRANSFER PROGRAM**



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

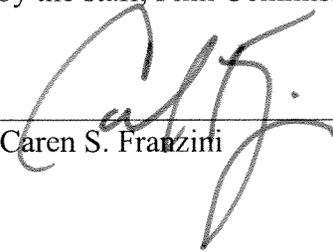
**DATE:** February 10, 2009

**SUBJECT:** New Jersey Film Tax Credit Program  
List of Projects for Approval

The following projects have film tax credit allocations from the 2009 and 2010 State Fiscal Years. These projects have been reviewed and recommended for approval by the New Jersey Motion Picture and Television Commission.

<b><u>Applicant/Producer</u></b>	<b><u>Production/Film Title</u></b>	<b><u>Maximum Amount of Tax Credits</u></b>
NFL Productions LLC	<i>America's Game, The Super Bowl Champions</i>	\$1,334,448
Sibling the Movie, LLC and/or Matt Farnsworth	<i>Sibling</i>	\$80,000
Fox Trail Productions, Inc.	<i>In the Dark</i>	\$2,389,987
Greta Productions LLC	<i>Greta</i>	\$633,327
Headhunters Inc.	<i>Cadillac Records</i>	\$1,803,258
Off the Top Rope, Inc.	<i>The Wrestler</i>	\$1,226,557
Scroll Down Films, LLC	<i>iMurders</i>	\$46,000
Roscommon Pictures, LLC	<i>The Undying</i>	<u>\$100,815</u>
		<u>\$7,614,392</u>

Staff recommends the approval of the attached Film Tax Credit Projects, subject to the Act, pending Regulations and further satisfactory review by the staff, Film Commission and Taxation.

  
 \_\_\_\_\_  
 Caren S. Franzini

Prepared by: John Rosenfeld/David Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** NFL Productions LLC

**APPLICANT BACKGROUND:**

NFL Productions LLC produced a film titled "America's Game, The Super Bowl Champions." This is a 40-part cable/TV/DVD sports film series. Each of the one-hour episodes profiles each year's winning Super Bowl football team. Each part sports three players and/or coaches. Joe Montana, Lynn Swann, Emmitt Smith, Phil Simms, and Tom Brady are interviewed. The crew is part of the regular in-house staff of the Mt. Laurel, New Jersey based NFL Films Television and Film Studios.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its cable/TV/DVD production titled "America's Game, The Super Bowl Champions." The principal photography began in May 2006.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:**

April 2006

**DATE OF PROJECT COMPLETION:**

March 2007

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**

Cable Television  
Network Television  
Satellite TV  
DVD

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$4,622,890
Total New Jersey Production Expenses	\$4,200,481
Total New Jersey Post Production Expenses	\$2,471,761
Percentage of Costs in New Jersey	144.33%
Maximum Tax Benefit Amount	\$1,334,448
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** David Sucsuz

**COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** August 29, 2007 (Application #30)

**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Sibling The Movie, LLC

**APPLICANT BACKGROUND:**

Sibling The Movie, LLC (and/or Matt Farnsworth) is producing a horror film titled "Sibling." This movie is about a chilling story of a brother and sister who witnessed their parents' violent death at a very young age. While the girl was rescued by a benevolent man, the boy grows up in an orphanage and lashes out at the world in a violent rage. Matt Farnsworth is the writer and director. Farnsworth directed and wrote "Iowa" (2005). The crew includes Ian Moore (Production Manager) and Shawn Rice (Assistant Director). The cast includes Diane Foster, James McCaffrey, Walter Masterson, Spencer List and Dana DeVestern. Sibling The Movie, LLC, a Washington State company, is owned by Matt Farnsworth and Neil Farnsworth.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "Sibling". The principal photography began on August 6, 2007.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:**

August 6, 2007

**ESTIMATED DATE OF PROJECT COMPLETION:**

Early 2009

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**

Theatrical  
Cable Television  
Network Television  
Festivals

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$625,000
Total New Jersey Production Expenses	\$400,000
Total New Jersey Post Production Expenses	\$0
Percentage of Costs in New Jersey	64.00%
Maximum Tax Benefit Amount	\$80,000
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** David Sucsuz

**COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** August 30, 2007 (Application #31)

**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Fox Trail Productions, Inc.

**APPLICANT BACKGROUND:**

Fox Trail Productions, Inc. is producing a film titled "In the Dark." In this action/thriller movie, a quiet residential island in Michigan is overrun by vampire-like creatures, leaving a small group of survivors fighting for their lives. Armed with guns, they battle against thousands of creatures that emerge from underground tunnels where they sleep, crazed and hungry, intending to feed on the island's last few human inhabitants. Can they escape to the mainland, or will they fall prey to the mutated islanders? Jack Thomas Smith is the writer, producer and director. The crew includes Jonathan Belinski, Joel Goodman, Gabriel Friedman, Roger Licari, and Vincent Guastini.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "In the Dark." The principal photography began on April 1, 2008.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:**

April 1, 2008

**ESTIMATED DATE OF PROJECT COMPLETION:**

Early 2009

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**

Theatrical  
Cable Television  
Network Television  
Television Syndication

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$9,030,174
Total New Jersey Production Expenses	\$10,490,054
Total New Jersey Post Production Expenses	\$1,459,880
Percentage of Costs in New Jersey	132.33%
Maximum Tax Benefit Amount	\$2,389,987
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** David Sucsuz

**COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** October 4, 2007 (Application #32)

**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Greta Productions LLC

**APPLICANT BACKGROUND:**

Greta Productions LLC is producing a *dramedy* film titled "Greta." This movie is about an interracial romance. The story revolves around the forbidden romance of a waitress (Hilary Duff) and the restaurant's ambitious cook (Evan Ross). After they take their romance to the next level, Greta confronts the concern of her grandparents, played by veteran actors Ellen Burstyn and Michael Murphy. Greta disrupts her grandparents' settled lives but a near catastrophe gives Greta a wake-up call and demonstrates how deeply her own actions impact those around her. The crew includes Nancy Bardwail (Director) and Doug Sutherland (Producer).

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "Greta." The principal photography began on September 24, 2007.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:** September 24, 2007  
**ESTIMATED DATE OF PROJECT COMPLETION:** Completed

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**  
Theatrical  
Cable Television

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$3,169,236
Total New Jersey Production Expenses	\$3,166,636
Total New Jersey Post Production Expenses	\$0
Percentage of Costs in New Jersey	99.92%
Maximum Tax Benefit Amount	\$633,327
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** David Sucsuz      **COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** October 30, 2007 (Application #33)  
**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Headhunters Inc.

**APPLICANT BACKGROUND:**

Headhunters Inc. is producing a film titled "Cadillac Records." This movie story chronicles the birth of Rock and Roll as told through the eyes of its legendary creators. In this tale of sex, violence, race, and rock and roll in the 1950s Chicago, "Cadillac Records" follows and chronicles the exciting but turbulent lives of some of America's musical legends, including Muddy Waters, Leonard Chess (owner of Chess Records), Little Walter, Howlin' Wolf, Etta James and Chuck Berry. Along the way, these legendary figures create music, attitude, and lifestyle that will become the Rock and Roll and Hip Hop as we know it today. Darnell Martin is the director and writer. The cats includes Adrien Brody, Mos Def, Columbus Short, Jeffrey Wright, Beyoncé Knowles, and Eamonn Walker.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "Cadillac Records." The principal photography began in February 2008.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:** February 2008  
**ESTIMATED DATE OF PROJECT COMPLETION:** Completed

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**  
Theatrical

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$10,387,373
Total New Jersey Production Expenses	\$9,016,290
Total New Jersey Post Production Expenses	\$0
Percentage of Costs in New Jersey	86.80%
Maximum Tax Benefit Amount	\$1,803,258
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** David Sucsuz      **COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** November 1, 2007 (Application #34)  
**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Off the Top Rope, Inc.

**APPLICANT BACKGROUND:**

Off the Top Rope, Inc. is producing a film titled "The Wrestler." It is a drama centered on retired professional wrestler Randy "The Ram" Robinson as he makes his way through the independent circuit, trying to get back in the game for one final showdown with his former rival. An all-but-unrecognizable Mickey Rourke stars as an aging Hulk Hogan-inspired professional wrestler, desperately trying to hold onto his larger-than-life glory days of the 80s. In a parallel plotline, Marisa Tomei costars as an aging stripper, also holding onto her youth as long as she can. Director Darren Aronofsky succeeds in showing the grittier, human sides of both professional wrestling and the stripping life without resorting to trickery or pandering to emotion.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "The Wrestler." The principal photography began on January 29, 2008.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:** January 29, 2008  
**ESTIMATED DATE OF PROJECT COMPLETION:** Completed

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**  
Theatrical

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$7,129,290
Total New Jersey Production Expenses	\$6,132,785
Total New Jersey Post Production Expenses	\$0
Percentage of Costs in New Jersey	86.02%
Maximum Tax Benefit Amount	\$1,226,557
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** David Sucsuz      **COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** December 12, 2007 (Application #35)  
**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Scroll Down Films, LLC

**APPLICANT BACKGROUND:**

Scroll Down Films, LLC is producing a film titled "iMurders." This movie is about a mysterious love triangle leading to a tragic shooting. When the participants of an internet chat room are brutally murdered in succession in the privacy of their homes, one person's past holds the key to the gruesome mystery. This movie's tag-line is "You don't know who you're talking to..." Robbie Bryan is the writer and director. Bryan was co-producer of "The Man from Earth" (2007). The crew includes Kelly Crean (Producer) and Anthony Jannelli (Director of Photography). The cast includes Gabrielle Anwar, William Forsythe, Tony Todd and Frank Grillo.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "iMurders." The principal photography began on January 5, 2008.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:** January 5, 2008  
**ESTIMATED DATE OF PROJECT COMPLETION:** Completed

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**  
Theatrical  
Cable Television  
Network Television  
Television Syndication

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$260,000
Total New Jersey Production Expenses	\$200,000
Total New Jersey Post Production Expenses	\$30,000
Percentage of Costs in New Jersey	88.46%
Maximum Tax Benefit Amount	\$46,000
Applicant's Fiscal Year End	12/31

**FINANCE OFFICER:** D. Sucsuz                      **COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** December 18, 2007 (Application #36)  
**APPLICATION APPROVED DATE:**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

**APPLICANT:** Roscommon Pictures, LLC

**APPLICANT BACKGROUND:**

Roscommon Pictures, LLC is producing a drama-thriller film titled "The Undying." In this movie, seduced by the ghost of a Civil War soldier, Barbara Haughton, a newly graduated medical doctor, creates a love that is undying. After discovering a diary, Barbara learns the truth about the love she has created. The script is written by David M. Fylnn and Steven Peros, who is also the Director. The cast includes Robin Weigert, Anthony Carrigan, Jay O. Sanders, Sybil Temtchine, and Wes Studi.

**APPROVAL REQUEST:**

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Film Production Expenses incurred in New Jersey for its theatrical production titled "The Undying." The principal photography began on January 8, 2008.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

**PRINCIPAL PHOTOGRAPHY BEGAN:**

January 8, 2008

**ESTIMATED DATE OF PROJECT COMPLETION:**

Completed

**PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:**

Theatrical  
Cable Television  
Network Television

**PROJECT COSTS:**

Total Production Expenses (Less Post-Production Costs)	\$613,592
Total New Jersey Production Expenses	\$490,212
Total New Jersey Post Production Expenses	\$13,865
Percentage of Costs in New Jersey	82.15%
Maximum Tax Benefit Amount	\$100,815
Applicant's Fiscal Year End	10/31

**FINANCE OFFICER:** David Sucsuz

**COUNSEL:** DAG

**APPLICATION RECEIVED DATE:** January 28, 2008 (Application #37)

**APPLICATION APPROVED DATE:**

**BROWNFIELD REIMBURSEMENT PROGRAM**



## MEMORANDUM

To: Members of the Board

From: Caren Franzini  
Chief Executive Officer

Date: February 10, 2009

Subject: Sayreville Seaport Associates, L.P. (“Sayreville Seaport Associates”)–  
Assignment Agreement for the Brownfield Contaminated Site Reimbursement

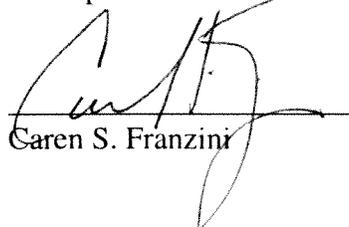
### Summary:

The Members are asked to approve the EDA’s execution of an assignment agreement (“the Agreement”) with Sayreville Seaport Associates, and the Department of the Treasury. Pursuant to an agreement previously reached between the Department of Environmental Protection and Sayreville Seaport Associates, the first \$10M in tax reimbursements from the Brownfield & Contaminated Site Remediation Act Program (BCSRP) gets placed into escrow with the DEP to cover any cleanup cost overruns. The next \$20M in tax revenue receipts goes to pay back the Hazardous Discharge & Site Remediation Fund (HDSRF) for funds provided for the remediation work on this project site. The remainder of funds from the previously approved \$29,878,890 Brownfield & Contaminated Site Remediation Act Program (BCSRP) will go to Sayreville Seaport Associates. DEP developed this arrangement to ensure that any public funds from HDSRF expended on cleanup of the site were to be recouped since there was a viable, responsible party for the contamination.

The assignment agreement proposed allows for Sayreville Seaport Associates to assign and transfer its rights of reimbursement under the BCSRP agreement over to the EDA as described above.

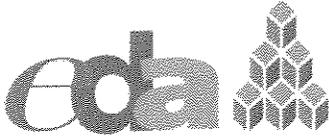
### Recommendation:

Authority staff has reviewed the assignment agreement terms with the AG’s office and finds that they are consistent with the previous agreement reached between the DEP and Sayreville Seaport Associates. Therefore, it is recommended that the Members authorize the CEO of the Authority to execute the Agreement with Sayreville Seaport Associates and Department of the Treasury.

  
Caren S. Franzini

Prepared by: Alex Pavlovsky

**BOARD MEMORANDUMS**



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**SUBJECT:** Blinds to Go (US), Inc.  
Lakewood, NJ  
\$1,219,054 Local Development Financing Fund (LDFF) loan

**Request:**

Extend the maturing balloon loan to 03/01/12 at the current LDFF rate (50% of Federal Discount Rate with a floor of 2%). The new maturity date will be coterminous with the HSBC bank loan and will allow the Borrower to refinance the project debt when credit and economic conditions improve. In return for the extension and reduction in interest rate, Blinds To Go will increase its monthly principal and interest payment \$1,100 to \$16,000.

**Background:**

Blinds To Go, Inc. (BTG) is headquartered in Montreal, Canada and is the leading manufacturer and retailer of window blinds and shades in North America. BTG is owned by the Shiller Family Group, Harvard Private Capital Group, and employees. In 1998, BTG formed Blinds to Go (US), Inc. as the sole manufacturer of blinds for all 57 stores in the U.S. and built a 100,000 square foot manufacturing facility in Lakewood, NJ with a total project cost of \$22.75MM. Financing included a \$2MM first leasehold mortgage loan from Bank of America (formerly Summit Bank), a \$2MM LDFF loan and a \$3MM term loan from Lakewood UEZ (current balance \$1,487,700). The parent company contributed \$9.2MM in equity towards the project. The Borrower has created 200 manufacturing jobs and received a \$543M reimbursement under a BEIP award for this project.

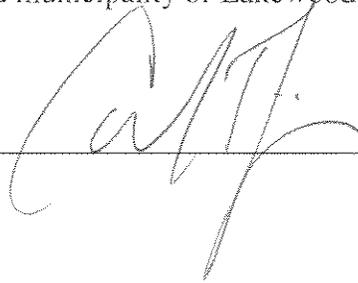
In January 2007, the Borrower (with EDA consent) refinanced Bank of America with a first mortgage loan from HSBC Bank USA. In return Borrower increased the LDFF principal payments by \$18M annually. The loan has been handled as agreed.

The loan was closed in 1999 with a 10 year term and 20 year amortization at the then prevailing LDFF rate of 5%. A balloon payment of \$1.2 million became due 2/1/09. The borrower is requesting an extension of the balloon maturity on the LDFF loan to March 1, 2012 which is coterminous with the maturity date of the HSBC loan. The borrower has agreed to increase

monthly payments by \$1,100, which will reduce the loan balance to approximately \$700,000 by maturity, at which point the Borrower will be able to refinance EDA with a conventional loan.

**Recommendation:**

Approval to extend the LDFF loan to 3/1/2012 is recommended to permit time to allow the refinance of LDFF and bank loan in a more favorable lending climate. The loan has been paid as agreed and the parent company is financially strong. EDA approval will also support a manufacturing company maintain 200 jobs in the urban aid municipality of Lakewood, NJ.



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**Prepared by:** Tejinder Gill

## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**SUBJECT:** Center for Family Services  
\$2,766,000 Tax Exempt Bond (P22188)

### **Modification Request:**

Change the interest rate on the bond from a fixed rate of 5.31% to a floating rate of LIBOR plus 225 basis points for 10 years. At the end of the 10 years, the bond will be priced at a fixed rate not to exceed 6.5%. Center for Family Services and TD Bank will enter an interest rate swap for the 10 years at an (indicative) fixed tax-exempt rate of 3.92%. Total debt services savings will be approximately \$250,000 during the term of the swap.

### **Background:**

Center for Family Services, Inc. (CFS) is a not-for-profit human services agency formed in 1999 by the merger of three longstanding community organizations. CFS provides home-based treatment and outpatient services for special populations, such as children at risk of abuse, troubled youth, abused/at-risk elderly, substance abuse, and treatment for trauma survivors. CFS serves more than 90,000 people in New Jersey annually through established connections with New Jersey Division of Children and Families Family Court, schools and community agencies. The borrower has an annual budget of more than \$20 million, covering more than 40 programs, employing more than 500 full and part time people.

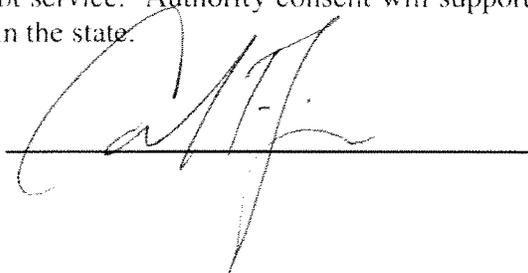
In July, 2008, the Members approved a \$2,766,000 (022188) tax exempt bond issue to enable the Center for Family Services, Inc. to refinance existing debt as well as provide funds for improvements to the organizations various properties. The bond was structured with a 20 year term at a fixed rate of 5.31% and purchased by TD Bank, N.A. *This bond is a conduit financing for which the Authority has no credit exposure.*

Commerce Bank, which originally approved the fixed rate bond purchase, was acquired by TD Bank and subsequently approached CFS about the amendment. The Bank has agreed to reimburse CFS for certain related costs. CFS is requesting EDA consent to reduce its debt service payments and to comply with Bank's request. Capehart & Scatchard, Bond Counsel has reviewed this request and opined that the tax-exempt status of the bond will not be affected as a result of this modification.

### **Recommendation**

Approval to change the interest rate from a fixed rate to a floating LIBOR rate, as described above, is recommended to permit the Borrower to reduce debt service. Authority consent will support a non-profit organization serving a vulnerable population in the state.

Prepared by: Nancy C. Meyers





**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**SUBJECT:** East Coast Panelboard, Inc. et al  
SWP Real Estate, LLC  
Tinton Falls, Monmouth County  
P24962 - \$1,000,000 Direct Loan  
P24966 - \$1,250,000 Direct Loan  
P24993 - \$750,000 Bond Guarantee

**Modification Request:**

Approval is requested to allow project costs to be re-allocated resulting in up to \$600,000 in additional tax exempt bond debt in Phase One and defer a portion of the equity contribution to Phase Two. Approval is also requested to amend the terms of the \$1,250,000 Direct loan (P24966) to provide an interest only period for the first 12 months, then a nine year term with a 25 year amortization for the real estate and renovation portion of the project.

**Background:**

On January 13, 2009, SWP Real Estate, LLC was approved for a \$1.25 million direct loan that will supplement a \$6.55 million tax exempt bond with a \$750,000 Authority guarantee. Funds will be used to purchase a 92,179 square foot building to be occupied by related operating entities, East Coast Panelboard, Inc., East Coast Control & Automation, LLC, East Coast Power Services, LLC and East Coast Power Systems, LLC. Simultaneous to that approval, the Members of the Authority approved a \$1 million direct loan that will supplement a \$2.22 million tax exempt bond to the operating entities for the purchase of equipment. Approval of the tax exempt bonds is anticipated at the February Board meeting.

Based upon the events surrounding this project, primarily with respect to the real estate portion relative to allocation / compliance of the t/e bond proceeds, project costs have shifted as noted in the chart below. There has been a decrease in total project costs of approximately \$73,000 to \$13.5 million which comprises increases in hard construction costs of \$99,000 offset by a reduction in soft costs of \$172,000. The amount of bonds to be utilized in Phase One has increased by up to \$600,000 and the amount of equity to be provided by the company is reduced by a similar amount (and deferred to Phase Two). Additionally, the borrowers seek Phase Two equity contribution towards costs incurred split between the EDA's direct loan funds (and bonds, if applicable) and equity (indicatively this is 42% to 58% which matches proportionate share of each provider towards the \$2 million of Phase 2 costs). Note this deviates from prior approval whereby entire equity amount would be contributed first to be followed by debt. The company seeks this arrangement to preserve working capital for their operations as they are expanding rapidly. See chart below for the current allocation of proceeds between bonds, EDA loans and equity.

As originally approved:

Project Budget Category	Cost	Cost Per SF	Bond Proceeds	Loan Proceeds EDA	Total Loan and Bond	% Loan to Cost	Equity	% Equity to Cost
Land (1)	\$2,203,846	\$23.91	\$1,903,846	\$300,000	\$2,203,846	100%	\$0	0%
Building (1)	\$2,449,904	\$26.58	\$2,322,154	\$0	\$2,322,154	95%	\$127,750	5%
Site Improvements (2)	\$106,643	\$1.16	\$0	\$50,000	\$50,000	47%	\$56,643	53%
Soft Costs (3)	\$455,009	\$4.94	\$175,000	\$250,000	\$425,000	93%	\$30,009	7%
Electric Equip & Utilities	\$476,798	\$5.17	\$0	\$0	\$0	0%	\$476,798	100%
Hard Costs - Phase I	\$2,699,000	\$29.28	\$1,549,000	\$0	\$1,549,000	57%	\$1,150,000	43%
Hard Costs - Phase II (4)	\$2,000,000	\$21.70	\$600,000	\$650,000	\$1,250,000	63%	\$750,000	38%
<b>Total Development Costs</b>	<b>\$10,391,200</b>	<b>\$112.73</b>	<b>\$6,550,000</b>	<b>\$1,250,000</b>	<b>\$ 7,800,000</b>	<b>75%</b>	<b>\$2,591,200</b>	<b>25%</b>
Equipment	\$3,220,486		\$2,220,486	\$1,000,000	\$3,220,486	100%	\$0	0%
<b>Total Development Costs</b>	<b>\$13,611,686</b>		<b>\$8,770,486</b>	<b>\$2,250,000</b>	<b>\$11,020,486</b>	<b>81%</b>	<b>\$2,591,200</b>	<b>19%</b>

Revised Budget:

Project Budget Category	Cost	Bond Proceeds	Loan Proceeds EDA	Total Loan and Bond	Equity
Land	\$1,700,000	\$1,503,953	\$46,047	\$1,550,000	\$150,000
Building	\$2,953,750	\$2,600,000	\$88,761	\$2,688,761	\$264,989
Site Improvements	\$106,642	\$0	\$50,000	\$50,000	\$56,642
Soft Costs	\$283,309	\$208,309	\$0	\$208,309	\$75,000
Electric Equip & Utilities	\$476,798	\$0	\$0	\$0	\$476,798
Hard Costs - Phase I	\$2,797,762	\$2,137,738	\$265,192	\$2,402,930	\$394,832
Hard Costs - Phase II	\$2,000,000	\$100,000	\$800,000	\$900,000	\$1,100,000
<b>Total Development Costs</b>	<b>\$10,318,261</b>	<b>\$6,550,000</b>	<b>\$1,250,000</b>	<b>\$ 7,800,000</b>	<b>\$ 2,518,261</b>
Equipment	\$3,220,486	\$2,220,486	\$1,000,000	\$3,220,486	\$0
<b>Total Development Costs</b>	<b>\$13,538,747</b>	<b>\$8,770,486</b>	<b>\$2,250,000</b>	<b>\$11,020,486</b>	<b>\$ 2,518,261</b>

Note that the split between bonds and direct loan as well as among the two phases pertaining to the real estate are not finalized and may be modestly altered based upon final allocations by bond counsel. Also the cost of Phase 2 has not been contracted yet and may not be completed in its full scope (as these renovations/improvements are mainly cosmetic and non-essential to the manufacturing operations). Regardless of the amount of funds ultimately spent in Phase 2, the applicant will contribute their proportionate share of equity relative to the amount of EDA direct funds (and bonds, if applicable).

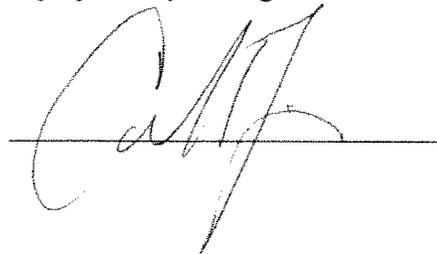
**Collateral Value (2 t/e bonds with EDA guarantee plus 2 direct loans all fully funded)**

<b>Description</b>	<b><u>Value</u></b>
Second lien on 1457 Shafto Road, Tinton Falls based on the appraisal reflecting an as is value of \$7.7 million (for phase one closing) and as completed value of \$9.9 million (for phase two closing).	\$9,177,000
Second lien on \$3.2 million in new equipment @ 80% of purchase price	\$2,560,000
LTV (\$2.25 million EDA direct + \$8.77 million Provident One bonds)	94%

For point of reference, the LTV based upon the “as is” appraised value at Phase One of \$7.7 million plus 80% of the equipment cost is 99% (this figure was 95% based on previously approved structure). When the additional debt (bonds and EDA direct loan) proceeds pertaining to Phase Two is included the LTV is 88% (which is identical to LTV as previously approved) and this incorporates the \$9.9 million “as completed” value of the real estate plus 80% of the equipment cost.

**Recommendation:**

Approve the re-allocation of costs between the Phase One and Phase Two as described above as there is no material impact to our ability to be repaid. Note that we will add as a closing condition the receipt and satisfactory review of the fiscal year end 12/31/08 statements as prepared by management.



**Prepared by:** Michael A. Conte, Senior Credit Underwriter



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**SUBJECT:** All About Hair Salon, Inc.  
NJDA Loan: **\$51,223**

**Request:**

Consent to restructuring this NJDA loan from 5 years @ 7.25% to 7 years @ 4.0% to provide cash flow relief to the borrower.

**Background:**

All About Hair Salon, Inc. ("AHS") was formed by Angela Milton as a full service hair salon in 2007. Ms. Milton has more than 10 years of industry experience and previously owned a salon for more than six years.

In early 2007, the NJDA provided a \$60,000 direct loan supplemented a \$25,000 loan from Burlington County Economic Development ("BCED") and \$15,000 in equity to finance leasehold improvements, equipment and working capital to start-up a hair salon.

The NJDA loan was interest only for 3 months and then was to be amortized over the remaining 57 months. In August 2007 the Borrower requested and EDA agreed to provide a 6 month principal moratorium to allow for stabilization of the start-up business.

The Borrower resumed making principal and interest payments in April 2008 but stopped paying in December 2008.

The Borrower is now requesting that EDA restructure the loan to provide cash flow relief for the business.

The loan will be reset and structured consistent with NJDA regulations (Prime Rate less 1%, subject to a floor of 4% at closing), which currently equals 4%. The balance of the loan will be re-amortized over 7 years to be paid off by maturity in 2016.

**Recommendation:**

Staff recommends modifying the repayment terms including as described above to support this woman/minority owned business employing 2 full time and 5 part time employees.

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

**Prepared by:** Natalia Nagovsky



**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**DATE:** February 10, 2009

**SUBJECT:** Regeneron Pharmaceuticals, Inc. (P21616)  
Beip Term Modification to ten years

**Background:**

Regeneron Pharmaceuticals, Inc. (P21616) is requesting an increase in the BEIP grant term from four years to ten years and decrease the new employment commitment (NEC) from 47 jobs to 37 jobs. This request is based on the applicant's providing the Authority a letter committing to remain in New Jersey 15 years, while the decrease in the minimum job commitment is related to current economic trends.

Regeneron Pharmaceuticals, Inc. (P21616) was approved by the Authority at its April 2008 Board meeting for a \$442,946, BEIP grant, for a 4 year term, at 55% grant award.

<b>Request</b>	<b>Original – 4 years</b>	<b>Modification – 10 years</b>
Grant Award	\$442,946	\$871,754
Award Term	4 years	10 years
Percentage	55%	55%
Estimate Gross New State Income Tax	\$805,356	\$1,585,008
Estimated Net New State Income Tax	\$765,088	\$1,505,758

**RECOMMENDATION**

Based on the revised commitment to remain in New Jersey for 15 years, Regeneron is requesting the Authority amend the BEIP approval to 37 jobs, with an average salary of \$106,394, for a ten year grant at a 55% score.

Prepared by: Michael Krug



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini, Chief Executive Officer

**DATE:** February 10, 2009

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

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

### **New Jersey Business Growth Fund:**

- 1) Colossus Granite & Marble, Inc. (P25134), located in Brooklawn Borough, Camden County, was founded in 1999 as a seller and installer of granite for counter tops and tables. PNC Bank approved a \$355,000 loan with a five-year, 25% guarantee, not to exceed \$88,750. Loan proceeds will be used to purchase property to expand the business. The company has three employees and plans to create an additional three positions within the next two years.
- 2) Highway Tire Distributors, Inc. or nominee (P25338), located in Mount Holly Township, Burlington County, is a retail tire and automobile service business operating as an independent Good Year Gemini dealer. PNC Bank approved a \$765,000 loan with a five-year, 25% guarantee, not to exceed \$191,250. Loan proceeds will be used to purchase the project property. The company currently has sixteen employees and plans to create an addition seven new positions over the next two years.
- 3) Juliano, Nicholas and Peggy Sue (P25460), located in Lacey Township, Ocean County, are the owners of Marnic, Inc., the project user, that was purchased in 1999 as an auto, truck and marine parts sales company. PNC Bank approved a \$720,000 loan with a five-year, 25% guarantee, not to exceed \$180,000. Loan proceeds will be used to refinance the commercial real estate. The company currently has fifteen employees and plans to create four new positions over the next two years.

**Preferred Lender Program:**

- 1) FB International, Inc. (P24712), located in Oakland Borough, Bergen County, was established as a designer; manufacturing, assembling and dismantling displays for trade shows in major cities across the US. Sun National Bank approved a \$5,625,000 loan with a five-year, 13% participation, not to exceed \$750,000. Loan proceeds will be used to purchase commercial property, which will allow them to relocate from leased space. The company has 30 employees and plans to create an additional fifteen positions within the next two years.



A handwritten signature in black ink, appearing to read 'S. Mania', is positioned above a horizontal line.

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**Prepared by: S. Mania**

**REAL ESTATE**



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Caren S. Franzini  
Chief Executive Officer

RE: Camden Waterfront Landscaping Project

DATE: February 10, 2009

### **Summary**

The Members are asked to approve a Memorandum of Understanding (“MOU”) between the Authority and Cooper’s Ferry Development Association (“CFDA”) to provide for the Authority’s funding of a portion of the 2009 Waterfront Landscaping Project for Camden’s Delaware River waterfront and a delegation of authority to the CEO to enter into similar MOU’s in 2010 and 2011.

### **Background**

The Waterfront Landscaping Project (“Project”) is a public/private effort to beautify the City’s Delaware River waterfront as a means of enhancing its aesthetics and economic potential as a major regional destination. This effort is also intended to provide an enhanced amenity to City residents and those working in the Downtown area. The Authority is a major landowner on the Camden waterfront, controlling property between Adventure Aquarium and Campbell Field.

For 2009, four parties will contribute \$25,000 each toward the \$100,000 budget for the Project: Camden Parking Authority, Camden County Parks, Adventure Aquarium/Camden Town Center, and the Authority. The four entities either own or operate facilities within the project’s “Planting Area,” which is bounded by Market Street, Delaware Avenue, Federal Street and the Delaware River. CFDA, a local non-profit corporation, will coordinate the planning and implementation of the Project on behalf of the funding entities.

The Authority entered into a previous MOU with CFDA for Phase I of the Project which covered the 2007 planting and maintenance season. CFDA’s contractor installed trees, shrubs, ground covers and plants in the Planting Area. The 2008 Project Scope included additional waterfront parcels while simultaneously continuing its maintenance services in the Phase I areas. There is a slightly larger watering schedule to accommodate the 2007 plantings, as well as, the watering of the 2008 plantings and trees. In 2009, CFDA will also be looking for new strategic areas for plantings on the properties currently owned or occupied by the parties, with the majority of funds used to continue the maintenance of all

the previously landscaped areas. The contractor will also be responsible for mowing, fertilizing and treating specified grassy areas on the Waterfront between the Ben Franklin Bridge and the Battleship New Jersey for the 2009 season.

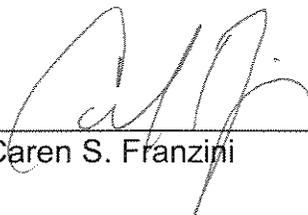
The four public and private sector entities funding the Project jointly selected CFDA to implement the work, due to CFDA's non-profit status and its mission to advance Camden's economic development, especially in the waterfront area. Accordingly, the Authority is retaining CFDA on a sole source basis pursuant to our approved contractor selection procedures (i.e. Sole Source Type C -- a joint venture project where the contractor is partially funded by and primarily the responsibility of the joint venture partners) for a term of one year, with two additional one year renewal options. CFDA will competitively bid the landscaping and maintenance work, and will select the landscape firm through its normal vendor selection process. Pursuant to the MOU, the Authority will fund an amount not to exceed \$25,000. The project will be funded through available Authority funds and charged to the Camden Waterfront Landscaping line item in the 2009 Board approved budget.

Approval is also requested to delegate to the CEO authority to enter into similar cost-sharing, cooperative Camden waterfront landscaping MOU's for 2010 and 2011. In each year that a similar MOU is entered into, the amount of the MOU will not exceed the amount shown in as a separate line item for Camden waterfront landscaping in the Authority's annual operating budget for that particular year.

The attached Memorandum of Understanding is in substantially final form. The final form of the document may be subject to revision, although the basic terms and conditions will remain consistent with its current form. The final terms of each MOU 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 a Memorandum of Understanding with Cooper's Ferry Development Association to provide for the Authority's funding of a portion of the 2009 Camden Waterfront Landscaping Project in an amount not to exceed \$25,000, on terms generally consistent with the attached document and a delegation of authority to the CEO to enter into similar MOU's in 2010 and 2011 on the conditions stated above.

  
\_\_\_\_\_  
Caren S. Franzini

Attachments

Prepared by: Vince Wardle  
Project Officer  
Real Estate Development Division

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2009 (the "Effective Date") between the COOPER'S FERRY DEVELOPMENT ASSOCIATION (hereinafter "CFDA"), having its office at One Port Center 2 Riverside Drive, Camden, NJ 08103, and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (hereinafter "NJEDA"), having its address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990 (collectively the "Parties") regarding a joint landscaping project for the Camden Waterfront.

### **BACKGROUND:**

WHEREAS, the CAMDEN TOWN CENTER, LLC, a limited liability company of New Jersey, having an address at c/o Steiner + Associates, Inc., 4016 Townsfair Way, Suite 201, Columbus, Ohio 43219 (hereinafter "CTC") owns portions of the Project Site and has an option to purchase additional areas of the Camden Waterfront; and Adventure Aquarium, having an address at 1 Aquarium Drive, Camden NJ 08103 operates the Adventure Aquarium on part of the Project Site;

WHEREAS, CFDA has or intends to enter into a Memorandum of Understanding with CTC and Adventure Aquarium to memorialize CTC and Adventure Aquarium's participation in the landscaping Project described in this MOU and CTC and Adventure Aquarium's agreement to deposit \$25,000 with CFDA for the Project;

WHEREAS, the CITY OF CAMDEN PARKING AUTHORITY, having its office at 10

Delaware Avenue, Camden NJ 08103 (hereinafter "CCPA") is operating parking lots on part of the Project Site;

WHEREAS, CFDA has or intends to enter into a Memorandum of Understanding with CCPA, to memorialize CCPA's participation in the landscaping Project described in this MOU and CCPA's agreement to deposit \$25,000 with CFDA for the Project;

WHEREAS, the CAMDEN COUNTY PARKS DEPARTMENT having its office at 1301 Park Boulevard, Cherry Hill NJ 08002 (hereinafter "the County") owns and maintains several parks on the Project Site;

WHEREAS, CFDA has or intends to enter into a Memorandum of Understanding with the County, to memorialize the County's participation in the landscaping Project described in this MOU and the County's agreement to deposit \$25,000 with CFDA for the Project;

WHEREAS, NJEDA, CTC/Adventure Aquarium, CCPA and the County are collectively herein referred to as the "Project Participants";

WHEREAS, for the past twenty years CFDA has actively been working towards achieving its vision of "establishing a new center of economic development that can help rebuild the Camden's depleted tax base" and "help improve Camden's image as a place to live, work, visit, and invest." The Camden Waterfront is one location which the CFDA has concentrated their efforts to realize this vision;

WHEREAS, NJEDA was established to promote economic development and increased employment opportunities in the State of New Jersey and the NJEDA is

committed to urban development in the State of New Jersey. Additionally, the NJEDA owns portions of the subject property; and

WHEREAS, the Project Participants each have a joint and mutual interest in beautifying the Camden Waterfront, and to that end, the Project Participants wish to jointly and cooperatively engage CFDA to design, implement and maintain a common landscaping plan for the Camden waterfront area that will mutually benefit all of the Project Participants as more fully set forth in this MOU.

**PROJECT:**

The Project will consist of new plantings and maintenance plan to make portions of the Camden Waterfront worthy of a major state attraction destination (hereinafter, the "Project"). Landscaping will be planted and maintained by CFDA to the standards of a well-groomed pedestrian city street.

**PROJECT SITE:**

For the plantings phase of the Project, the Project will be located on the Camden Waterfront in between the following areas: MLK Boulevard will be the southern border, Cooper Street will be the north border, the Delaware River will be the western border, and the Delaware Avenue will be the eastern border.

For the maintenance phase of the Project, the Project will consist of the parcels identified in the above section as well as the approximate 1.5 mile length of the Wiggins Waterfront Park and Marina and Market Street Park. Please refer to Exhibits 1 through 3 showing the project area covered under this MOU.

**PROJECT DESCRIPTION:**

The Project Participants and CFDA have agreed that the Project will consist of design, installation, and maintenance of landscaping improvements. Nothing in this MOU is intended to prevent or interfere with the development of the Camden Waterfront and nothing in this MOU is intended to prevent or restrict any Project Participant from making further landscaping improvements to any land that any of them owns or operates within or near the Project Site.

Please refer to Exhibit 4 for a description of the landscape construction and landscape maintenance for the Project.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

**ROLES OF THE PARTIES:**

NJEDA and CFDA agree to undertake and carry out the various tasks and obligations hereinafter set forth.

1. CFDA: The CFDA will contract with consultants and contracts for the design, planting, and maintenance for the Project in accordance with the landscaping plan approved by NJEDA and the Project Participants. Any and all contracts with consultants entered into by CFDA in connection with the Project shall be competitively bid, solicited and selected by CFDA in accordance with its normal contract selection procedures. It is expected that at least three (3) proposals will be received for each contract CFDA enters into for the Project. The general terms and conditions of such contracts shall be consistent

with agreements typically entered into by CFDA and shall provide for their termination at any time and shall require the consultant(s)/contractor(s) to: (i) carry general liability insurance in amount(s) determined by CFDA to be fair and reasonable and naming NJEDA and the Project Participants as additional insureds; (ii) indemnify and hold NJEDA or the appropriate Project Participants harmless against any and all claims arising in connection the contractor's services related to the Project; (iii) carry the statutorily required amounts of workman's compensation insurance; and (iv) complete the installation of the new plantings within three months of commencing work. The CFDA will provide NJEDA with copies of all executed contracts with consultants who perform the Project work.

CFDA will supervise Project work completed and ensure it meets local regulatory standards. CFDA will be responsible for the day-to-day management and oversight of the Project in cooperation with the Project Participants. CFDA will also provide NJEDA and the Project Participants with monthly progress reports.

2 NJEDA: The NJEDA will deposit \$25,000 to a bank account created by CFDA for the Project within twenty (20) calendar days after the Effective Date of this MOU on the express condition that funds deposited by NJEDA shall be used only for the purchase of plants, materials and supplies for the Project. The NJEDA does also hereby grant a right of entry (subject to proof that adequate insurance coverage is in place) to CFDA and its contractors to make the necessary Project improvements on property owned by NJEDA.

**LANDSCAPE BANK ACCOUNT:**

1. NJEDA and the Project Participants are herein collectively referred to as the “Depositors”.

2. CFDA shall promptly deposit any and all funds received from the Depositors for the Project into the bank account (the “Bank Account”) created by CFDA for the Project.

CFDA shall not disburse any of the funds deposited by NJEDA until no less than ONE HUNDRED THOUSAND DOLLARS (\$100,000) has been deposited into the Bank Account.

Funds in the Bank Account shall be for the joint and mutual benefit of all Depositors and drawn upon by a designated representative of the CFDA. CFDA will provide NJEDA: (i) within thirty (30) days of the Effective Date, an initial statement confirming that all Depositors have made their deposit into the Bank Account; and (ii) on a quarterly basis, a statement indicating the amount of the Bank Account funds expended during that quarter.

The Bank Account will be used for the sole purpose of administration expenses and paying consultants and contractors performing services related to the Project, as evidenced by executed contracts with the consultants/contractors and invoices charged directly against the contracts. The cost of the Project will not exceed \$100,000. Upon completion of the Project any remaining Bank Account funds will be pledged toward future plantings and maintenance of the Project as agreed upon by the Depositors.

3. Requisitions from Bank Account: Upon the incurrence of Project related expenses and costs, the CFDA will draw against funds available in the Bank Account on an as-needed basis and copy each of the Depositors on a monthly basis providing an

accounting of the funds along with any related correspondence and drawdowns that occurred that month. Costs will be defined to include: (i) preparation of a design plan for Project landscaping; (ii) purchase, installation and construction of Project landscaping; (iii) maintenance of Project landscaping.

4. Project Administration: CFDA shall charge on a monthly basis to the Bank Account a project administration fee of \$1,600 to cover fees and expenses associated with the management of this project including, but not limited to staff support for stakeholder reports and contractor interface, construction management, maintenance management, accounting services, and insurance.

**OWNERSHIP OF WORK PRODUCT:**

Work product of the design shall be jointly owned by the Depositors and CFDA. The Parties agree not to assign or otherwise transfer its interest in the work product of the design to anyone other than the other Parties to this MOU or the Depositors.

**NO ASSIGNMENT:**

This MOU shall not be construed to create any rights on behalf of any person or entity other than the Parties. Neither this MOU nor any rights or duties hereunder may be assigned or delegated by Parties hereto without the written consent of the other Parties and any such purported assignment or delegation shall be null and void and of no force or effect. CFDA shall not assign any portion of the Bank Account funds without the prior written consent of all of the Depositors.

**REPRESENTATIONS AND WARRANTIES OF THE PARTIES:**

The Parties hereby represents and warrants to the other Parties that, to the best of their knowledge, information and belief, they have full power and authority to enter into this MOU and agree in good faith to seek to obtain all powers and authority to consummate the transactions contemplated herein.

**TERM OF THE AGREEMENT:**

The term of this MOU will commence immediately upon execution by NJEDA and CFDA. Unless terminated by either Party, this MOU shall remain in effect until the earlier of: (i) disbursement of all of the Bank Account funds; or (ii) for one (1) year from the Effective Date. The MOU term may be extended upon the mutual written consent of both parties.

**TERMINATION:**

Each Party reserves the right to terminate this MOU at any time. The Party requesting termination will notify the other Party, in writing, 30 days prior to the anticipated termination date. Upon any termination of this MOU, with or without cause, CFDA shall terminate all open contracts held by CFDA pursuant to this MOU and make payment of any and all amounts owing to such consultants and contractors. CFDA shall return to each Depositor its pro-rata share of any funds remaining in the Bank Account after consultants and contractors have been paid amounts owed to them for services related to the Project. Thereafter, the Parties will not have any right to actual or liquidated damages against the

other Parties.

**NOTICES:**

All notices required to be served or given hereunder shall be in writing and will be deemed given when received by personal delivery, fax or by an overnight delivery service which issues a receipt from delivery, or two business days after having been mailed by certified mail, return receipt requested, and addressed as follows:

If to CFDA:                   Cooper's Ferry Development Association  
  One Port Center  
  2 Riverside Drive  
  Suite 501  
  Camden, New Jersey 08103  
  Attention: Joe Myers  
  Phone: (856) 757-9154  
  Fax: (856) 757-9478

If to NJEDA:                   New Jersey Economic Development Authority  
  36 West State Street  
  P.O. Box 990  
  Trenton, New Jersey 08625-0990  
  Attention: David Nuse  
  Phone: (609) 292-0373  
  Fax: (609) 292-6164

**MODIFICATIONS:**

The entire agreement between the Parties is contained herein and no change, modification, termination, or discharge of this MOU shall be effective unless in writing and

signed by both Parties.

**SEVERABILITY:**

If any of the provisions of this MOU shall be rendered invalid or illegal, then if such provision does not appear to have been so material that without it this MOU would not have been made by the Parties, it shall not be deemed to form a part hereof and the balance of this MOU shall remain in full force and effect.

**NO LIABILITY:**

Each party will use its best efforts to further the Project; provided, however, no Party makes any representations or warranty to the other Parties regarding the viability or success of the Project.

**MISCELLANEOUS:**

- (a) This MOU will be governed by and construed under the laws of the State of New Jersey.
- (b) The Parties waive any statutory or common law presumption which would serve to have this document construed in favor and against any other party as the drafter.
- (c) This MOU binds the Parties, their heirs, executors, administrators, successors and assigns.
- (d) The Parties shall not be deemed, in any way or for any purpose, to be or to have become, by the execution of this MOU or any action under this MOU, a partner with the other Party.

**RESOLUTION OF DISAGREEMENTS:**

All disagreements under this MOU shall be submitted to the highest in command in each of the Party's agency for their review and decision, which decision shall be binding upon the Parties. In the event that the highest in command in each of the Party's agency disagree, then each Party may seek all legal or equitable remedies to the extent permitted by applicable law.

**DEFAULT:**

If a Party defaults in any of its obligations hereunder and such default is not cured within thirty (30) days after receipt of written notice of such default from the non-defaulting party, and if such default is not waived by the non-defaulting party, then the party declaring the default may terminate its role in this MOU and NJEDA shall receive a refund of its pro-rata share of any funds remaining in the Bank Account after consultants and contractors have been paid amounts owed to them for services related to the Project.

**NO INDIVIDUAL LIABILITY:**

No Commissioner, member, director, officer, agent, or employee of each Party shall be held personally liable under any provision of this MOU or because of its execution or attempted execution or because of any breach or alleged breach hereof.

**COUNTERPARTS:**

This MOU may be executed in counterparts, each of which will be deemed to be an

original, and such counterparts will constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be duly executed and delivered as of the date and year first above written and by so executing, represent and warrant they have the authority to do so.

ATTEST:

COOPER'S FERRY DEVELOPMENT  
ASSOCIATION

\_\_\_\_\_

By: \_\_\_\_\_

ATTEST:

NEW JERSEY ECONOMIC DEVELOPMENT  
AUTHORITY

\_\_\_\_\_

David Nuse  
Director  
Real Estate Division

By: \_\_\_\_\_

Caren S. Franzini  
Chief Executive Officer

# Attachment 1:

1. Center Median along Riverside:
2. Waterfront Promenade:
3. Intersection of Aquarium Dr & Riverside:
4. Delaware Avenue:



# Attachment 2:

Grass cutting (all green areas highlighted in yellow)



# Attachment 3: 2007 & 2008 Plantings

(outlined in red)



# ATTACHMENT 4

Camden's Waterfront  
Landscape Construction and Maintenance Program 2009  
February of 2009

## INFORMATION FOR BIDDERS AND SUMMARY OF WORK

### GENERAL INFORMATION

- A. Working in conjunction with the parties that own or operate within Camden's waterfront, Cooper's Ferry Development Association (CFDA) has been engaged to coordinate a comprehensive landscaping plan to improve the aesthetic quality and marketability of the waterfront parcels.
- B. CFDA (also known as the Owners Representative) has agreed to act as the managing and contracting agent for a landscape construction and maintenance program for specific areas within a larger area commonly known as Camden's Waterfront.
- C. It is the intent of CFDA to award the contract for the proposed scope of work as follows in these bid documents to a single firm specializing in landscape construction and maintenance services. The award of this contract will be made to the lowest responsible bidder that in the sole discretion of the contracting office is best qualified to handle this project and meet the timeframe for project completion.
- D. The project has been divided into a few areas:
  - a. Landscape Construction: prep, supply, warranty, and installation of new plantings as defined in the enclosed bid sheets and plans. There are four specific areas where new plantings will be installed: Center Median along Riverside Drive, Waterfront Promenade, Intersection of Aquarium Drive and Riverside Drive, and finally Delaware Avenue. (see Attachment 1).
  - b. Landscape Maintenance: full service maintenance for the new plantings outlined above including but not limited to watering, bed maintenance, weeding, mowing, string trimming, trash removal, and fertilizing.
  - c. Landscape Maintenance: full service maintenance for the old plantings installed last spring (identified as 2007 & 2008 Plantings in Attachment 3) as well as all of the existing grassy parcels west Delaware Avenue in between Clinton Street and the Ben Franklin Bridge including but not limited to watering, bed maintenance, weeding, mowing, string trimming, trash removal, and fertilizing (see the yellow highlighted area for the grass cutting in Attachment 2).
- E. Areas included in this contract are as shown on landscape plans as prepared by Elite Landscaping and the enclosed marked up aerials (hereby identified as Attachment 1 and Attachment 2 and Attachment 3).
- F. The contractor acknowledges that it has made itself familiar with the site and all reasonably identifiable existing conditions, is performing the work with expertise, and has accounted for the impact of all reasonably identifiable existing conditions.
- G. The contractor is to take all reasonable steps to minimize the impact of the work on the ongoing business and recreational activities of the area including but not limited to the Adventure Aquarium, Battleship NJ, the Camden Riversharks, and Rutgers University.
- H. The contractor understands that the areas to be placed under construction and renovation are areas

utilized by the public on a daily basis and that the contractor must at all times act in a manner that promotes a safe working environment not only for the employees of the contractor but for all others who may come into contact with the areas. The general public on a daily basis will access immediate areas of construction. With this understanding, areas will need to be sectioned or coned off to maintain a safe environment for the general public during construction.

- I. Contractor shall be required to continually maintain a clean work environment and at no times allow tools, equipment or other materials to be left unattended on site. The contractor's materials and refuse shall be contained to localized areas and utilized or removed from the site in an expeditious manner.
- J. The contractor's labor force shall maintain a zero tolerance policy with regards to alcohol, drug use, or interaction with the general public in a rude or crude manner. The contractor shall be held liable for the actions of its employees.
- K. It is the intention for this project to take place on a "fast track" pace. The successful contractor shall be prepared to commence operations within 14 days of notice to proceed. The landscape construction phase of the work should be completed within 25 working days, weather pending. Substantial completion of the new proposed plantings is set for Monday May 11, 2009.
- L. Any questions concerning this project should be directed in writing to the attention of Joe Myers at a fax number of 856-757-9478.
- M. Bids will be due on Thursday March 4, 2009 at 12:00 pm EST at Cooper's Ferry Development Association. Expected awarding and notification will be Wednesday March 18, 2009 by 5:00 pm EST.
- N. Bidders should include resumes of the principal staff members working on this project as well as at least three references from clients with contracts of similar scopes.
- O. Successful bidder will supply auto, works compensation and general liability insurance with a policy limit of not less than \$1 million, and an aggregate coverage totaling to \$2 million.
- P. Contractor is to name Cooper's Ferry Development Association as an additional insured as well as the City of Camden, Camden Redevelopment Agency, Adventure Aquarium, Herschend Family Entertainment, NJ Economic Development Authority, and the Parking Authority of Camden City.
- Q. Cooper's Ferry Development Association is a 501(c)3 private not-for-corporation designated by the IRS. With this understanding, CFDA is exempt from paying sales tax on landscaping materials and plantings. CFDA will supply the successful bidder with a copy of our tax exempt form for the project.

#### **LANDSCAPE MAINTENANCE**

- A. Contractor shall have responsibility to provide the following services for all newly landscaped areas (as identified in Elite's design plans and Attachment 1) as well as areas identified on Attachment 2 and Attachment 3 to this specification.

1) Turf Grass Areas: Provide labor and materials as required to complete the fertilization and weed control program as outlined below:

- a. Fertilize all lawn areas a minimum of 4 times as follows:
  - i. Spring Fertilization
    - 1. Product to be 19-0-6 with 25% SCU and dimension crabgrass pre-emergent. Rate of application is 1lb of N per 1,000 sq ft

- ii. Spring Broadleaf Weed Control
      - 1. Apply Super Trimec herbicide or approved equivalent as a spot treatment.
    - iii. Early Summer Fertilization
      - 1. Product to be 24-5-11 50% SCU applied at a rate of ½ lb of n per 1,000 sqft.
    - iv. Early Fall Fertilization
      - 1. Product to be 18-24-12 applied at a rate of 1.5 lbs of N per 1,000 sqft.
    - v. Late Summer Broadleaf Weed Control
      - 1. Apply Super Trimec herbicide or approved equivalent as a spot treatment
    - vi. Late Fall Fertilization
      - 1. Product to be 19-19-19 slow release wintercare fertilizer at a rate of 1 lb per 1,000 sqft.
    - v. Early Winter Liming
      - 1. Product to be palletized lime applied at a rate of 25 lbs per 1,000 sqft.
  - b. Maintain turf grass areas as outlined on as needed basis but not less than 28 times per season. Included as part of the mowing process shall be the pick up and disposal of all trash and debris within the areas to be mowed and string trimming around all obstacles. Mowers shall be set to cut grass to a height of 2.5 to 3” varying with the seasonal changes. Excessive clippings shall be spread or bagged as required to prevent the build up of clippings on the surface of the lawn areas. Refer to the yellow highlighted area in Attachment 2.
  - c. Edging of bedlines and turfgrass areas adjacent to hardsurfaces shall be completed every other week.
  - d. Any debris or grass clippings generated by any site visit shall be cleared from all hardsurfaces using a broom or mechanical blower.
  - e. All hard surfaces, such as curblines, sidewalk crevices and asphalt cracks shall be treated twice per season to prevent and eliminate weed growth.
  - f. All newly installed plantings shall be treated twice per season with a full spectrum insecticide as a preventative measure. Prior to making any insecticide applications the contractor is to notify and gain approval from the owner’s representative.
- B.** The contractor shall assume responsibility to fully water all newly installed plants as well as plants that were previously installed in 2007 and 2008 (refer to Attachment 3 for location of last spring’s plantings) on a continual basis throughout the summer season. Watering shall be performed using a tanker truck holding a minimum of 1000 gals of clean water. Specifications calls for a minimum of forty (40) individual occurrences of watering for both the old plantings from last spring in addition to the newly installed plantings. If additional waterings are required over and above forty (40) occurrences, then the bidder’s “cost per visit” number from the submitted bid sheet will be charged to CFDA.
- C.** Contractor is responsible for locating, utilizing, and assuming all costs associated with a legal water source. When performing watering operations the contractor shall supply a low pressure flow of water dispersed from a controlled hose with closeable nozzle. Only individual plants shall be watered. Watering shall be done to the point of saturation, in a manner that soaks entire rootball of plant to promote root establishment.
- D.** Watering frequency will be determined in advanced in consultation with Cooper’s Ferry and based upon the forecasted weather. Typically, the week’s watering schedule will be determined on the Friday

before the upcoming week, but CFDA reserves the right to alter the schedule within a 24 hour notice.

- E. Bed maintenance should include but not limited to the removal of weeds, debris, rocks, and trash from planting beds.

## LANDSCAPE CONSTRUCTION

### A. Site Preparation:

- a. All areas proposed for planting that are currently landscaped with turf grass or other ground cover shall be sod cut to a depth of approximately 2". All materials cut and generated by this process shall be removed and disposed of at an offsite location. New screened topsoil is to be spread over the end areas to a 3" depth and then tilled into the existing soil to an 8" depth. All debris generated that is larger than 2" in diameter is to be removed. Use of non-selective herbicides to kill the existing vegetative growth does not replace the removal process, even if the existing vegetation is treated, it must still be removed and disposed of.
- b. All topsoil is to be approved by CFDA prior to its installation.
- c. Topsoil is to be consistent of fertile natural agricultural soil substantially free of subsoil and free from stumps, roots, stones, clay clumps, or any other objects larger than 2" in greatest diameter. Soil should have an organic content not less than 5% or greater than 20% and a PH not less than 5.5 nor greater than 7.6.
- d. After topsoil has been placed and spread Contractor is to rototill areas proposed for planting to an 8" depth to loosen all subsoil and incorporate new topsoil with existing subsoil's.
- e. All bed areas are to be raked and any deleterious materials generated that are greater than 2" in diameter are to be removed and disposed of.

### B. Planting:

- a. Provide trees, shrubs, ground covers and plants of quality, size, genus, species, and variety indicated, complying with applicable requirements of ANSIZ60.1 from the "American Standard for Nursery Stock"
- b. All plant materials shall be well shaped, healthy, vigorous nursery grown stock of sizes and grades indicated, free of disease, insects, eggs, larvae, and defects.
- c. Substitutions shall not be permitted. In the event that specified materials are not available contractor shall submit proof of non availability to Owners Representative along with a listing of suggested alternatives.
- d. Prior to installation of plant materials contractor shall provide the Owners Representative with the opportunity to review and approve all items. Any plants not found acceptable shall be rejected, removed from the site and replaced with an acceptable material.
- e. Stake out locations for all shade and evergreen plantings larger than 8' in height prior to actual installation. Proposed locations to be approved by Owners Representative prior to actual installation of plants.

- f. When excavating planting pits to receive new plants ensure that the planting pit is 1 – 1 1/2 times as wide as the new plants root ball. Sides of planting pits shall be vertical. Bottom of planting pit shall be excavated lower than the depth of the new root ball and filled with friable topsoil below the plant, allowing for future settlement. Center of bottom excavation shall be slightly higher than sides to allow for drainage.
- g. Final level of new root ball shall be at the same grade as from the original nursery or slightly higher. At no time shall new plantings be set at a grade lower than the original nursery grade.
- h. When backfilling new plant materials backfill material shall be topsoil placed in layers and compacted to eliminate any potential voids or air pockets. When excavation is 2/3 completed water thoroughly prior to replacing remainder of backfill.
- i. On balled and burlaped materials all burlap shall be removed from the top of the root ball and any wire cages shall be cut in not less than five locations to allow for future root growth.
- j. On containerized materials containers shall be removed and the existing fibrous root systems shall be sliced at multiple locations to deter wrap around root structures and promote a spreading root pattern. Backfilling shall be done with topsoil and watered thoroughly.
- k. When plants have been completely installed within a defined area contractor shall rake area to remove and accumulated extraneous matter and ensure that bed area has adequate drainage. Contractor shall apply a pre-emergent weed control to the surface of the soil prior to mulching at rates as recommended by the manufacturer.
- l. All newly installed plant material shall be fertilized using a 10-6-4 fertilizer with not less than 50% of its make up being organic. Fertilizer shall be applied at rates consistent with the manufacturer's recommendations.
- m. Prior to mulching operations contractor shall apply a pre-emergent weed control to all bed areas.
- n. All planting beds and individually planted items shall be mulched to a 2" depth. Mulching product shall be a black dyed wood mulch product free of any recycled construction products. Contractor to submit a sample of mulch product to the Owners Representative for approval prior to start of the mulching operation.
- o. At no time shall mulch be placed in a depth greater than 1/2 "around the neck of any plant material
- p. Upon completion of planting operations contractor shall review all plantings for damages, consistency or other items that may be detrimental to the overall aesthetic and long term prosperity of the plantings. Any and all measures to correct any deficiencies shall be undertaken immediately.
- q. All plants and materials shall be warranted for a period of 1 year from the date of acceptance by the Owners Representative. Any materials found to be unacceptable at the conclusion of the warranty period shall be replaced one time at the contractor's sole expense. Contractor shall not be liable for damages done by Acts of God, mechanical injury by others, extreme weather conditions, or any actions outside of the control of the contractor.

## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**RE:** Ground Lease between L'Oreal USA Products, Inc. ("L'Oreal") and the New Jersey Economic Development Authority ("Ground Lease")

**DATE:** February 10, 2009

### Summary:

I am requesting that the Members authorize execution of the following documents: (i) First Amendment to Developer Agreement between NJEDA and NJDOT; (ii) Agreements of Sale between NJEDA and NJDOT; (iii) Project Lease Modification between NJEDA and the AFL-CIO Building Investment Trust ("BIT"); (iv) Second Amendment to Consent Agreement between NJEDA, L'Oreal and Artken Realty, L.L.C. ("Artken"); (v) Amendment to Grant of Sanitary Sewer Easement, Amendment to Grant of Detention Basin Easements, and License Agreement among NJEDA, DeVry University, Inc. ("DeVry") and L'Oreal; and (vi) an Amendment to the Ground Lease between NJEDA and L'Oreal.

### Background:

In 2005 NJEDA bought a 25-acre vacant land site on Route 1 north, across from the Technology Centre of New Jersey, for future technology-related development. The seller, DKM Properties Corporation, had obtained approvals from NJDOT and easements with adjacent owners based on proposed office use. DKM's developer agreement with NJDOT required it to rebuild a bridge and widen a section of Route 1, and dedicate land to NJDOT, all at DKM's expense. Last year, NJDOT obtained federal and state funding and awarded a construction contract to proceed with the Route 1 bridge replacement and road widening project (the "6V Project").

At the November 2007 meeting of the Authority, the Members authorized execution of a Ground Lease with L'Oreal to develop a first phase, 200,000 to 300,000 sq. ft. R&D U.S. headquarters in North Brunswick. The Ground Lease provides that numerous conditions precedent must be met to confirm that the property is suitable for L'Oreal's intended use, including the sale of property to NJDOT on both the north and south sides of Route 1, identified as Parcels 94C, ER98, and R94A, in relation to NJDOT's 6V Project. In lieu of paying a purchase price for the strip of land needed to widen Route 1 northbound and for NJEDA's interest in property owned by the Technology Centre of New Jersey LLC on Route

1 southbound, NJDOT has agreed to construe existing highway access permits and fair share contributions in a manner that is consistent with the L'Oreal Ground Lease.

NJEDA successfully negotiated amendments to meet these and other conditions required in the Ground Lease, resulting in the following attached items for the Members' approval:

- i. First Amendment to Developer Agreement between NJDOT and NJEDA, restating our obligations to dedicate property and make fair share contributions toward NJDOT's 6V Project in lieu of NJEDA constructing roadway improvements;
- ii. NJDOT standard Agreement of Sale, for NJEDA's conveyance of property interests (fee parcels and roadway easements) in relation to the 6V Project, as outlined in the First Amendment to Developer Agreement;
- iii. Technology Centre of New Jersey LLC Project Lease Modification, to allow NJEDA to relinquish its share of the price for the fee parcel and the roadway easement on the southbound side of Route 1 (Parcel R94A) and allow our partner in the Technology Centre of New Jersey LLC (BIT) to receive consideration from NJDOT for its property interests;
- iv. Second Amendment to Consent Agreement among Artken (an adjacent property owner), L'Oreal and NJEDA, removing our obligation to improve Route 1 and the internal roadways on account of NJDOT's 6V Project;
- v. Three agreements among DeVry University (an abutting owner), L'Oreal and NJEDA – an Amendment to Grant of Sanitary Sewer Easement, Amendment to Grant of Detention Basin Easements, and License Agreement – to provide for shared use of sanitary sewer lines, a pumping station, and a storm water detention basin; and
- vi. An amendment to the Ground Lease between L'Oreal and NJEDA addressing the potential affordable housing impact fee due on the project by: a) advancing the date for submission of the site plan to North Brunswick Township for capital project review; and b) if pending legislation imposing a moratorium on the State's affordable housing impact fee is not passed in its current form, extending L'Oreal's initial rent period under the Ground Lease for two additional years.

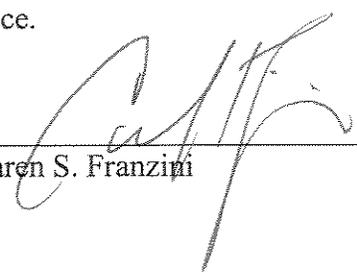
Subsequent to the Members' approval of the L'Oreal ground lease, the Legislature imposed a 2.5% affordable housing impact fee on commercial development projects. L'Oreal had not factored this cost into their initial decision to select North Brunswick over offers from competing states. Legislation is now pending that would impose an 18 month moratorium on the State's collection of this impact fee. In order to meet the conditions of the pending legislation, L'Oreal has agreed to provide to NJEDA by March 1, 2010 a completed site plan and other information and materials needed to refer the project to the North Brunswick planning board for a capital project review and L'Oreal and NJEDA agree to make good faith efforts to complete the capital project review process in advance of the July 1, 2010 date specified in the pending legislation. Further, in the event the pending legislation is not

adopted, or is modified such that the July 1, 2010 date is advanced to a date that is unattainable, then NJEDA would extend the initial \$250,000 annual ground rent period specified in the ground lease for two additional years, for a total of 6 years. Assuming L'Oreal exercises its option to purchase the land from NJEDA at the end of year 6 of the lease (as opposed to year 4, as currently provided), our rate of return on the project remains essentially unchanged. The ground lease amendment shall be subject to L'Oreal obtaining written confirmation of the project's potential affordable housing impact fee from North Brunswick's Tax Assessor prior to the end of its Due Diligence period, acceptable to L'Oreal in its sole discretion.

The attached documents are in substantially final form. The final form of the documents may be subject to revision, although the basic terms and conditions will remain consistent with their current form and the final terms will be subject to approval of the CEO and the Attorney General's Office. The final terms of the Amendment to Ground Lease will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

**Recommendation:**

I am requesting that the Members authorize the Chief Executive Officer to execute the following documents: (i) First Amendment to Developer Agreement between NJEDA and NJDOT; (ii) Agreements of Sale between NJEDA and NJDOT for Parcels 94C, ER98, and R94A; (iii) Project Lease Modification between NJEDA and the AFL-CIO Building Investment Trust; (iv) Second Amendment to Consent Agreement among NJEDA, L'Oreal and Artken; (v) Amendment to Grant of Sanitary Sewer Easement, Amendment to Grant of Detention Basin Easements, and License Agreement among NJEDA, L'Oreal and DeVry; and (vi) an Amendment to the Ground Lease between L'Oreal and NJEDA, all on final terms acceptable to the CEO and the Attorney General's Office.

  
Caren S. Franzini

Prepared by: Donna T. Sullivan  
Development Manager

Record and return to:  
The State of New Jersey  
Commissioner of Transportation

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**First Amendment to Developer Agreement**

This First Amendment to Developer Agreement (the "Amendment"), is made this \_\_\_\_ day of \_\_\_\_\_, 2008 between

The New Jersey Economic Development Authority, having an address of 36 West State Street, Trenton, New Jersey 08625, hereinafter referred to as the "NJEDA"

-and-

The State of New Jersey, acting through its Commissioner of Transportation, with an address at 1035 Parkway Avenue, Ewing, New Jersey 08648, hereinafter referred to as the "State".

W I T N E S S E T H

Whereas, DKM Properties, Inc. ("DKM") as developer, and the State, entered into a Developer Agreement dated February 3, 1995 (the "Agreement"); and

Whereas, the subject matter of the Agreement was Access Permits A-1-3-0510-92 and A-1-3-0512-92 (the "Access Permit") associated with development on Lots 1.1, 1.2 and 1.3 in Block 252 ("Lot 1.1", "Lot 1.2" and "Lot 1.3") as then shown on the tax assessment map (the "Map") of the Township of North Brunswick, County of Middlesex, State of New Jersey, and

Whereas, DKM conveyed title to Lot 1.2 to Keller School of Management, Inc., which completed development of Lot 1.2 with a 100,000 square feet educational facility and related improvements; and

Whereas, the Keller School of Management, Inc. is now known as DeVry University, Inc. and Lot 1.2 is now known as Lot 1.02 in Block 252 as shown on the Map (“Lot 1.02”); and

Whereas, Lot 1.1 has been further subdivided into Lots 1.05 in Block 252 as shown on the Map (“Lot 1.05”), now owned by the County of Middlesex, and Lot 1.06 as shown on the Map (“Lot 1.06”) now owned by NJEDA; and

Whereas, the Agreement was assigned by DKM to NJEDA by assignment dated October 25, 2004, recorded November 3, 2004 in the Middlesex County Clerk’s Office in Deed Book 5404, at Page 731 et seq. (the “Assignment”) and NJEDA is deemed the “Developer” for purposes of the Agreement; and

Whereas, the County of Middlesex has neither taken an assignment of nor assumed any obligations under the Agreement, as acknowledged by the State and set forth in the Assignment; and

Whereas, the State has issued highway access permits LS-1-0021-2004 and LS-1-C-0024-2004 on October 25, 2004 in connection with a subdivision of Lot 1.1, then known as Lot 1.04 in Block 252 as shown on the Map (“Lot 1.04”), into Lots 1.05 and 1.06; and

Whereas, Lot 1.05 has been conveyed to the County of Middlesex for open space and recreation purposes and will not be developed for commercial purposes in the future; and

Whereas, NJEDA proposes a different development of Lot 1.06 than the 693,500 square feet of office space as originally contemplated by DKM as set forth in the Agreement for Lot 1.1; and

Whereas, NJEDA has entered into a long-term lease agreement for Lot 1.06 with an option to purchase with L'Oreal USA Products, Inc., ("L'Oreal"); and

Whereas, the NJEDA and the State previously entered into letter agreements dated October 18, 2004 and October 22, 2004 (the "Letters") concerning the Agreement; and

Whereas, it is anticipated that Lot 1.06 will be developed with up to 800,000 square feet of research and development facility, and office and related uses, including, but not limited to, warehousing, light manufacturing and pilot plant and related improvements for L'Oreal (the "L'Oreal Development"); and

Whereas, the Access Permit will support the L'Oreal Development; and

Whereas, the State now plans to construct certain roadway improvements along US Route 1 adjacent to and in the vicinity of Lot 1.06 as shown on the roadway plans for US Route 1, Section 6V, dated July 2008 (hereinafter the "6V Project"); and

Whereas, the State plans to construct a temporary detour which will provide access to Lot 1.06 and Lot 1.02 during construction of the 6V Project, subject to short term construction related interruptions, in accordance with the most current detour plans included in the plans for the 6V Project which are consistent with the detour plans, dated November, 2006, a copy of which is attached hereto as **Exhibit A**, (the "Detour Plan"); and

Whereas, the Agreement, and the Schedules and the Appendices attached thereto no longer reflect the intentions of the parties with respect to improvements to Lot 1.05, Lot 1.06 and US Route 1 and requires amendment.

Now, therefore, in consideration of the mutual exchange of promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, NJEDA and the State agree to amend the Agreement as follows:

1. **Recitals.** The recitals set forth above are incorporated into this Amendment as if set forth at length.

2. **Definitions.** Terms not otherwise defined in this Amendment shall have the same meaning in this Amendment as ascribed to them in the Agreement.

3. **First Section Amendments.**

(a) The First Section of the Agreement, paragraph A2, shall now provide that the Developer will provide: (i) evidence of the “Capital Project/Courtesy Review” by the North Brunswick Planning Board with respect to the first phase of the L’Oreal Development, consisting of an approximately 200,000 to 300,000 square foot building and related parking and access (the “First Phase”), and (ii) site plan approval by the New Jersey Department of Community Affairs.

(b) The First Section of the Agreement, paragraph D, is amended to provide that the payments provided for in subparagraphs D3 c., d., e. and f. are no longer applicable.

4. **First Section Agreements.**

(a) The State acknowledges satisfaction of the requirements of the

First Section of the Agreement, paragraph A1 with respect to the Construction Contract 1.

(b) The State acknowledges completion of all construction required pursuant to First Section paragraph B1, and receipt of all fees due and owing pursuant to First Section paragraph D entitled "State Service Cost".

(c) The First Section of the Agreement, paragraphs B2, B3, B4 and B5 are no longer applicable and are superseded by the following paragraphs (d), (e) and (f).

(d) The "Site" shall be the detention basin located on Lot 1.03, the 100,000 square foot education facility located on Lot 1.02 and the up to 800,000 square feet research and development facility with offices, pilot plant, and related improvements to be located on Lot 1.06 for the use of L'Oreal.

(e) Subject to appropriation, the State will construct the 6V Project. The State has acquired all right of way necessary for completion of the 6V Project, including temporary easements and any commercial signs located on the property taken for the right of way, at the cost and expense of the State.

(f) NJEDA, or its successor owners of Lot 1.06, as applicable, will pay a fair share contribution to the State as follows:

(i) Upon issuance of a certificate of occupancy for up to 200,000 square feet of development on Lot 1.06, the sum of Three Hundred Thousand (\$300,000) Dollars;

(ii) Upon issuance of a certificate of occupancy for more than 200,000 square feet up to 300,000 square feet of development on Lot 1.06, the sum of One Hundred Thousand (\$100,000) Dollars; and

(iii) Upon issuance of a certificate of occupancy for the development on Lot 1.06 of building area in excess of 300,000 square feet in the aggregate, the sum of Two (\$2.00) Dollars per square foot of new building area in excess of 300,000 square feet in the aggregate.

(g) The State acknowledges satisfaction of the requirements of the First Section, paragraphs C, E through W and Y through Z, which paragraphs shall not apply to Developer with respect to the 6V Project.

(h) The transactions and conveyances described in paragraph 6 of this Amendment satisfy all of the obligations of the Developer under the First Section of the Agreement, paragraph X.

5. **Letters Amendment.** NJEDA shall have no obligation to construct any road improvements as set forth in the Letters.

6. **Conveyances by Developer.**

(a) In consideration for the agreements made by the State in this Amendment and other good and valuable consideration, simultaneously with the execution and delivery of this Amendment, NJEDA shall convey to the State the following interests in the described parcels of land for the price indicated (parcel descriptions correspond to the 6V Project designation for each parcel):

(i) Parcel 94C; fee parcel, \$1.00 and other good and valuable consideration;

(ii) Parcel ER98 ditch easement, \$9,900;

(iii) Parcel R94A; roadway easements, \$39,000; and

(iv) Parcel R94A fee parcel, \$1.00 and other good and

valuable consideration.

(b) All lands, easements and interests stated above shall be conveyed to the State within sixty (60) days of the execution of this Amendment. The dedication or conveyance of lands, easements and interests owned by the NJEDA in fee simple absolute shall be in fee simple absolute by bargain and sale deed with covenants against the grantor, free and clear of all liens and encumbrances. The NJEDA shall furnish the State's Case Manager with a certificate of title setting forth that the State is vested with good and marketable title. Said certificate is to be issued by a title company authorized to do business in the State of New Jersey. The dedication or conveyance of lands, easements and interests owned or controlled by the NJEDA shall be such that the NJEDA conveys to the State all of the rights, title and interest possessed by the NJEDA. The NJEDA recognizes that the lands and access rights described above have value and the NJEDA waives its right to receive compensation from the State for these lands and access rights, except as stated above. The NJEDA shall prepare all deeds for the conveyance of the lands, easements and interests described above and comply with the requirements set forth in N.J.A.C. 16:47-4.20.

7. **Second Section Amendments.**

(a) Paragraphs A, B, C, D and E of the Second Section of the Agreement have been satisfied with respect to the construction contract described in subparagraph B2 and shown on Appendix A to the Agreement ("Construction Contract 1") and shall not apply to Developer with respect to the 6V Project.

(b) Consistent with Second Section, paragraph F of the Agreement, the State will cause this Amendment to be recorded in the Middlesex County Clerk's Office.

8. Second Section Agreements.

(a) The State acknowledges that the Access Permit remains in full force and effect for up to 800,000 square feet of development on Lot 1.06. Subject to processing and approval of an Amendment to the Access Permit hereinafter described, the State agrees that an access driveway for Lot 1.06 shall be located approximately as shown on **Exhibit B** attached to this Amendment. The Access Permit Amendment shall address (i) substitution of 800,000 square feet of development on Lot 1.06 for 693,500 square feet of office building area, (ii) the name of the permittee and (iii) the plans for the First Phase of development on Lot 1.06.

(b) The State agrees that an existing six (6") inch diameter sewer force main running from a pump located in the northeast corner of Lot 1.06, through lands acquired by the State out of Lot 1.02 as described in the Deed from DeVry University, Inc. to the State, dated November 30, 2007, recorded December 7, 2007 in the Middlesex County Clerk's Office in Deed Book 5900 at Page 161, et seq., to the existing sixteen (16") inch force main running through Lot 1.02 as shown on **Exhibit C** attached to this Amendment may remain in place perpetually, provided the aforesaid pipe is maintained at no expense to State. The construction of the 6V Project will not impact the said six (6") inch sewer pipe. The six (6") inch sewer pipe does not require a permit from the State.

(c) The State acknowledges that the 6V Project will make no additional use of or require improvements to the detention basin located on Lot 1.03 then is presently provided for in paragraph 2 of the Restated and Amended Stormwater Easement Agreement between Artken Realty LLC and DKM, dated March 7, 1995 and

recorded March 10, 1995 in the Middlesex County Clerk's Office in Deed Book 4224 at Page 624 et seq. Upon acquisition of portions of Lot 6 in Block 252 as shown on the Map, the State will be a successor to Artken Realty LLC as beneficiary of the aforementioned Stormwater Easement.

(d) The State agrees that if the water supply demand for the Site requires extension of a domestic and/or fire water supply line under US Route 1 by the Township of North Brunswick, then subject to processing and approval of an application for the appropriate permit, the Township of North Brunswick may install such a water line to connect to the existing Township water line located on Lot 1.02 and Lot 1.06. The location of the connecting water line shall be subject to the approval of the State and agreement with the Township of North Brunswick.

(e) During construction of the 6V Project, including the period of use of the Detour Plan, and following completion of construction of the 6V Project, but subject to the State's right to permanently alter access to US Route 1 in accordance with the 6V Project, L'Oreal and NJEDA shall have the right to utilize the access roads that connect Lot 1.06 to both US Route 1, north and south. The State will use its best efforts to maintain access to Lot 1.06.

(f) Third Section, paragraph R shall not apply to the Developer with respect to the 6V Project.

9. **Third Section Amendments.**

(a) Third Section, Paragraph D, shall now provide for notice to L'Oreal in place of "J&J.

(b) Third Section, paragraph E, subparagraph 1 shall now provide for

notice to the NJEDA at:

36 West State Street  
P.O. Box 990  
Trenton, New Jersey 08625-0990  
Attention, Director of Real Estate Development,

With a copy to:

Edward Pillsbury  
Deputy Attorney General  
New Jersey Division of Law  
Hughes Justice Complex  
P.O. Box 106  
25 Market Street  
Trenton, New Jersey 08625-0106

(c) Third Section, paragraph E, subparagraph 3 shall now provide for notice to L'Oreal in place of "J&J" as follows:

L'Oreal USA Products, Inc.  
575 Fifth Avenue  
New York, New York 10017  
Attention: General Counsel

With a copy to:

L'Oreal USA Products, Inc.  
575 Fifth Avenue  
New York, New York 10017  
Attention: Christopher Corbett, Esq.

With a copy to:

Atlantic Real Estate Services  
5 Brier Road  
Whitehouse Station, New Jersey 08889  
Attention: Edward Dudzinski

With a copy to:

Farer Fersko  
A Professional Association  
600 South Avenue  
P.O. Box 580  
Westfield, New Jersey 07091  
Attention: John H. Hague, Esq.

(d) Third Section, paragraph J, subparagraph 1, the defend, indemnify

and save harmless provisions shall not apply to the NJEDA, but shall apply to any successor to the NJEDA that is not a public entity covered by the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.) for events occurring after the assignment. The Third Section, paragraph J shall not apply to the Developer with respect to the 6V Project.

(e) Third Section, paragraph O is amended to provide that the NJEDA will apply for the Access Conforming Lot Permits if necessary for the development of Lot 1.06 as contemplated by this Amendment.

10. **Third Section Agreements.**

(a) The State acknowledges satisfaction of the requirements of the Third Section of the Agreements, paragraphs A, B and C with respect to Construction Contract 1 which paragraphs shall not apply to the Developer with respect to the 6V Project.

(b) The State acknowledges receipt of notice pursuant to the Third Section of the Agreement, paragraph D4, that the Developer is not proceeding with the Weston Mill Corporate Center beyond Phase 1 as described in the third recital to the Agreement.

(c) The State has not previously and will not in the future, terminate the Agreement as a result of Developer not meeting the schedule for commencement of work set forth in the Third Section of the Agreement, paragraph L, which schedule is no longer applicable.

(d) The State acknowledges satisfaction with the Third Section, paragraph M requirement as to completion with respect to the Construction Contract 1, which paragraph shall not apply to the Developer with respect to the 6V Project..

11. **Ratification.** The Agreement and this Amendment taken together shall be one unified Developer Agreement. To the extent not modified by this Amendment, the terms of the Agreement remain in full force and effect and are hereby ratified.

12. **Appendices, Schedules and Exhibits.** The Appendices and Schedules attached to the Agreement, except for Appendix A, are superseded by the following Exhibits attached to this Amendment which are now made a part of the Agreement as amended by this Amendment.

Exhibit A	Detour Plan- November ,2006
Exhibit B	Driveway Location
Exhibit C	Sewer Line Location

13. **Conflicts.** In the event of a conflict or inconsistency between the terms of the Agreement and the terms of this Amendment, the terms of this Amendment shall control and be determinative.

**SIGNATURE PAGE TO FOLLOW**

In witness whereof, both parties have caused this Amendment to be signed,  
attested to and sealed.

Attest:

The New Jersey Economic Development  
Authority  
By:

---

---

Attest:

The State of New Jersey  
Commissioner of Transportation  
By:

---

---

The foregoing document has been  
reviewed and approved as to form

Attorney General of New Jersey

By: \_\_\_\_\_  
Debbie J. Thompson, Deputy  
Attorney General

Acknowledgements

State of New Jersey            )  
  ) ss:  
County of \_\_\_\_\_        )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as \_\_\_\_\_ of the New Jersey Economic Development Authority, the instrumentality of the State of New Jersey named therein and he/she thereupon acknowledged that the said instrument, made by the corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
  
(Affix notarial seal)

State of New Jersey            )  
  ) ss:  
County of \_\_\_\_\_        )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, a Notary Public of the State of Jersey, personally appeared \_\_\_\_\_ who, I am satisfied is the person who signed the within instrument as the \_\_\_\_\_ of the State of New Jersey, Department of Transportation, who acknowledged that he/she signed and had sealed and delivered the foregoing instrument as his/her voluntary act and deed as the voluntary act and deed of the State of New Jersey.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
  
(Affix notarial seal)

Exhibit A

Detour Plan – November, 2006

Exhibit B

Driveway Location

Exhibit C

Sewer Line Location

REV 6/2007

Form RE 11 A1 Fee

Route :  
Parcel  
Project

**AGREEMENT OF SALE**

**AGREEMENT MADE THIS        DAY OF        , 20**

**BETWEEN**

**HEREINAFTER REFERRED TO AS THE SELLERS,**

**WHOSE ADDRESS IS:**

**AND**

**THE STATE OF NEW JERSEY, BY THE COMMISSIONER OF TRANSPORTATION**

**HEREINAFTER REFERRED TO AS THE STATE,**

**THE SELLERS AGREE TO CONVEY TO THE STATE BY BARGAIN AND SALE DEED, WITH COVENANT AGAINST GRANTORS ACTS, FREE AND CLEAR OF ALL ENCUMBRANCES EXCEPT AS MAY BE PROVIDED FOR IN THE PARCEL DESCRIPTION ATTACHED TO THIS AGREEMENT, AND THE STATE AGREES TO PURCHASE FROM THE SELLERS,**

**FOR THE SUM OF \$)**

**Over and across the property** in the Township of \_\_\_\_\_ ,  
in the COUNTY of \_\_\_\_\_ and STATE OF NEW JERSEY,  
described in Schedule A and Exhibit B, which are attached.

Prepared for the State by \_\_\_\_\_

Buyer and seller agree to the following:

1. The cash consideration herein agreed to is to be considered by both parties as payment in full of all claims of whatever nature against the State, including claims by the sellers, their successors, assigns, tenants, lessees, or anyone acting in their behalf, for damages resulting from this acquisition. This consideration does not include payment for damages caused by the State's contractor on property retained by the Seller.
2. This agreement shall not be binding upon the State until it is formally accepted by the Commissioner of Transportation or his duly authorized representative. The State will provide the seller with a copy of this agreement after it has received the necessary approval. The State will also prepare and submit the necessary deed and other instruments of conveyance to the seller within 90 days of the transmittal of the approved agreement to the seller.
3. The State, pursuant to N.J.S.A. 20:3-26, will reimburse the seller for reasonable expenses incidental to conveying title. Attorney fees are not reimbursable.
4. The attached environmental addendum is made a part of this agreement and its terms shall not merge with the deed and shall survive the closing of title.
5. After this agreement is signed by the seller, the seller will not permit anyone, who is not already a tenant or occupant, to occupy the premises.
6. The seller shall pay all real estate taxes to the earliest of the following dates: date of delivery of deed; date the State is vested with title pursuant to N.J.S.A. 20:3-21; date the State enters into and accepts possession.
7. The seller shall pay all assessments and other municipal liens affecting the above described parcel, with the exception of farmland rollback taxes. Any rollback taxes applicable to this acquisition will be the responsibility of the State.
8. The seller shall cause to be properly released, satisfied or discharged all tenancies, mortgages, judgments and other encumbrances and shall furnish proper evidence of having done so and shall execute and deliver an affidavit of title to the State. However, the State's acquisition will be subject to all public utility easements.
9. The seller shall transfer the interest being acquired by the State in this agreement within 30 days from the date the instruments of conveyance were received from the State.
10. Payment pursuant to this agreement shall be made upon receipt of the properly executed instruments of conveyance together with all proofs which are required to convey clear title. Upon payment, the State shall be given full possession of the parcel. In lieu of possession, the State, at its sole discretion, may lease the parcel to the seller if immediate possession is not required.

REV 6/2007

10a. The Seller hereby acknowledges that it has a clear understanding that it is not required to surrender possession until such time as payment is available, provided in all other respects it has complied with the terms of the agreement and, anything else to the contrary herein notwithstanding, it voluntarily relinquishes its known payment right and agrees to vacate the property in advance of payment on or before the date herein specifically provided.

Route:  
Section:  
Parcel:

INITIALS \_\_\_\_\_

ENVIRONMENTAL ADDENDUM TO  
RIGHT OF WAY PURCHASE CONTRACT  
FOR COMMERCIAL / INDUSTRIAL

1. (a) Seller(s) represent(s) the following to the best of Seller('s) knowledge and belief: (i) the property is in compliance with all applicable local, state and federal laws, regulations, ordinances, permits, orders, and directives regarding pollutants, contaminants, hazardous waste, materials and/or substances (hereinafter collectively referred to as "contamination") or solid waste; (ii) there is no pending or contemplated proceeding or administrative action arising out of the environmental condition of the property except as provided in subparagraph (c); and (iii) the property has never been remediated; except as provided in subparagraph (c).

(b) Seller further represents that: (I) he has/they have not discharged any hazardous substances or waste; (ii) he has/they have no knowledge of any discharge of hazardous substances or waste on the property; (iii) he/they did not deposit or cause to be deposited solid waste on the property; and (iv) he has/they have no knowledge of the presence of solid waste on or buried in the property; except as provided in subparagraph (c).

(c) The following exceptions to subparagraph (a) and (b) are noted:

2. The sale price set forth in this agreement assumes there is no contamination and/or solid waste present on the property above actionable levels in excess of current applicable standards as required by the Department of Environmental Protection ("DEP"). However, where the existence of contamination or solid waste is noted in paragraph 1(c) above actionable levels as established by DEP, the sale price reflects the anticipated remediated condition of the property and not its present condition.

3. Seller shall not be relieved of any legal obligations pursuant to federal or state statutes or regulations or under common law resulting from the presence of contamination or solid waste on the property as of the date of closing or the date of vacation of the property by all occupants, whichever is later. The Department of Transportation ("DOT") does not accept any liability or responsibility of Seller(s) or any occupant. Pursuant to N.J.S.A.58:10-23.11g(d)(4), DOT is not liable for the cleanup and removal costs of any discharge which occurred or began prior to DOT's ownership.

4. The DOT shall be responsible only for the actual costs of conducting a preliminary environmental screening and assessment of the property, which shall be limited to inspection for the presence of contamination as distinguished from determining the source and extent of contamination. The failure of this screening to detect contamination or the presence of solid waste shall not be a bar to any future recovery action by the DOT in the event contamination or solid waste is discovered.

5. The provisions of this addendum shall survive the transfer of title. The DOT does not waive any rights that it may have to pursue administrative remedies or to bring suit under applicable federal or state statutes or regulations or under common law and hereby reserves the right to do so in the event any contamination or solid waste is discovered which preexisted the closing of title.

6. This contract was negotiated pursuant to the Eminent Domain Law of 1971 and is the result of bona fide negotiation.

7. This agreement will not in any way affect the jurisdiction of the DEP over the subject property.

8. The parties agree that the following remediation and/or removal of solid waste as noted in subparagraph 1(c) will be handled as follows:

**Signature**

This Agreement is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page.

Attested by:

\_\_\_\_\_  
(Print name of attesting witness below signature)

By \_\_\_\_\_  
(Print name below signature)

*Corporate Acknowledgment*

**STATE OF NEW JERSEY**

) **SS.:**

**COUNTY OF**

**I CERTIFY** that on \_\_\_\_\_, 200\_\_\_\_, \_\_\_\_\_ personally came before me and this person acknowledged under oath, to my satisfaction, that:

(a) this person is the \_\_\_\_\_ Secretary of \_\_\_\_\_ the corporation named in this Agreement;

(b) this person is the attesting witness to the signing of this agreement by the proper corporate officer who is \_\_\_\_\_,

(c) this Agreement was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;

(d) this person signed this proof to attest to the truth of these facts;

**Sworn to and subscribed before me the date aforesaid**

\_\_\_\_\_

Notary Public of



PROJECT LEASE MODIFICATION  
and  
AGREEMENT REGARDING DISTRIBUTION OF  
CONDEMNATION PROCEEDS

This Project Lease Modification and Agreement Regarding Distribution of Condemnation Proceeds, made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2009 (the "Modification and Agreement" ) is by and between:

THE AFL-CIO BUILDING INVESTMENT TRUST, acting through its trustee, PNC Bank N.A., having its office at c/o PNC Realty Investors, Inc., 1601 K Street, NW, Suite 1100, Washington, DC 20006 ("BIT" or the "Trustee" ),

and

THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, a body politic and corporate, having its office at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990 ("EDA" ).

RECITALS

WHEREAS, BIT and EDA are parties to a certain Second Amended and Restated Operating Agreement of the Technology Centre of New Jersey, L.L.C. dated as of March 19, 2003 (the "Operating Agreement" ) which set forth the terms and agreements between the parties regarding the Technology Centre of New Jersey, L.L.C. (the "Company" ); and

WHEREAS, pursuant to a certain Agreement of Project Lease dated as of March 31, 1999 (the "Project Lease" ), EDA did ground lease to the Company all of EDA' s interest (including but not limited to proceeds from condemnation taking or sale) in the approximately 50.75 acres of land (the "Land" ) described in Exhibit A to the Project Lease all in accordance with and subject to the terms, conditions and agreements more fully set forth in the Project Lease; and

WHEREAS, the New Jersey Department of Transportation ("NJDOT" ), an instrumentality of the State of New Jersey with the power to acquire property by condemnation, has undertaken a project (the "DOT 6V Project" ) to widen U.S. Route 1 southbound which borders the Land and to make other highway improvements in connection therewith; and

WHEREAS, NJDOT has determined that a portion of the Land needs to be acquired by NJDOT in fee (the "Fee Parcel" ) and a portion of the Land needs to be encumbered with roadway easements (the "Roadway Easements" ) in order to complete the DOT 6V Project all as more fully shown and depicted on Schedule A attached to this Modification and Agreement and made a part hereof; and

WHEREAS, NJDOT has offered to pay \$60,000 (the "Offer Price" ) as just compensation for acquiring the Fee Parcel and the Roadway Easement and the parties have determined that the Offer Price is a fair and reasonable price for the Fee Parcel and the Roadway Easements; and

WHEREAS, pursuant to the Operating Agreement, the Participation Percentage of BIT is 63.44%; and

WHEREAS, pursuant to the Operating Agreement, the Participation Percentage of EDA is 36.56%; and

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties, intending to be bound hereby, each of them does hereby covenant and agree with the others as follows:

1. RECITALS. The recital clauses set forth above are hereby deemed to be a part of this Modification and Agreement as though set forth verbatim at length herein. BIT and EDA hereby affirm that the Operating Agreement and the Project Lease continue to be in effect and that currently there are no defaults by either party thereunder.

2. APPROVAL AND AUTHORIZATION TO CONVEY TO NJDOT. The parties hereby confirm their approval of the Major Decision to convey the Fee Parcel and the Roadway Easements to NJDOT. EDA, as managing member of the Company, is authorized to convey the Fee Parcel and the Roadway Easements to NJDOT, subject to the terms, conditions and agreements set forth in this Modification and Agreement.

3. REDUCTION IN OFFER PRICE. EDA hereby represents and warrants to BIT that in order to accommodate NJDOT's 6V Project, EDA is willing to relinquish its Participation Percentage in the Offer Price so that, notwithstanding the Offer Price, NJDOT can acquire the Fee Parcel and the Roadway Easements for \$38,064.00 (i.e. a 36.56% reduction in the Offer Price of \$60,000). BIT hereby confirms that, subject to Paragraph 4 below, EDA may convey the Fee Parcel and the Roadway Easements to NJDOT for \$38,064.00.

4. DISTRIBUTION OF CONDEMNATION PROCEEDS. Promptly upon completing the conveyance of the Fee Parcel and the Roadway Easements to NJDOT, EDA, as managing member of the Company, shall remit

\$38,064.00 to BIT, as its Participation Percentage of the Capital Proceeds for such conveyances. EDA shall not retain for itself any of the purchase price paid by NJDOT for the Fee Parcel and the Roadway Easements.

5. LEASE MODIFICATION - FEE PARCEL. The Project Lease is modified by amending the description of the Land covered by the Project Lease to exclude the Fee Parcel immediately, automatically and without the need for any further agreement or documentation upon the conveyance of the Fee Parcel to NJDOT. Upon such conveyance of the Fee Parcel to NJDOT, the description of the Premises and Demised Premises under the Project Lease shall be amended to exclude the Fee Parcel and any reference to "Land" in the Operating Agreement shall be amended to exclude the Fee Parcel.

6. LEASE MODIFICATION - ROADWAY EASEMENTS. The Project Lease is modified by adding the Roadway Easements to the list of Permitted Exceptions set forth in Exhibit "B" of the Project Lease immediately, automatically and without the need for any further agreement or documentation upon the conveyance of the Roadway Easements to NJDOT.

7. MISCELLANEOUS.

A. This Modification and Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

B. Capitalized terms used but not otherwise defined in this Modification and Agreement shall have the meaning ascribed to them in the Operating Agreement.

C. Except as modified herein, all of the provisions of the Operating Agreement and the Project Lease shall remain in full force and effect and shall continue in their entirety.

D. This Modification and Agreement and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of New Jersey.

E. No provision of this Modification and Agreement shall be construed against or interpreted to the disadvantage of any of the parties, the parties acknowledging that they have jointly participated in the negotiation, drafting and preparation of this Modification and Agreement.

IN WITNESS WHEREOF, PNC Realty Investors, Inc., as Trustee for the AFL-CIO Building Investment Trust and the New Jersey Economic Development Authority have executed this Project Lease Modification and Agreement Regarding Distribution of Condemnation Proceeds as of the day and year first above written.

ATTEST

PNC REALTY INVESTORS, INC., as Trustee of the AFL-CIO  
BUILDING INVESTMENT TRUST

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

ATTEST

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

\_\_\_\_\_

By: \_\_\_\_\_

Caren S. Franzini  
Chief Executive Officer

Record and Return to:  
Farer Fersko  
A Professional Association  
600 South Avenue  
P.O. Box 580  
Westfield, NJ 07091  
Attention: Jack Fersko

**Second Amendment to Consent Agreement**

This second amendment to consent agreement (the “**Second Amendment**”) made as of the \_\_\_\_ day of February, 2009, by and among

Artken Realty, L.L.C. (“**Artken**”), a New Jersey limited liability company, with an office c/o Silverline Building Products Corporation, One Silverline Drive, North Brunswick, New Jersey 08902

-and-

New Jersey Economic Development Authority (“**NJEDA**”), an instrumentality of the State of New Jersey, with an office at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625,

-and-

L’Oreal USA Products, Inc. (“**L’Oreal**”), a Delaware Corporation, with an office at 133 Terminal Avenue, Clark, New Jersey 07066.

**Background**

A. NJEDA is the fee owner of Lot 1.06 in Block 252, Township of North Brunswick, Middlesex County, New Jersey (the “**NJEDA Lot**”).

B. NJEDA is the successor in title to DKM Properties Corp., (“**DKM**”) to the NJEDA Lot.

C. The NJEDA Lot was subdivided from Lot 1.04, Block 252, Township of North Brunswick, Middlesex County, New Jersey (“**Lot 1.04**”), which Lot 1.04 was owned by DKM.

D. L'Oreal has entered into an Agreement and Ground Lease (the "Lease") with NJEDA which provides, among other things, that L'Oreal has an option to purchase the NJEDA Lot.

E. On March 7, 1995, Artken and DKM entered into a Consent Agreement (the "Agreement"), recorded on March 10, 1995 in Book 4224, at Page 665, and which referenced numerous lots, including Lot 1.01 from which Lot 1.04 was subdivided.

F. The Agreement was amended by a First Amendment to Consent Agreement (the "First Amendment") on October 22, 2004, which First Amendment was recorded on November 3, 2004 in Book 5404, at Page 708. The Agreement and First Amendment are collectively referred to as the "Consent Agreement".

G. On March 7, 1995, Artken and DKM entered into a Restated and Amended Easement Agreement (the "Easement Agreement"), recorded on March 10, 1995 in Book 4224, at Page 608.

H. The parties intend to amend the Easement Agreement and to further amend the Consent Agreement pursuant to the terms and conditions set forth herein.

Now, therefore, in consideration of the premises and the mutual covenants contained in this Second Amendment, it is agreed as follows:

1. **Incorporation of Background Section.** The Background Section of this Second Amendment is incorporated herein by reference as though set forth at length herein.

2. **Defined Terms.** Words used in this Second Amendment as defined terms and not otherwise defined herein shall have the meaning ascribed to such terms in the Consent Agreement.

3. **Satisfaction and Release of NJEDA upon NJDOT Contract.** Notwithstanding anything to the contrary set forth in the Consent Agreement, Artken acknowledges that any and all obligations of NJEDA under the Consent Agreement as to the bridge abutment modifications and all other work and obligations provided for in paragraph 3 of the First Amendment shall be deemed satisfied by the work to be performed by NJDOT in the course of the section 6V improvements to Route 1, as more fully shown on Exhibit A annexed hereto and made a part hereof, as if more fully set forth at length herein (the "NJDOT 6V Project"), and effective upon the NJDOT accepting bids for construction contracts for the performance of the NJDOT 6V Project bridge replacement and underpass widening work, NJEDA and its successors and/or assigns shall automatically be released from any and all obligations of the Consent Agreement provided for in paragraph 3 of the First Amendment.

4. **Withdrawal of the NJDOT 6V Project.** In the event the NJDOT fails to accept a bid for a construction contract as is referred to in paragraph 3 above, or discontinues the NJDOT 6V Project, and as a result the bridge abutment modifications

provided for in the Agreement are not completed, then, and in that event, and notwithstanding anything to the contrary set forth in the Consent Agreement, Artken shall deem the provisions of paragraph 3 of the First Amendment to be satisfied upon (i) the performance of the work shown on Exhibit C annexed to the Agreement, as the same may be reasonably modified with the prior consent of Artken, not to be unreasonably withheld, conditioned or delayed, or (ii) completion of the overpass reconstruction as provided for in the NJDOT 6V Project.

5. **Development Limitation.** For purposes of clarification, Artken confirms that the development limitations set forth in the Consent Agreement were tied to the bridge abutment modifications only and such development limitations shall be deemed null and void upon the satisfaction of the conditions set forth in paragraph 3 or 4 of this Second Amendment. In addition, the last sentence of paragraph 1 and the last sentence of the first paragraph within paragraph 3 of the Easement Agreement are hereby deleted in their entirety.

6. **L'Oreal Development.** Upon the satisfaction of either paragraph 3 or 4 above, Artken waives any and all square footage development limitations on the NJEDA Lot.

7. **Insurance.** Upon a public taking or public dedication of the Artken Access Area (as defined in a certain agreement entitled "Restated and Amended Reciprocal Easement and Utility Agreement", dated March 7, 1995 and recorded in Deed Book 4224, at Page 730 et seq.), the insurance and indemnification provisions referred to in paragraph 5 of the First Amendment with respect to the Artken Access Areas shall be deemed terminated and of no further force or effect.

8. **Indemnification.** Artken, NJEDA and L'Oreal each state to the best of their knowledge, that they know of no claims that would give rise to Artken's right of indemnification as provided for in either the Consent Agreement or the Restated and Amended Reciprocal Easement and Utility Agreement, or both. The parties further agree, that upon written request by any of the parties, they will provide to the requesting party an estoppel certificate either stating to the best of their knowledge, that they know of no such claims, or in the alternative, identifying any such claims that they have knowledge of.

9. **Authority.** By signing this Second Amendment, the parties individually represent and warrant that they have the authority to sign this Second Amendment on behalf of the party for whom they are signing and to bind such party to this Second Amendment.

10. **Full Force and Effect.** Except as expressly provided in this Second Amendment, the terms and conditions of the Consent Agreement shall remain in full force and effect.

11. **Binding Effect.** This Second Amendment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including, without

limitation, successors and assigns in title.

12. **Miscellaneous.** In all references in this Second Amendment to any parties, persons, entities or corporation, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this Second Amendment may require.

13. **Counterparts.** This Second Amendment may be executed in any number of counterparts, each of which shall be an original and all, when taken together, shall constitute one and the same document. Transmission by facsimile of an executed counterpart of this Second Amendment shall be deemed to constitute due and sufficient delivery of such counterpart.

Signed and sealed by the parties:

Witness:

Artken Realty, L.L.C., a New Jersey limited liability company,  
By:

---

---

Witness or Attest:

New Jersey Economic Development Authority, an instrumentality of the State of New Jersey  
By:

---

---

Attest:

L'Oreal USA Products, Inc., a Delaware Corporation  
By:

---

---

Acknowledgements

State of New Jersey    )  
  ) ss:  
County of \_\_\_\_\_)

Be it remembered, that on this \_\_\_\_ day of February, 2009, before me the subscriber, personally appeared \_\_\_\_\_, one of the Members of Artken Realty, L.L.C., the Limited Liability Company named in and on whose behalf he/she executed the within instrument, and thereupon he/she acknowledged that he/she signed, sealed and delivered the same as the act and deed of the Limited Liability Company for the uses and purposes therein expressed.

\_\_\_\_\_  
A Notary Public of New Jersey  
My Commission Expires: \_\_\_\_\_\  
(Affix notarial seal)

State of New Jersey    )  
  ) ss:  
County of Mercer        )

Be it remembered, that on this \_\_\_\_ day of February, 2009, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as \_\_\_\_\_ of New Jersey Economic Development Authority, an instrumentality of the State of New Jersey, and he/she thereupon acknowledged that the said instrument, made by the New Jersey Economic Development Authority and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of New Jersey Economic Development Authority, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
  
(Affix notarial seal)

State of New Jersey    )  
  ) ss:  
County of Union         )

Be it remembered, that on this \_\_\_\_ day of February, 2009, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as President of L'Oreal USA Products, Inc., a Delaware Corporation and he/she thereupon acknowledged that the said instrument, made by the Corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the Corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

(Affix notarial seal)

Record and return to:

Farer Fersko  
A Professional Association  
600 South Avenue  
P.O. Box 580  
Westfield, NJ 07091  
Attention: Regina E. Schneller

**Amendment to Grant of Sanitary Sewer Easement**

This amendment to grant of sanitary sewer easement (the "Amendment") made as of the \_\_\_\_ day of \_\_\_\_\_, 2008, by and between

New Jersey Economic Development Authority ("NJEDA"), an instrumentality of the State of New Jersey, with an office at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625

-and-

DeVry University, Inc., an Illinois corporation, successor by merger to DeVry University, Inc., a Delaware corporation, successor by merger to Keller Graduate School of Management, Inc. ("DeVry"), a Delaware Corporation, with an office at One Tower Lane, Suite 1000, Oakbrook Terrace, Illinois 60181

**Background**

- A. NJEDA is the fee owner of Lot 1.06 in Block 252, Township of North Brunswick, Middlesex County, New Jersey (the "NJEDA Lot")
- B. NJEDA is the successor in title to DKM Properties Corp. ("DKM") to the NJEDA Lot.
- C. The NJEDA Lot was subdivided from Lot 1.04, Block 252, which was subdivided from Lot 1.01, Block 252 (formerly known as Lot 1.1).
- D. DeVry is the fee owner of Lot 1.02 (formerly Lot 1.2) in Block 252 (the "DeVry Lot"), a portion of which was taken by the State of New Jersey, Department of

Transportation by Deed dated November 30, 2007 and recorded on December 11, 2007 in Book 05900, Page 0161 (the "Taking").

E. The DeVry Lot, as reconstituted by reason of the Taking, shall be referred to herein as the "New DeVry Lot".

F. DKM, as grantor, and Keller Graduate School of Management, Inc. (Now DeVry), as grantee, executed a Grant of Sanitary Sewer Easement, recorded on March 10, 1995 in the office of the Clerk of Middlesex County in Book 4224 at Page 717 (the "Easement Agreement").

G. The Easement Agreement, pursuant to its terms, granted certain rights to DeVry to connect to the sanitary sewer pump station located on the NJEDA Lot, subject to the provisions of the Easement Agreement.

H. The NJEDA and L'Oreal USA Products, Inc. ("L'Oreal") have entered into an Agreement and Ground Lease dated the 18<sup>th</sup> of December, 2007 (the "Lease") for the development of the NJEDA Lot.

I. The parties wish to amend the Easement Agreement pursuant to the provisions of this Amendment to provide for an easement to NJEDA from DeVry over the New DeVry Lot to permit NJEDA to connect to the existing sixteen (16") inch sewer line located on the New DeVry Lot, and referred to in the Easement Agreement.

J. L'Oreal joins in this Amendment to confirm the agreement to be legally bound to the terms and conditions imposed on L'Oreal as set forth herein.

Now, therefore, in consideration of the premises and the mutual covenants contained in this Amendment it is agreed as follows:

1. **Incorporation of Background Section.** The Background Section of this Amendment is incorporated herein by reference as if set forth at length.

2. **Defined Terms.** Words used in this Amendment as defined terms and not otherwise defined herein shall have the meaning ascribed to such terms in the Easement Agreement.

3. **Amendment.** The Easement Agreement is amended as follows:

(a) The following subparagraph 1.1.1 is added to Section 1.1 of the Easement Agreement:

1.1.1 DeVry hereby grants, bargains, sells and conveys to the NJEDA, its successors and assigns, including, without limitation, tenants of the NJEDA Lot, absolutely and forever, a perpetual non-exclusive easement and right-of-way in, upon, on, over, under and through the New DeVry

Lot for use in common with DeVry, for the purpose of access to, operating, inspecting, installing, reconstructing, repairing, maintaining, altering and replacing required existing appurtenant pipes and other facilities required for the NJEDA to tap into, and connect to, the existing sixteen (16") inch line located on the New DeVry Lot (which line originated from Lot 6.1, Block 252, crosses Lot 7, Block 252 and then crosses the New DeVry Lot) from the sanitary sewer pump station located on the NJEDA Lot (the "NJEDA Easement"). The location of the NJEDA Easement is more particularly shown on the annexed Exhibit A which is incorporated herein by reference as if more fully set forth at length (the "NJEDA Easement Area").

(b) The following subparagraph 1.3.1 shall be added to Section 1.3 of the Easement Agreement:

1.3.1 DeVry for itself and its heirs, executors, administrators, successors and assigns reserves the right to use the New DeVry Lot for any purposes not inconsistent with the terms of the NJEDA Easement, provided same do not materially interfere with or prevent the use of the NJEDA Easement for the purposes intended herein, and provided further that nothing contained herein nor the exercise of any rights granted to NJEDA hereunder shall unreasonably interfere with DeVry's reasonable use of the New DeVry Lot, inclusive of the NJEDA Easement Area.

(c) Section 2.1 of the Easement Agreement is amended to provide that the reference to "Easement Area" shall be deemed to include both the Easement Area and the NJEDA Easement Area.

(d) Section 3.2 of the Easement Agreement is amended to provide that the reference to "Pump Station" shall be deemed to include both the Pump Station and the common pipes which lead from the Pump Station to the existing sixteen (16") line located in the New DeVry Lot and as more fully shown on Exhibit A.

(e) The following subparagraph 3.5.1 shall be added to Section 3.5 of the Easement Agreement:

3.5.1 Upon connection of L'Oreal's sewer system to the Pump Station, L'Oreal shall maintain commercial general liability insurance covering the NJEDA Easement Area in an amount not less than \$3,000,000 combined single limit for personal injury, bodily injury, death, disease and damage or injury to or destruction of property occurring

upon, in or about the NJEDA Easement Area, as a result of the acts or omissions of L'Oreal, written on an occurrence basis and naming DeVry as an additional insured.

(f) Section 4.6 of the Easement Agreement is replaced with the following sections 4.6.1, 4.6.2, 4.6.3 and 4.6.4:

4.6.1 DeVry shall indemnify, defend and save NJEDA and L'Oreal, its successors and assigns, harmless from any and all claims, causes of action, fees, costs and demands, whether for injuries to persons or loss of lives or damages to property occurring in, on or about the Easement Area which may be caused by the negligent acts or omissions of DeVry, its agents, servants, employees, invitees or lessees or in the exercise of its rights under the Easement Agreement.

4.6.2 L'Oreal, its successors and assigns, shall indemnify, defend and save DeVry harmless from any and all claims, causes of action, fees, costs and demands, whether for injuries to persons or loss of lives or damages to property occurring in, on or about the NJEDA Easement Area which may be caused by the negligent acts or omissions of L'Oreal, its agents, servants, employees, invitees or lessees or in the exercise of its rights under the Easement Agreement (as amended by this Amendment).

4.6.3 In that NJEDA is a public entity covered by the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), NJEDA is fully released from any and all obligations to indemnify, hold harmless, or defend any party, person, business entity or public agency under the Easement Agreement.

4.6.4 Upon transfer of title to either the NJEDA Lot (other than to L'Oreal), or the DeVry Lot, the indemnification by the transferor shall be limited to events occurring during the period of time such transferor held title to such lot and transferor shall not be liable for events occurring after title is transferred to a transferee.

4. **Authority.** By signing this Amendment, the parties individually represent and warrant that each have the authority to sign this Amendment on behalf of the party for whom they are signing and to bind such party to this Amendment.

5. **Full Force and Effect.** Except as expressly provided in this Amendment, the terms and condition of the Easement Agreement shall remain in full force and effect.

6. **Binding Effect.** This Amendment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including, without limitation, successors and assigns in title.

7. **Miscellaneous.** In all references in this Amendment to any parties, persons, entities or corporations, the use of any particular gender or the plural or singular

number is intended to include the appropriate gender or number as the text of this Amendment may require.

8. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be an original and all, when taken together, shall constitute one and the same document.

Signed and sealed by the parties:

Witness or Attest:

New Jersey Economic Development  
Authority, an instrumentality of the State of  
New Jersey

By:

\_\_\_\_\_

\_\_\_\_\_

Attest:

DeVry University, Inc., an Illinois  
corporation,

By:

\_\_\_\_\_

\_\_\_\_\_

, Secretary

, President

Agreed to and Accepted by  
L'Oreal USA Products, Inc.

By: \_\_\_\_\_

Name:

Title:

Acknowledgements

State of New Jersey    )  
                                  ) ss:  
County of \_\_\_\_\_)

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 2008, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as \_\_\_\_\_ of New Jersey Economic Development Authority, an instrumentality of the State of New Jersey, and he/she thereupon acknowledged that the said instrument, made by the New Jersey Economic Development Authority and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of New Jersey Economic Development Authority, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
(Affix notarial seal)

State of \_\_\_\_\_)  
                                  ) ss:  
County of \_\_\_\_\_)

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as President of DeVry University, Inc., the Corporation named therein and he/she thereupon acknowledged that the said instrument, made by the Corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the Corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
(Affix notarial seal)

State of \_\_\_\_\_ )

ss:

County of \_\_\_\_\_ )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as \_\_\_\_\_ of L'Oreal USA Products, Inc., the Corporation named therein and he/she thereupon acknowledged that the said instrument, made by the Corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the Corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

(Affix notarial seal)

Exhibit A

## Amendment to Grant of Detention Basin Easements

This amendment is made and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2008, (the "Amendment") by the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (the "NJEDA"), an instrumentality of the State of New Jersey, with an address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990.

### BACKGROUND

A. WHEREAS DKM Properties Corp., a New Jersey corporation ("DKM"), was previously the owner of approximately 67.29 acres, known and designated as Lot 1 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey ("Lot 1").

B. WHEREAS DKM subdivided Lot 1 pursuant to a deed dated March 7, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4224, Page 685, on March 10, 1995, which subdivision created new Lot 1.1 consisting of approximately 49.28 acres.

C. WHEREAS DKM further subdivided Lot 1 pursuant to a deed dated March 7, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4224 Page 702, which deed created and conveyed "New Lot 1.2" in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey, consisting of approximately 15 acres, to Keller Graduate School of Management, Inc., a Delaware Corporation; now known as DeVry University, Inc., an Illinois corporation, successor by merger to DeVry University, Inc., a Delaware corporation, successor by merger to Keller Graduate School of Management, Inc., a Delaware Corporation ("DeVry"), which lot is now known and designated as Lot 1.02 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey ("Lot 1.02").

D. WHEREAS DKM further subdivided Lot 1 pursuant to a deed dated March 7, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4224, Page 697, on March 10, 1995, which deed created and conveyed "New Lot 1.03" consisting of approximately 2.29 acres of land, to DKM-Atlantic Two Corp., a New Jersey corporation ("DKM-Atlantic"), which lot is now known and designated as Lot 1.03 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey ("Lot 1.03") and is improved with a detention basin (the "Detention Basin"), as provided for in the Detention Basin Easement described in background paragraph H below.

E. WHEREAS DKM subdivided Lot 1.1, which was then known and designated as Lot 1.04 on the Tax Map of North Brunswick, Middlesex County, New Jersey, consisting of approximately 49.28 acres ("Lot 1.04"), pursuant to a deed dated October 25, 2004, and recorded in the Middlesex County Clerk's Office at Deed Book 5404, Page 743, on November 3, 2004, which deed conveyed new Lot 1.05 in Block 252

on the Tax Map of the Township of North Brunswick, consisting of approximately 24.516 acres ("Lot 1.05"), to the County of Middlesex for open space purposes.

F. WHEREAS DKM thereafter conveyed the remainder of Lot 1.04 to the NJEDA by deed dated October 25, 2004, and recorded in the Middlesex County Clerk's Office at Deed Book 5404 Page 758, on November 3, 2004, consisting of approximately 24.778 acres, which portion was designated as Lot 1.06 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey ("Lot 1.06").

G. WHEREAS DKM-Atlantic conveyed Lot 1.03 to the NJEDA by deed dated October 25, 2004, and recorded in the Middlesex County Clerk's Office at Deed Book 5404, Page 753, on November 3, 2004.

H. WHEREAS DKM-Atlantic, DKM and DeVry, entered into a certain Grant of Detention Basin Easements dated March 7, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4224, Page 709 on March 10, 1995 (the "Detention Basin Easement"), which easement reserved certain rights to the owner of Lot 1.03, its successors and assigns, to permit the owner of the property formerly known as Lot 1.1 to enlarge the Detention Basin in connection with the development of the property formerly known as Lot 1.1.

I. WHEREAS the NJEDA, as successor in interest to DKM as to ownership of Lot 1.06 and DKM-Atlantic as to ownership of Lot 1.03, intended that the easement rights established by the Detention Basin Easement continue to benefit Lot 1.06 and burden Lot 1.03 and not merge.

J. WHEREAS the NJEDA wishes to convey, as successor in title to DKM-Atlantic of Lot 1.03, to the owner of Lot 1.06, the right to enlarge the Detention Basin in connection with the development of Lot 1.06.

K. WHEREAS DKM and DeVry also entered into a Grant of Storm Waterline Easement dated October 3, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4294, Page 571 on January 2, 1996 (the "Waterline Easement"), by which DeVry, as owner of Lot 1.02, granted to DKM, as owner of Lot 1.1, a temporary 52 foot easement and a permanent 30 foot easement in, upon, over, under and through Lot 1.02 for the purpose of constructing, installing, operating, inspecting, repairing, maintaining, altering, replacing and removing, from time to time, a 27 inch (+/-) storm waterline inclusive of the pipes, mains, interceptors, connections and any and all other appurtenant facilities for the closed, underground transmission of storm water (the "Storm Waterline").

Now, therefore, the NJEDA as successor to both DKM and DKM-Atlantic hereby amends the Detention Basin Easement as follows:

## Amendment

1. **Background.** The Background section of this Amendment is incorporated herein by reference as if set forth at length. The NJEDA hereby declares that the Detention Basin Easement remains in full force and effect and has not merged.

2. **Conveyance.** NJEDA, as owner of Lot 1.03, hereby grants, bargains, sells and conveys to the owner of Lot 1.06, its successors and assigns, the exclusive right to enlarge the Detention Basin to its maximum capacity in connection with the development of Lot 1.06 and all rights to all drainage capacity resulting from the enlargement of the Detention Basin, in addition to all other drainage rights currently existing of record in favor of Lot 1.06.

3. **Nature of Development.** DeVry is signing this amendment to acknowledge that Lot 1.06 may be developed in accordance with the terms of a certain Agreement and Ground Lease entered into between the NJEDA and L'Oreal USA Products, Inc., a Delaware Corporation, dated December 18, 2007 (the "Lease"), which provides for the construction of a multi-phase research and development facility consisting of up to 800,000 square feet of offices, laboratories, pilot plants, warehousing and/or support facilities to be operated on Lot 1.06. DeVry recognizes that the development provided for under the Lease is different in scope from the Weston Mill Project referred to in the Detention Basin Easement.

4. **Waterline Easement.** In connection with the rights granted to NJEDA, as successor in title to DKM under the Waterline Easement, the Storm Waterline shall be constructed to flow from Lot 1.06 through Lot 1.02 and extended through Lot 1.03, to connect with the drainage outfall system constructed by DKM pursuant to a certain Grant of Storm Waterline Easement, dated March 7, 1995 and recorded with the Middlesex County Clerk's Office at Deed Book 4224, Page 624 on March 10, 1995, without connecting to the Detention Basin located on Lot 1.03. The placement and construction of the Storm Waterline shall not interfere with the Detention Basin, its continual use and capacity. By executing this Amendment DeVry acknowledges the grant of additional rights for the benefit of Lot 1.06.

5. **Construction Easement.** All construction performed in connection with the Detention Basin Easement and the Storm Waterline shall be performed by L'Oreal in accordance with the terms of a certain license agreement entered into by the NJEDA and L'Oreal contemporaneously herewith (the "License Agreement").

6. **Recordation.** The parties hereto agree that this Amendment shall be recorded in the Middlesex County Clerk's Office.

7. **Authority.** By signing this Amendment, the parties individually represent and warrant that they have the authority to sign this Amendment on behalf of the party for whom they are signing and to bind such party to this Amendment.

8. **Full Force and Effect.** Except as expressly provided in this Amendment, the terms and conditions of the Detention Basin Easement and the Waterline Easement shall remain in full force and effect.

9. **Binding Effect.** This Amendment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including, without limitation, successors and assigns in title.

10. **Miscellaneous.** In all references in this Amendment to any parties, persons, entities or corporation, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this Amendment may require.

11. **Counterparts.** This Amendment may be executed in any number of counterparts, each of which shall be an original and all, when taken together, shall constitute one and the same document.

Signed and sealed by the parties:

Attest:

New Jersey Economic Development  
Authority  
By:

\_\_\_\_\_  
David E. Nuse  
Director of Real Estate Division

\_\_\_\_\_  
Caren S. Franzini  
Chief Executive Officer

Attest:

DeVry University, Inc., successor by  
merger to Keller Graduate School of  
Management, Inc.  
By:

\_\_\_\_\_  
[Kenneth Rutkowski, Vice President]

State of New Jersey )  
 ) ss:  
County of \_\_\_\_\_ )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as \_\_\_\_\_ of the New Jersey Economic Development Authority, the instrumentality of the State of New Jersey named therein and he/she thereupon acknowledged that the said instrument, made by the corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

(Affix notarial seal)

State of \_\_\_\_\_ )  
 ) ss:  
County of \_\_\_\_\_ )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as President of DeVry University, Inc., the Corporation named therein and he/she thereupon acknowledged that the said instrument, made by the Corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the Corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

(Affix notarial seal)

Record and Return to:

Jack Fersko, Esq.  
Farer Fersko, PA  
600 South Avenue  
P.O. Box 580  
Westfield, NJ 07091

## License Agreement

This license agreement is made and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2008, (the “**License**”) by and between the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (the “**NJEDA**” or “**Licensor**”), an instrumentality of the State of New Jersey, with an address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990 and L’Oreal USA Products, Inc., a Delaware Corporation, (“**L’Oreal**” or “**Licensee**”), with an office at 133 Terminal Avenue, Clark, New Jersey 07066.

## BACKGROUND

A. WHEREAS DKM Properties Corp., a New Jersey corporation (“**DKM**”), was previously the owner of approximately 67.29 acres, known and designated as Lot 1 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey (“**Lot 1**”).

B. WHEREAS DKM subdivided Lot 1 pursuant to a deed dated March 7, 1995, and recorded in the Middlesex County Clerk’s Office at Deed Book 4224, Page 685, on March 10, 1995, which subdivision created new Lot 1.1 (“**Lot 1.1**”) consisting of approximately 49.28 acres.

C. WHEREAS DKM subdivided Lot 1 pursuant to a deed dated March 7, 1995, and recorded in the Middlesex County Clerk’s Office at Deed Book 4224 Page 702, which deed created and conveyed “New Lot 1.2” in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey, consisting of approximately 15 acres, to Keller Graduate School of Management, Inc., a Delaware Corporation; now known as DeVry University, Inc., an Illinois corporation, successor by merger to DeVry University, Inc., a Delaware corporation, successor by merger to Keller Graduate School of Management, Inc., a Delaware Corporation (“**DeVry**”), which lot is now known and designated as Lot 1.02 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey (“**Lot 1.02**”).

D. WHEREAS DKM further subdivided Lot 1 pursuant to a deed dated March 7, 1995, and recorded in the Middlesex County Clerk’s Office at Deed Book 4224, Page 697, on March 10, 1995, which deed created and conveyed “New Lot 1.03” consisting of approximately 2.29 acres of land, to DKM-Atlantic Two Corp., a New Jersey corporation (“**DKM-Atlantic**”), which lot is now known and designated as Lot 1.03 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey (“**Lot 1.03**”) and is improved with a detention basin (the “**Detention Basin**”), as provided for in the Detention Basin Easement described in background paragraph H below.

E. WHEREAS DKM further subdivided the remaining portion of Lot 1.1, which portion was then known and designated as Lot 1.04 on the Tax Map of North

Brunswick, Middlesex County, New Jersey, consisting of approximately 49.28 acres ("Lot 1.04"), pursuant to a deed dated October 25, 2004, and recorded in the Middlesex County Clerk's Office at Deed Book 5404, Page 743, on November 3, 2004, which deed conveyed new Lot 1.05 in Block 252 on the Tax Map of the Township of North Brunswick, consisting of approximately 24.516 acres ("Lot 1.05"), to the County of Middlesex for open space purposes.

F. WHEREAS DKM thereafter conveyed the remainder of Lot 1.04 to the NJEDA by deed dated October 25, 2004, and recorded in the Middlesex County Clerk's Office at Deed Book 5404, Page 758, on November 3, 2004, consisting of approximately 24.778 acres, which portion was designated as Lot 1.06 in Block 252 on the Tax Map of the Township of North Brunswick, Middlesex County, New Jersey ("Lot 1.06").

G. WHEREAS DKM-Atlantic conveyed Lot 1.03 to the NJEDA by deed dated October 25, 2004, and recorded in the Middlesex County Clerk's Office at Deed Book 5404, Page 753, on November 3, 2004.

H. WHEREAS DKM-Atlantic, DKM and DeVry, entered into a certain Grant of Detention Basin Easements dated March 7, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4224, Page 709 on March 10, 1995 (the "**Detention Basin Easement**"), which easement reserved certain rights to the owner of Lot 1.03, its successors and assigns, to permit the owner of the property formerly known as Lot 1.1 to enlarge the Detention Basin in connection with the development of the property formerly known as Lot 1.1.

I. WHEREAS the NJEDA, as successor in interest to DKM as to ownership of Lot 1.06 and DKM-Atlantic as to ownership of Lot 1.03, intended that the easement rights established by the Detention Basin Easement continue to benefit Lot 1.06 and burden Lot 1.03 and not merge.

J. WHEREAS the Detention Basin Easement was amended by the Amendment of Grant of Detention Basin Easements dated \_\_\_\_\_ (the "**Amendment**") pursuant to which the NJEDA, as successor in title to DKM of Lot 1.03, conveyed to the owner of Lot 1.06 the exclusive right to enlarge the Detention Basin in connection with the development of Lot 1.06 as well as the right to all drainage capacity resulting from the enlargement of the Detention Basin.

K. WHEREAS the NJEDA and L'Oreal have entered into an Agreement and Ground Lease dated the 18th day of December, 2007 (the "**Lease**"), for the development of Lot 1.06, which Lease requires the NJEDA to grant to L'Oreal the right to expand the Detention Basin on Lot 1.03 in connection with the development of Lot 1.06 by L'Oreal and the right to all drainage capacity resulting from the enlargement of the Detention Basin.

L. WHEREAS the parties wish to confirm L'Oreal's right, as the tenant of Lot 1.06, and in connection with L'Oreal's development of Lot 1.06, to enlarge the

Detention Basin and the right to all drainage capacity resulting from the enlargement of the Detention Basin.

M. WHEREAS DKM and DeVry also entered into a Grant of Storm Waterline Easement dated October 3, 1995, and recorded in the Middlesex County Clerk's Office at Deed Book 4294, Page 571 on January 2, 1996 (the "**Waterline Easement**"), by which DeVry, as owner of Lot 1.02, granted to DKM, as owner of Lot 1.1, a temporary 52 foot easement and a permanent 30 foot easement in, upon, over, under and through Lot 1.02 for the purpose of constructing, installing, operating, inspecting, repairing, maintaining, altering, replacing and removing, from time to time, a 27 inch (+/-) storm waterline inclusive of the pipes, mains, interceptors, connections and any and all other appurtenant facilities for the closed, underground transmission of storm water (the "**Storm Waterline**").

Now, therefore in consideration of the sum of Ten (\$10.00) Dollars, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensor and Licensee agree as follows:

#### License

1. **Background**. The Background section of this License is incorporated herein by reference as if set forth at length.

2. **Conveyance**.

a. Licensor hereby grants, conveys and licenses to Licensee, its successors and assigns, the irrevocable right to enlarge the Detention Basin to its maximum capacity in connection with Licensee's development of Lot 1.06, and the right to all drainage capacity resulting from the enlargement of the Detention Basin in addition to all other drainage rights currently existing of record in favor of Lot 1.06.

b. Licensor hereby further grants, conveys and licenses to Licensee, its successor and assigns, the rights granted by the Waterline Easement, including, without limitation, a temporary 52 foot non-exclusive easement in, upon, over, under and through Lot 1.02 for the purpose of constructing and installing the Storm Waterline, and a permanent and perpetual 30 foot non-exclusive easement in, upon, over, under and through Lot 1.02 for the purpose operating, inspecting, repairing, maintaining, altering, replacing and removing, from time to time, the Storm Waterline.

3. **Term**. This License shall be coterminous with the Lease, including without limitation, all renewals and extensions thereof.

4. **Waterline Easement**. In connection with the rights granted to NJEDA, as successor in title to DKM under the Waterline Easement, the parties acknowledge that the Storm Waterline shall be constructed to flow from Lot 1.06 through Lot 1.02 and extended through Lot 1.03, to connect with the drainage outfall system constructed by

DKM pursuant to a certain Grant of Storm Waterline Easement, dated March 7, 1995 and recorded with the Middlesex County Clerk's Office at Deed Book 4224, Page 624, on March 10, 1995, without connecting to the detention basin located on Lot 1.03. The placement and construction of the Storm Waterline shall not interfere with the detention basin, its continual use and capacity.

5. **Government Approvals.** L'Oreal, with the assistance of the NJEDA (which assistance will not require the NJEDA to expend any of its own funds), will be responsible for making application for and obtaining any and all governmental approvals needed for or in connection with enlarging the capacity of the Detention Basin.

6. **Costs.** L'Oreal will be responsible for any and all costs of constructing improvements that enlarge the capacity of the Detention Basin.

7. **Compliance with Law.** Construction contracts for enlarging the Detention Basin capacity will comply with the requirements of the Prevailing Wage Act (N.J.S.A. 34:11-56.25) and affirmative action requirements of the NJEDA (N.J.A.C. 17:27-1.1 et. seq.).

8. **Maintenance.** L'Oreal will be solely responsible to pay the proportionate share of Detention Basin maintenance, repair and replacement costs attributable to the development of Lot 1.06 in accordance with the terms of the Detention Basin Easement and the Amendment.

9. **Indemnity.** L'Oreal, its successors and assigns, shall defend, indemnify, protect, save and hold harmless the NJEDA, its officers, commissioners, directors, members, agents, servants and employees from and against any and all suits, claims, demands or damages related to or arising out of the enlargement of the Detention Basin capacity or the use of the Detention Basin Easement by L'Oreal, including but not limited to reasonable costs of investigation, expert witnesses and counsel fees; provided, however, such indemnification shall not extend to the acts or omissions of the NJEDA, its officers, commissioners, directors, members, agents, servants and employees. The provisions of this paragraph shall survive the expiration or earlier termination of this License. Upon transfer of title to Lot 1.06 (other than to L'Oreal), the indemnification of the transferor shall be limited to events occurring during the period of time such transferor held title to such lot and transferor shall not be liable for events occurring after title is transferred to a transferee.

10. **Insurance.** L'Oreal hereby agrees that L'Oreal's obligations to maintain insurance coverage as set forth in Article XXIII of the Lease shall extend and apply to the enlargement and use of the Detention Basin by L'Oreal.

11. **Recordation.** The parties hereto agree that this License shall be recorded in the Middlesex County Clerk's Office.

12. **Authority.** By signing this License, the parties individually represent and warrant that they have the authority to sign this License on behalf of the party for whom they are signing and to bind such party to this License.

13. **Binding Effect.** This License shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including, without limitation, successors and assigns in title.

14. **Miscellaneous.** In all references in this License to any parties, persons, entities or corporation, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this License may require.

15. **Counterparts.** This License may be executed in any number of counterparts, each of which shall be an original and all, when taken together, shall constitute one and the same document.

Signed and sealed by the parties:

Attest:

New Jersey Economic Development  
Authority  
By:

\_\_\_\_\_  
David E. Nuse  
Director of Real Estate Division

\_\_\_\_\_  
Caren S. Franzini  
Chief Executive Officer

Attest:

L'Oreal USA Products, Inc., a  
Delaware corporation  
By:

\_\_\_\_\_

\_\_\_\_\_

Acknowledgements

State of New Jersey            )  
  ) ss:  
County of \_\_\_\_\_            )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as \_\_\_\_\_ of the New Jersey Economic Development Authority, the instrumentality of the State of New Jersey named therein and he/she thereupon acknowledged that the said instrument, made by the corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

(Affix notarial seal)

State of New Jersey            )  
  ) ss:  
County of \_\_\_\_\_            )

Be it remembered, that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me the subscriber, personally appeared \_\_\_\_\_, who, I am satisfied, is the person who signed the within instrument as President of L'Oreal USA Products, Inc., the Corporation named therein and he/she thereupon acknowledged that the said instrument, made by the Corporation and sealed with its corporate seal, was signed, sealed with the corporate seal and delivered by him/her as such officer and is the voluntary act and deed of the Corporation, made by virtue of authority from its Board of Directors.

\_\_\_\_\_  
A Notary Public of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

(Affix notarial seal)

Record and Return to:  
Jack Fersko, Esq.  
Farer Fersko, PA  
600 South Avenue  
P.O. Box 580  
Westfield, NJ 07091

## **AUTHORITY MATTERS**



## MEMORANDUM

To: Members of the Board

From: Caren Franzini  
Chief Executive Officer

Date: February 10, 2009

Subject: Appointment of Staff to the Fort Monmouth Economic Revitalization Planning Authority

### **Request:**

The Members are asked to appoint Tim Lizura to the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) Board.

### **Background:**

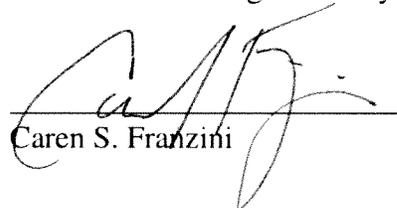
Pursuant to P.L. 2007, c. 253, the Board of Directors of the former New Jersey Commerce Commission had the ability to appoint an ex officio and voting member of the FMERPA Board. This power was transferred to the EDA through the Commerce Reorganization Bill, P.L. 2008, c. 27.

Mr. Lizura is Senior Vice President – Business Development at the Authority. In this role he is responsible for the EDA's sales strategies and processes to support regional business development, urban development, real estate site solutions, and the growth of technology and life sciences industry in New Jersey.

Mr. Lizura brings to the FMERPA Board his previous experience at the EDA as Director – Real Estate as well as his tenure as Director of World Trade Center Redevelopment/Deputy Director of Redevelopment at the Port Authority of NY & NJ. In this capacity, he was responsible for overseeing all redevelopment activities for the commercial interests of the World Trade Center site in lower Manhattan.

### **Recommendation:**

Based on the above, it is recommended that Tim Lizura be appointed as the Authority's representative on the Fort Monmouth Economic Revitalization Planning Authority Board.

  
Caren S. Franzini



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Caren S. Franzini  
Chief Executive Officer

**RE:** Amendment – New Jersey Main Street Business Assistance Program

**DATE:** February 10, 2009

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### Request:

The Members are requested to approve an amendment to the Main Street Business Assistance Program. This program is part of Governor Corzine's New Jersey Economic Assistance and Recovery Plan, in accordance with the Main Street Business Assistance Act that was enacted December 16, 2008. The Act directs the Authority to provide loan and guarantee products in support of small and mid-size business and not for profit corporations that have the greatest potential for stimulating economic growth during the current challenging economic climate.

Main Street became operational on January 2, 2009 and was approved to provide for bank participations and/or guarantees through EDA participating banks for the loan portion of the program. However, in order to meet the needs of Borrowers whose banks may not be participating banks, we would like to add a provision for direct loans to be made under Main Street. All other criteria, including collateral, credit scores, debt service, and EDA percentage of total debt will remain the same whether the loan is a direct loan or bank participation. The amendment requested allows for a direct loan with loan documents signed by the Borrower and the EDA versus a participation agreement between the bank and the EDA.

This request would allow New Jersey companies to avail themselves of the Main Street Business Assistance Program even if their bank is not a participating EDA bank. Our ability to approve the transactions on a direct basis would allow the company to obtain the financing it requires from both the bank and the EDA. The addition of the direct loan component under the Main Street program has been discussed with both Bette Renaud, DAG and Ray Burke, Board Member and Chairman of the DLRC, both of whom agree with the need for this amendment.

To provide additional clarity, the following chart outlines which aspects of Main Street would be available to each type of bank:

<b>Non-Participating Bank</b>	<b>Participating Bank</b>	<b>Preferred Lender</b>
Direct Loan	Direct Loan	Direct Loan
	Loan Participation	Loan Participation
	Loan Guarantee	Loan Guarantee
		Line of Credit Guarantee

**Background:**

Funded by a \$50 million State Appropriation to the Economic Recovery Fund administered by the EDA, the New Jersey Main Street Business Assistance Program is an immediate economic stimulus program intended to support community investment and growth of the State’s economy during the current economic difficulties. Targeted to small and mid-size New Jersey businesses and not-for-profit corporations, this program is a core component of Governor Corzine’s New Jersey Economic Assistance and Recovery Plan.

Developed in partnership with the Division of Banking and Insurance, the New Jersey Division of Investments, and the State’s banking community, and to be administered by the EDA, this new program helps New Jersey businesses by providing banks in the State with additional security in the form of financial support for their commercial customer base, encouraging greater lender activity to businesses and promoting economic development across the state.

The Main Street Program currently consists of two distinct products, namely, a Bank Term Loan Participation and/or Guarantee Product (offered by EDA through Participating Banks) and a Line of Credit Guarantee Product (offered only to our Preferred Lender Partners). In line with Governor Corzine’s initiative to expedite assistance to the marketplace, Delegated Authority has been made available for those applicants that meet all defined programmatic criteria. Requests that do not fit all criteria may be submitted separately to the Authority Board for their consideration and approval. Our current request recommends that if all other criteria are met, but the customer bank is not a participating bank, that the EDA can proceed with a Main Street application, approve under delegated Authority and handle on a direct basis.

Outreach to the banks for this product started in January with both face- to- face educational seminars with the bankers, and direct mail through a variety of avenues, including eblasts and listings about the programs on various trade group websites. Applications are now available on the EDA website.

**Program Description:**

**Description:**

The New Jersey Main Street Business Assistance Program has been designed to complement the \$500 million in State-managed cash funds and pension funds that will be invested in New Jersey banks to loosen the tightened credit markets, provide capital to qualified businesses, and encourage lending. Specific to Main Street, the EDA has received a \$50 million appropriation from the State to the Economic Recovery Fund to support expedited Loan Participations and Guarantees and Line of Credit guarantees as well.

The Participation Loan and Guarantee product will enable EDA participations with partner banks in fixed asset, working capital, and refinancings of existing customer debt. Direct loans will carry the same criteria as bank participation loans

**Product Family:** Loan/Guarantee  
Sub product: Bank Participation Loan/Guarantee of Bank Loan  
**Sub product: Direct Loan**

**Approval Authority:** Delegated Authority to CEO or SVP of Operations

- Any application that does not fit the defined criteria may be submitted to the Authority Board for their consideration

**Funding Source:** State Appropriation

Attached please find (“Attachment A”) details of eligibility, terms and conditions of the Main Street program. The only change made from the originally approved Main Street is the inclusion of the words “direct loan”.

**Recommendations:**

**Amend The Main Street Business Assistance Program to allow for Direct Loans in cases where the Borrower’s bank is not an EDA Participating Bank**

  
\_\_\_\_\_  
Caren S. Franzini

Prepared by: C. Osofsky

## Attachment A

### **Eligibility:**

- Originating bank must be an approved lender with the EDA for participation or guarantee portion of product
- In cases of direct loans, Borrower must have a separate bank facility, with the EDA portion of Borrower's overall debt not to exceed 25% of total combination of EDA and bank debt.
- Projects located in New Jersey with businesses being in business at least 2 years
- In good standing with EDA, Federal/State agencies, and requesting bank
- No bankruptcy within past seven years or criminal history for owners, business, or guarantors
- Minimum credit score of 680 for at least one of the guarantors
- Business should maintain jobs in New Jersey

### **Terms/Conditions:**

- Interest Rate on EDA loan participation or on direct loan: 5% fixed rate
- Maximum term of 5 years; amortization may be longer based on purpose of loan
- Personal guarantees required for any person or entity with 10% or more ownership in Applicant/Operating Company
- 1.1:1 Debt Service Coverage Ratio (DSCR)
  - Based on two most current years of financial statements
  - Global debt service can be used
  - DSCR defined as Net Income plus Interest, Depreciation & Amortization minus owner distributions (plus add back in rent if rent will be replaced by loan payment) divided by principal and interest payments on existing debt plus new debt
- Collateral required for all direct loans, loan participations and guarantees. Collateral can be in the form of fixed assets (real estate, equipment), liquid collateral, a blanket lien on business or personal assets. Loan to value (LTV) shall not exceed 100%. EDA collateral position shall be subordinate to the bank for direct loans or participations, and pari passu with the bank for loan guarantee
- EDA completes underwriting within 1 week of receipt of complete application package for participating banks.
- Any application that does not fit the defined criteria may be submitted to the Authority Board for their consideration.
- If request is from a non-participating bank, underwriting may take longer than one week dependent upon the complexity of transaction and quality of information submitted by the bank and Borrower.

### **Uses:**

- Fixed Assets (real estate or equipment)
- Working Capital
- Refinancings

**Maximum/Limits:**

## Fixed Asset Loans:

- Maximum EDA participation or direct loan - 25% of bank loan not to exceed \$1,000,000
- Maximum EDA guarantee of 50% not to exceed \$2,000,000

## Working Capital Loans:

- Maximum EDA participation or direct loan - 25% of bank loan not to exceed \$750,000
- Maximum EDA guarantee of 50% not to exceed \$1,500,000

## Refinancings:

- Maximum limits apply as above for fixed asset or working capital debt refinancing

Aggregate EDA exposure under Main Street Business Assistance Program (combined participation and all guarantees)

- Cannot exceed the lesser of 50% of the bank loan amount or \$2,000,000

**EDA Fees:**

- Standard EDA financing fees in effect at time of application

**Required Documentation:**

- EDA Application
- Tax Clearance Application
- Bank Approval Document /Underwriting
- Main Street Business Assistance Program Checklist with required information
- Participation and/or Guarantee agreement (provided by EDA)
- Loan documents for Direct Loan (provided by EDA)

**Reporting Requirements:**

- Annual submission of business and personal financial information
- Bank will notify EDA within 10 business days of all monetary and technical defaults that adversely impact the Borrower's good standing status with the bank.